

WASHBURN UNIVERSITY BOARD OF REGENTS
Audit Committee Meeting
November 30, 2011

Regents Present: David Moses, (committee chair), Jennifer Sourk (committee member), Jim Klausman, Dan Lykins, Pam O'Toole, Bill Sneed

The meeting was called to order at 12:25 p.m.

In order to provide a quorum in Mayor Buntén's absence, Chairman Moses appointed Jim Klausman to the committee for this meeting.

Minutes of the August 30, 2011 meeting were approved as distributed.

RubinBrown auditors, Kaleb Lilly and Tim Hall, presented a summary of the fiscal year 2011 audit. Unqualified opinions on the the University and KTWU financial statements were issued. A non-material misstatement resulting in an overstatement of net assets was noted. The final version of the report should be ready next week. A management representation letter will be sent prior to issuing the report. The auditors complimented the Business Office team on their dedication, teamwork, and attention to quality. Strengths pointed out included the increase in credit hours, improved collections, and receipt of the Washburn Institute of Technology TRAC 7 grant.

It was noted that many of the IT recommendations are already in place but need to be documented with formal written policies. Vice President Anderson said a new IT CIO/Director has been hired and we will now be able to move forward on many of the recommendations. He also indicated improvements have been made in password complexity. Back-up tapes are stored off-site at Washburn Institute of Technology. Mr. Lilly indicated there are other, but not necessarily better, back-up methods available.

The Finance Office will address additional separation of duties so that a secondary level of approval is made for electronic payments.

The auditors noted the University has a strong balance sheet with healthy reserves and very manageable debt. Vice President Anderson indicated a ratio analysis will be provided to the Regents at the February board meeting. When asked about the investment of cash balances he said area financial institutions are not offering CDs and that short-term investment options are paying very minimal returns. He also noted the Washburn University Foundation has a very knowledgeable and experienced investment staff and funds are invested through the Foundation anytime it is feasible and allowed by law.

It was moved and seconded to recommend acceptance of the FY 2011 Audit by the full Board of Regents at the December 9, 2011 meeting. Motion carried. The Rubin Brown auditors will make a short presentation at the meeting.

Meeting was adjourned at 1:04 p.m.