



AUDIT COMMITTEE
DECEMBER 3, 2013
2:00 P.M.

McCORMICK ROOM
30 7TH STREET EAST
SAINT PAUL, MN

Please note: Committee/Board meeting times are tentative. Committee/Board meetings may begin up to 45 minutes earlier than the times listed below if the previous committee meeting concludes its business before the end of its allotted time slot.

(1) Review and Approve Release of the 2013 Audited Financial Statements

Members

Ann Anaya, Chair
Philip Krinkie, Vice Chair
David Paskach
Elise Ristau
Michael Vekich

Bolded items indicate action required.

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Audit Committee

Date: December 3, 2013

Title: Review and Approve Release of the 2013 Audited Financial Statements

Purpose (check one):

- | | | |
|---|--|---|
| <input type="checkbox"/> Proposed
New Policy or
Amendment to
Existing Policy | <input checked="" type="checkbox"/> Approvals
Required by
Policy | <input type="checkbox"/> Other
Approvals |
| <input type="checkbox"/> Monitoring /
Compliance | <input type="checkbox"/> Information | |

Brief Description:

The System, its revenue fund, the seven state universities, and six colleges had financial statement audits conducted by external auditors. The opinion letters provide the Board and other users of the audits with reasonable assurance that the information is materially accurate and reliable. Auditing standards also require the audit firms to convey certain required communications, including any significant deficiencies or material weaknesses in internal controls, to the Audit Committee.

The financial statements were prepared by college and university business offices with the assistance of the System Office finance division and have been audited by public accounting firms that were selected by the Board of Trustees.

Scheduled Presenter(s):

Beth Buse, Executive Director, Office of Internal Auditing
Laura King, Vice Chancellor - Chief Financial Officer
Tom Koop, partner with CliftonLarsonAllen, LLP
Craig Popenhagen, partner with CliftonLarsonAllen, LLP
Steve Wischmann, partner with Kern DeWenter Viere, Ltd,
Daryl DeKam, partner with Baker Tilly Virchow Krause, LLP

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

ACTION ITEM
REVIEW AND APPROVE THE RELEASE OF 2013 AUDITED FINANCIAL STATEMENTS

Board Policy 1A.2, part 5, subpart E requires the Audit Committee to “review and discuss the results of each audit engagement with the independent auditor and management prior to recommending that the board release the audited financial statements.”

The audited financial statements for fiscal year 2013 activity will be presented at this meeting as follows:

Financial Statements audited by CliftonLarsonAllen, LLP –

- Systemwide
- Revenue Fund

- Metropolitan State University
- Minneapolis Community and Technical College
- Rochester Community and Technical College
- Southwest Minnesota State University

- ISEEK (*see note below*)

Financial Statements audited by Kern DeWenter Viere, Ltd -

- Hennepin Technical College
- Minnesota State University, Mankato
- Minnesota State University Moorhead
- Normandale Community College
- St. Cloud State University
- Winona State University

Financial Statements audited by Baker Tilly Virchow Krause, LLP -

- Bemidji State University
- Century College
- Minnesota State Community and Technical College

Note: MnSCU is the fiscal agent for ISEEK. A joint powers agreement requires an annual financial statement audit.

AUDIT RESULTS

Copies of the audited financial statements were provided to members of the Audit Committee for review prior to the meeting on December 3, 2013. Public copies of reports will be available on the Financial Reporting website after December 3, 2013.

RECOMMENDED COMMITTEE ACTION:

The Audit Committee has reviewed the fiscal year 2013 audited financial statements and discussed them with representatives of management and the external auditing firms. The committee recommends that the Board of Trustees adopt the following motion:

RECOMMENDED MOTION:

Based on the review and recommendation of the Audit Committee, the Board of Trustees approves the release of the fiscal year 2013 audited financial statements as submitted.

Date Presented to the Board of Trustees: December 3, 2013