
Regrets: Jack Calhoun

Also in attendance: Ann-Marie Hartshorn and Kristyn Van Ostern

The meeting was called to order at 11:55 a.m. at NHTI, Grappone Hall, Concord, NH.

1. Approval of the June 10, 2014 Meeting Minutes

VOTE: The Committee, on motion of Ms. Mahar, seconded by Ms. Lucas, voted unanimously to approve the June 10, 2014 meeting minutes as presented.

2. By-Laws Discussion/Approval

VOTE: The Committee, on motion of Mr. Densmore, seconded by Mr. Damren, voted unanimously to approve the Audit Committee by-laws as presented as follows;

Statement of Purpose

To ensure integrity of financial statements, effectiveness of internal controls and compliance with legal and regulatory requirements.

Membership

The Audit Committee shall consist of five members. At any meeting, three (3) members shall constitute a quorum and a vote of three (3) members shall be required to authorize action by the Committee.
The members and chair of the Audit Committee shall be appointed by the Chair of the Board of Trustees. At least one member of the Committee shall have past or current employment experience in finance or accounting or other comparable experience or background.

The Chancellor or designee shall participate in Audit Committee activities in order to promote exchange of information and timely response.

Meetings

The Committee shall meet at least two (2) times a year and at such other times at the call of the Committee Chair, the Chair of the Board, the Chancellor or any three (3) Committee members.

Responsibilities

The Audit Committee acts on behalf of the Board of Trustees to oversee all material aspects of the organization's financial reporting, internal controls and audit functions. Its role includes oversight of the assessment and remediation of the qualitative aspects of financial reporting, organization processes for the management of financial risk, and compliance with significant applicable legal, ethical and regulatory requirements.

The Audit Committee shall create an operating charter, which describes in detail how the Committee will undertake its work, the annual calendar and clearly present the content and timing of communications to the Board of Trustees.

Special Authorities

In order to effectively carry out its responsibilities, the Audit Committee shall be authorized to access internal and external resources as required, including the authority to hire and terminate internal, and external auditors and advisors and approve services and fees to such resources. This authority includes the power to secure independent counsel and other professionals to assist in conduct of Committee responsibilities.

3 Capital Projects Audit Report

Ms. Hartshorn circulated and explained the capital projects management audit. She has met with Mr. Moore to review the recommendations and responses. Policies are being developed in conjunction with Attorney Herrick. An aggressive schedule has been set with the goal of approval by the end of December, 2014.

Mr. Rioux added that we are also reviewing the college responsibilities as part of this process. He recognized Mr. Moore and Ms. Morrone for their work in this
department. All project information is now well organized. The area of communication with colleges remains an area of concern.

VOTE: The Committee, on motion of Ms. Lucas, seconded by Ms. Mahar, voted unanimously to accept the Capital Projects Audit Management Report.

4 Grants Management Process Improvement

Chair Shields indicated that grants management is a high priority on the task matrix.

Ms. Hartshorn circulated and explained the grants development and administration process improvement report. A lean training session was recently held for this group. Accounts payable will be going through a similar process. By November, the goal is to finalize the grant management manual, create a template for grant status/update list and update policies as necessary. A larger meeting of those involved in the grant process will then be held in December.

VOTE: The Committee, on motion of Mr. Densmore, seconded by Ms. Roy-Czyzowski moved to accept the status report of the grants development and administration process improvement plan.

5 H1B-ICU Healthcare Training Grant Manchester CC Monitoring Report Update

Ms. Hartshorn reported on the monitoring review letter from the Department of Labor regarding the findings for the H1B grant. Action items were discussed and will be added to the Audit Tracking Log for follow-up review.

The new grants development and administration process will address these findings and put controls in place where needed.

It was requested that Ms. Hartshorn keep this committee updated periodically.

6 Audit Findings Tracking Log Update

The Committee reviewed the updates on the tracking log.

Reconciliation of accounts was discussed at length. Progress report will be provided to the committee.
Financial Aid policies and procedures manual is moving slowly due to Ellucian (Banner) changes. The goal date for completion has been adjusted. It will include a training manual.

Finance policies are all located together but no manual yet.

7. P-Card Audit Status Report

Ms. Hartshorn noted that she recently began the P-card audit. All colleges now use P-cards to a varying extent. She will begin testing its use next week. Attorney Herrick is in the process of reviewing the policy. BerryDunn has expressed concern as the use of these cards is a high risk area and fraud can occur. We have good controls in place. Each department has credit limits. Ms. Van Ostern added that we are still in the pilot phase and will continue to make improvements. The same system is being used by USNH. We will establish best practices.

8. Other

No other item.

NEXT MEETING: November 25, 2014 at 11:30 a.m.

The meeting adjourned at 1:10 p.m.

Respectfully submitted,

Marie Anne Mills
Assistant to the Chancellor