

North Dakota State Board of Higher Education Audit Committee Meeting Minutes

The State Board of Higher Education Audit Committee met via Teams on January 23, 2025, at 9:00 a.m. CT.

SBHE Audit Committee Members

- Mr. Jeffry Volk, Chair
- Mr. Tim Mihalick
- Dr. Casey Ryan

Institution Presidents/Representatives

BSC Interim President Sanford, Ms. Sonya Koble, **DCB** Dean Carmen Simone, **DSU** Acting President Orton, Mr. Les Wietstock, **LRSC** President Darling, Ms. Joann Kitchens, **MaSU** President Van Horn, Ms. Amber Hill, **MiSU** President Shirley, Ms. Krista Lambrecht **NDSCS** President Flanigan, **NDSU** Ms. Charlene Glur, Ms. Karin Hegstad, Mr. Chris Wilson, Ms. Lisa Ripplinger **UND** President Armacost, Mr. Tanner Bjerke, Ms. Odella Fuqua, Mr. Rob Carolin, Ms. Sharon Loiland **VCSU** President LaFave, **WSC** President Hirling

System Office/CTS/Guests

NDUS Chancellor Hagerott, VC. David Krebsbach, VC. Tom Danford, VC. Jerry Rostad, VC. Lisa Johnson, Dr. Jen Weber, Ms. Dina Cashman, Ms. Robin Putnam, Mr. Dustin Walcker, Ms. Jacqueline Miller, Mr. Chris Pieske, Dr. Billie Jo Lorus, Mr. Eric Jensen, Ms. Jamie Wilke, Ms. Caitlin Magilke, Ms. Bethany Kadrmas, Ms. Mindy Sturn, Ms. Claire Gunwall, **AG** Ms. Meredith Larson, **State Auditor's Office** Ms. Robyn Hoffman

Call to Order

Committee Chair Volk called the meeting to order at 9:00 a.m. CT.

1. Agenda
 - a. Ryan moved, Volk seconded, to approve the agenda, as presented.
Approved by consensus.
2. Meeting Minutes
 - a. Ryan moved, Volk seconded, to approve the November 13, 2024, [meeting minutes](#), as presented.
Approved by consensus.
3. [Updated FY25 Internal Audit Plan](#)
 - a. Ms. Dina Cashman shared the updated FY25 NDUS Internal Audit Plan requesting approving the change of the engagement for Williston State College. The change would be from advisory services regarding p-card reconciliation process to the audit for TrainND Northwest. An audit has been requested for Williston State College and this has been communicated to President Hirling.

- b. Ryan moved, Volk seconded, to approve the audit transfer for Williston State College.
Ryan and Volk voted yes. Motion passed 2-0.
- 4. Executive Session (9:07 a.m. CT)
Ryan moved, Volk seconded, to enter Executive Session to (1) discuss the draft NDUS Governance Communication Including the Report on Internal Control, Compliance and Other Matters for the annual financial audit for year ended June 30, 2024, (2) any response from the institution/entities to the draft report and associated recommendations. The executive session shall be limited to members of the Committee, the Chancellor and staff, Board counsel, and invited campus officials. The legal authority for closing this portion of the meeting is North Dakota Century Code sections 44-04-18(9) and 44-04-29.2

Present:

SBHE Audit Committee Members

- Mr. Jeffrey Volk, Chair
- Mr. Tim Mihalick
- Dr. Casey Ryan

Institution Presidents/Representatives

BSC Interim President Sanford, Ms. Sonya Koble, **DCB** Dean Carmen Simone, **LRSC** President Darling, Ms. Joann Kitchens, **MaSU** President Van Horn, Ms. Amber Hill, **MISU** President Shirley, **NDSUS** President Flanigan, Mr. Keith Johnson, **NDSU** Mr. Bruce Bollinger, Ms. Karin Hegstad, Ms. Lisa Ripplinger, **UND** President Armacost, Mr. Tanner Bjerke, Ms. Odella Fuqua, Ms. Sharon Lolland, **VCSU** President LaFave, **WSC** President Hirling

System Office/Guests

Chancellor Hagerott, VC David Krebsbach, Ms. Dina Cashman, Mr. Chris Pieske, Ms. Robin Putnam, Ms. Caitlin Magilke, Attorney General – Ms. Meredith Larson, State Auditor's Office – Ms. Robyn Hoffman.

The Executive session adjourned, and the open meeting reconvened at 9:25 a.m. CT.

Discussion Items

- 5. [Quarterly \(Q2 FY25\) Audit Plan Progress Update](#)
 - a. Ms. Cashman shared the regular quarterly update plan progress update for NDUS Internal Audit. Furthermore, Ms. Cashman stated that [NDSU's updates](#) were shared to committee members in a separate email on January 22, 2025.
 - i. Member Ryan asked if the Internal Audit Office is comfortable for where they are at with their yearly projection. Ms. Cashman shared that the office is comfortable with finishing the audit plan at this point as shared with committee members.
- 6. [NDUS Internal Audit Prior Not Implemented Recommendations Process](#)
 - a. Mr. Dustin Walcker shared that the Prior Not Implemented (PNI) are repeated recommendations that are noted either by the NDUS Internal Audit office from a follow up audit or the State Auditor's office. This process is used to expedite not implemented recommendations.
 - b. The timeline for implementing the PNI recommendations is one year. Each quarter the NDUS Internal Audit office checks the implementation status of the PNI. If the recommendation is 100% implemented, the Internal Audit office will

- verify the implementation status. If the PNI is not implemented, then the Internal Audit office will send an email to the institution management and ask for a status of the recommendations and stress the importance of implementing those recommendations. These are reported to the Audit Committee each quarter.
- c. Member Mihalick asked if this is the best practice for this process as in some cases it takes a year to circle back on those recommendations. Mr. Walcker stated that this would be best practice and moving forward, the Internal Audit office will be asking for the date and time of expected implementation of recommendations when recommendations are in the audits, and they will follow up on those.
 - d. Member Ryan asked how often do institutions go beyond one year. Mr. Walcker stated that it is a rare occurrence when this happens as the Internal Audit Office does follow up the following fiscal year.
7. Introduction of UND's Senior Internal Auditor
- a. President Armacost introduced Mr. Tanner Bjerke, UND's Senior Internal Auditor. Mr. Bjerke joined UND at the beginning of January and brings to UND 9 years of experience as an internal auditor in the financial services industry.

Adjourn

Chair Volk adjourned the meeting at 9:39 a.m. CT.

Approved March 18, 2025.