

The Audit Committee met on May 13, 2015 at the Chancellor's Office in Montpelier.

Committee members present: Lynn Dickinson, Tim Jerman, Linda Milne (Chair), Christopher Macfarlane, Jeff Kellar (Office of the Vermont State Auditor)

Absent: Karen Luneau

Other trustees present: Church Hindes, Martha O'Connor, Mike Pieciak

Guests: Dave DiIulis, Kieth Goldie, O'Connor & Drew

From the Chancellor's Office: Rick Bourassa, VSC Senior Accountant
Bill Reedy, General Counsel
Tom Robbins, CFO
Deb Robinson, Controller
Elaine Sopchak, Executive Assistant to the Chancellor
Jeb Spaulding, Chancellor
Sophie Zdatny, Associate General Counsel

Presidents: Joe Bertolino, Joyce Judy, Barbara Murphy, Dan Smith, Dave Wolk

From the Colleges: Scott Dikeman, Dean of Administration, Castleton State College
Janis Henderson, Staff Federation Unit Chair
Loren Loomis Hubbell, Dean of Administration, Lyndon State College
Barbara Martin, Dean of Administration, Community College of VT
Maurice Ouimet, CSC Dean of Enrollment
Sharron Scott, Dean of Administration, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, VSCUP President-Elect

Chair Milne called the meeting to order at 1 p.m.

A. ITEMS FOR DISCUSSION AND ACTION

1. Minutes of the February 11, 2015 Meeting of the Audit Committee

Trustee Dickinson moved and Trustee Jerman seconded the approval of the minutes. The minutes were approved unanimously.

B. ITEMS FOR INFORMATION AND DISCUSSION

The Committee chose to start with Item #3 on the agenda.

1. Discuss FY2014 Internal Audit
 - a. Cash and Cash Controls
 - b. Internal Control Questionnaire

CFO Robbins stated that this year's internal audit focused on cash and cash controls. The Committee reviewed the steps taken, results, and the internal control questionnaire used in the process. Each college has a report of results that has been shared with staff, and these will also be shared with the auditors. Next steps will be to implement recommendations generated from the reports. The Committee noted that personal information included in the audit reports should be made anonymous before becoming part of the meeting materials.

2. Review FY2015 Audit Plan with O'Connor & Drew

Dave DiIulis and Kieth Goldie of O'Connor & Drew joined the meeting and stated that they have started the audit planning process at the colleges. In the planning phase they will assess the processes and internal controls of each individual college to finalize how they will audit the yearend balance sheet, income statement, and overall internal controls. They will test at the individual college level and again at the Chancellor's Office level. Fieldwork will happen in August for about three weeks and in September they will audit the financial statements the Chancellor's Office prepares. The audit will include student financial aid and federal grants (the A-133 component) and they will issue an opinion at the same time.

3. Discuss FY2014 Audit Advisory Comments

There was no discussion of this item.

Trustee Macfarlane moved and Trustee Dickinson seconded to adjourn. The meeting adjourned at 1:42 p.m.