

MINUTES AUDIT COMMITTEE
Board of Trustees
Illinois State University
Normal, Illinois
July 22, 2022

The Audit Committee of the Board of Trustees was called to order by Trustee Navarro at 1:00 PM.

Trustee Navarro called the roll and the following members were present:

Trustee Louderback
Trustee Navarro
A quorum was present.

Also present:

President Terri Kinzy
Chief of Staff Katy Killian
Vice President for Finance and Planning Dan Stephens
Director of Internal Audit Rob Blemler
Board Legal Counsel Carrie Haas
Associate Vice President of Human Resources Janice Bonneville
Dan Nugent – Office of Auditor General
Tom Kizziah – Office of Auditor General
Associate Vice President of Finance/Comptroller Doug Schnittker
Eric Minter – RSM
Associate Vice President and Chief Information Officer Charles Edamala
Emily Duffield – Business office
Director of Emergency Management Eric Hodges
Assistant Comptroller Erica Jones

A motion was made by Trustee Louderback and seconded by Trustee Navarro to approve the July 22, 2022 meeting agenda. Motion carried.

There were no public comments.

Dan Stephens, Vice President for Finance and Planning provided a summary presentation and led a discussion on the highlights from the FY21 Financial Audit. Vice President Stephens highlighted key financial variances and delays in audit and the influence of COVID-19 on finances and grants. VP Stephens discussed FY enrollment numbers, increases in assets and debts, staffing turnover, the University's Bond Credit rating, cash liquidity, cash flow, long term liability and capital projects.

Dan Nugent and Tom Kizziah from the Office of the Auditor General presented the FY21 audit findings and led discussion on the following findings: census data, information security weaknesses, user access roles on campus, termination of access on a timely basis, cyber security, discussion of standards, business continuity, disaster recovery, property and equipment, new hires, Illinois Institute for Entrepreneurship, training requirements, University Faculty Research and Consulting Act, Civil Service appointments, sustainability committee, and voucher processing.

Dan Nugent and Tom Kizziah led discussion on the immaterial findings from the FY21 audit and the closed findings.

Dan Nugent advised the committee that he will be leaving the Office of the Auditor General and the University will be in good hands with Tom Kizziah. Dan Nugent indicated that the University has always been a good "auditee".

Doug Schnittker then presented on the FY21 Compliance Examination and the FY22 Financial Compliance Audits stating that the audits were still in process, but noting that some of the biggest challenges are staffing vacancies and receiving timely invoices from vendors.

A motion was made by Trustee Louderback and seconded by Trustee Navarro to go into closed session to for discussion between internal and external auditors and governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud reviews conducted in accordance with generally accepted auditing standards as allowed under 5 ILCS 120/2(c)(29). Motion carried.

The meeting was adjourned at 2:24 PM; the motion to adjourn was made by Trustee Louderback and seconded by Trustee Navarro. Motion carried.