CCSNH BOARD OF TRUSTEES
AUDIT COMMITTEE
June 19, 2013

Members present: Kathy Shields, Ned Densmore, Jack Calhoun, Connie Roy-Czyzowski, and Ron Rioux.

Regrets: Tricia Lucas, Robert Duhaime, Claudie Mahar, Lucille Jordan

Also in attendance: Ann-Marie Hartshorn and Susan Proulx

The meeting was called to order at 1:03 p.m. at NE Delta Dental, 2 Delta Drive, Concord, NH.

1. BerryDunn Audit Presentation to Committee

- Approval of the Audit Engagement Letter for period ending June 30, 2013

Representing BerryDunn were Rob Smalley, Mark LaPrade and Ryan Gough.

Mr. LaPrade recapped the services BerryDunn will provide for the audit period ending June 30, 2013 as indicated in the Auditors Communications to the Audit Committee dated June 19, 2013. They will be visiting three colleges this year (NCC, LRCC, GBCC). Discussion followed.

The audit will begin the week of June 24 and continue the weeks of July 8 and July 15.

- Pre-audit Communications – discussion

VOTE: The Committee, on motion of Mr. Calhoun, seconded by Ms. Roy-Czyzowski, voted, by roll call vote, resolved to conduct a non-public session for the purpose of discussing legal issues and noting that such a non-public session is authorized by RSA 91-A:3, ll (e), and the Board’s executive and deliberative privileges. Each member recorded his or her vote on the motion, which passed by the unanimous vote of all members present.

The meeting moved to non-public session at 1:37 p.m.
The Board meeting reconvened at 2:08 p.m.

Upon reconvening in public session, it was noted by the Chair that no votes were taken in non-public session.

BerryDunn representatives left the meeting at 2:10 p.m.

VOTE: The Committee, on motion of Mr. Densmore, seconded by Ms. Roy-Czyzowski, voted unanimously to approve the letter of understanding of services with BerryDunn for the CCSNH audit for year ending June 30, 2013.

2. Approval of the March 4, 2013 Meeting Minutes

VOTE: The Committee, on motion of Mr. Calhoun, seconded by Mr. Densmore, voted unanimously to approve the March 4, 2013 meeting minutes as presented.

3. Payroll Procedural Audit Report

Ms. Hartshorn circulated and reported on the Payroll Office audit.

She noted that she met with Sara Sawyer and she has concurred with all recommendations but has not replied in writing as she wanted to review these recommendations with her staff.

Discussion followed and was decided to table this item until receiving the responses from the Director of Human Resources.

4. Accounts Payable/Receivable Audit Report

Ms. Hartshorn reported that this audit is not completed due to the plans to implement the use of P cards for procurement which will result in changing procedures and staff functions. NCC is piloting the new P-Card procedure in August and Internal Audit will follow-up at that time.

Concerns with P cards: determining authorized users, developing roles and responsibilities for purchasing items with this card; policies etc.

Receivables: concern with FACTS payment plans at one college.

At this time, issues are being addressed but the report has not been finalized.
5. Capital Project Procedures Update

Ms. Hartshorn indicated that she followed up with Matt Moore on the development of policies and procedures. The procedures he is currently following are accurate but not in writing. There are questions regarding the authority of colleges on construction projects. This is being reviewed as there are varying processes at this time.

It is anticipated that infrastructure work will be completed by next spring. Once the policies and procedures are approved Internal Audit will schedule a review.

6. Risk Matrix Presentation and Discussion

Ms. Hartshorn explained the FY2014 Risk Assessment Matrix as circulated.

Items identified for a separate audit include: overtime payroll; human resources grievance process; capital projects construction management and contracting/competitive bids; grants management review/oversight and federal/state audit follow-up.

7. Audit Schedule FY2014

Ms. Hartshorn presented her FY2014 audit schedule.

It was requested that Ms. Hartshorn email the committee an update on the TAACCT grant including DOL monitoring results.

After discussion, it was recommended that one item be added to the schedule.

Discussion followed on the four strategic initiatives being addressed in the strategic planning. Question was raised as to how these initiatives fit in with the audit committee. Audit will develop a plan for these strategic initiatives.

Ms. Hartshorn will revise the audit calendar based on recommendations/discussions.

8. Other

When asked about her involvement with the external auditor, Ms. Hartshorn indicated that she is to be copied on all correspondence with the auditors to remain informed on the status of the audit. It is not the intent to have internal audit collect, compile and distribute items requested. That responsibility remains with each functional area.
NEXT MEETING: September 18, 2013 9:00  NOTE time change

The meeting adjourned at 3:42 p.m.

Respectfully submitted,

Marie Anne Mills
Assistant to the Chancellor
AUDIT COMMITTEE
Non-Public Session
June 19, 2013

Members present: Kathy Shields, Ned Densmore, Jack Calhoun, Connie Roy-Czyzowski and Ron Rioux.

Also in attendance: Mark LaPrade, Rob Smalley, Ryan Gough

The non-public session was called to order at 1:37 p.m.

Discussion followed on legal issues. No votes were taken.

The non-public session adjourned at 2:08 p.m.

Respectfully submitted,

Marie Anne Mills
Assistant to the Commissioner