

**West Virginia State University Board of Governors
*Audit Committee***

Date/Time: 6/16/2016 -- 9:30 AM

Location:

West Virginia State University, Erickson Alumni Center, Grand Hall, Institute, WV

Purpose: To conduct regular business of the Committee in preparation for the June 16, 2016 Board of Governors meeting

Notes:

This is a compliant meeting.

Meeting was approved : 5/27/2016 4:14:04 PM

West Virginia State University Board of Governors
Audit Committee
Erickson Alumni Center, Grand Hall
March 17, 2016
Minutes

1. Call to Order and Roll Call

Mr. Swingle called the meeting of the West Virginia State University Board of Governors Audit Committee meeting to order at 8:30 a.m.

Present: Mr. Konstanty, Mr. Lipscomb, Dr. Smith, Mrs. Squirts, Mr. Swingle, and Mr. Williams. Several members of the administration, faculty, and staff were present.

2. Verification of Appropriate Notice of Public Meeting

Mr. Swingle announced the Verification of Appropriate Notice of Public Meeting.

3. Review and Approval of Agenda

Mr. Swingle asked for approval of the agenda. Dr. Smith made the motion, and it was seconded by Mr. Konstanty. The motion passed.

4. Review and Approval of Minutes of Previous Meeting

Mr. Swingle asked for approval of the minutes of the previous meeting. Dr. Smith made the motion, and it was seconded by Mr. Konstanty. The motion passed.

5. University Recommendations and Reports

5.1 University Financial Statement Audit Follow-Up

Vice President for Business and Finance Melvin Jones provided an update regarding the on-going Financial Statement Audit. The next field study visit will be held next week. Thus far, the audit is satisfactory, and the University does not anticipate any excessive audit expenses. The first installment of the Financial Statement Audit was paid to the West Virginia Higher Education Policy Commission. Mr. Jones stated that the University is ahead of schedule compared to last year. Mr. Swingle asked if the issues with balances from last year have been resolved, and Mr. Jones affirmed that configurations were made within the system to correct the issues.

5.2 Legislative Audit Update

Assistant Vice President for Business and Finance Kristi Williams stated that a survey regarding the on-going Legislative Audit was distributed to all WVSU employees by e-mail. The auditors conducted a site visit in which all University firearms and vehicles were accounted for.

5.3 Other Business

Ms. Williams advised that she has been in communication with Chris Knopik of CliftonLarsonAllen to schedule interim field work for the Fiscal Year 2016 audit. The tentative date has been set for prior to the week of May 9, 2016; however, the date has not been confirmed. Mr. Knopik will confirm the date and time with Ms. Williams. Mr. Swingle asked if the auditors were contracted for the coming year. Ms. Williams responded that they were awarded a five-year contract and are in their second year.

Mr. Swingle asked for a reminder of the material audit that was performed. He asked that Ms. Williams review the previous year income statement and the loss from last year. Ms. Williams advised what was included in the non-operating revenue, as well as any concerns. Mr. Swingle reviewed the importance of setting aside funding for buildings and deferred maintenance, as well as understanding the budget.

Ms. Williams stated that a plan is being prepared; however, budget cuts may result in additional changes. Mr. Konstanty stated that the University's budgetary issues are not a result of poor planning or mismanagement, but rather a reflection of the state's continued funding cuts due to declining revenue.

6. Next Meeting Date

April 28, 2016

7. Adjournment

With there being no further business, Mr. Konstanty motioned to adjourn. Dr. Smith seconded the motion, and the motion passed. The meeting adjourned at 9:15 a.m.

Respectfully submitted,

Natasha Tyson
Executive Administrative Assistant

West Virginia State University Board of Governors
Audit Committee
Erickson Alumni Center, Grand Hall
April 28, 2016
Minutes

1. Call to Order and Roll Call

Mr. Swingle called the meeting of the West Virginia State University Board of Governors Audit Committee to order at 9:30 a.m. Because a quorum was not present, Mr. Swingle announced that the meeting would commence with informational reports, but that actions would be deferred.

Present: Mr. Swingle, Mr. Konstanty, Mr. Lipscomb, and Dr. Smith. Several members of the administration, faculty, and staff were present.

2. Verification of Appropriate Notice of Public Meeting

Mr. Swingle announced the Verification of Appropriate Notice of Public Meeting.

3. Review and Approval of Agenda

In the absence of a quorum, Mr. Swingle determined that the meeting would proceed without approval of the agenda.

4. Review and Approval of Minutes of Previous Meeting

In the absence of a quorum, Mr. Swingle stated that approval of the minutes of the previous meeting would be deferred.

5. University Recommendations and Reports

5.1 University Financial Statement Audit

Assistant Vice President for Business and Finance Kristi Williams provided information received from the West Virginia Higher Education Policy Commission (HEPC) Purchasing Card Audit. She noted that the firm Protiviti has been hired to perform the internal audit of the cards. At this time, the HEPC has not specified a date for the audit; however, possible dates are May 23 and 24, 2016. Fall dates have not been confirmed for the campus audit.

It was noted that spending has significantly decreased. Approximately 25 percent of spending is related to regular services that are needed.

Board member Paul Konstanty requested an overview of who has a purchasing card and how one is obtained. Ms. Williams stated that not all staff, including athletic coaches, have a purchasing card. Vice President for Business and Finance Melvin Jones stated that a majority of coaches utilize a travel card, while

remaining staff utilize a purchasing card. In total, there are 60 purchasing cards, compared to nearly 400 employees, both faculty and staff. Employees are required to take cardholder training and an ethics test before receiving a card, so that they are aware of the rules and regulations.

All purchases placed on the card are to be pre-approved. Mr. Konstanty inquired if the pre-approval requirement was problematic for employees. Mr. Jones responded that initially there were problems; however, employees are now engaging in prior planning to ensure adequate time for review and approval before a purchase needs to be made.

Ms. Williams informed the Committee that approximately 81 percent of all purchasing card transactions are \$500 or less. She noted that some limits are incorrectly listed, because they were based on Fiscal Year 2016 levels before credit limits were reduced on a majority of the cards, which are now set at \$1.

Mr. Swingle inquired about the transaction that was identified as a split transaction. Ms. Williams stated that this is likely an ESL program activity, such as bus rentals or other services.

Mr. Swingle inquired if there were any other audits going on at this time. Ms. Williams responded that we have gone through our pressed funds and they are reviewed regularly in case of an uninformed audit, but there are no planned audits at this time.

Mr. Swingle asked, in respect to the accounting system, if the University still has multiple systems that are utilized. Ms. Williams referred to Oasis, Banner, Payroll, and HR as the forms of accounting systems being utilized at this time. She also noted that Kronos, which is the state's new timekeeping and payroll system, will go live on May 14, 2016.

8. Next Meeting Date

June 16, 2016

9. Adjournment

With there being no further questions, Mr. Swingle brought the review to a close at 10:05 a.m.

Respectfully submitted,

Natasha Tyson
Executive Administrative Assistant