Minutes

Committee Members Present: Margaret Kirkpatrick, Irving Levin, Pete Nickerson, Chair Miller and President Shoureshi (ex officio, non-voting)

Committee Members Absent: Gale Castillo

Other Trustees Present: Sho Dozono, Greg Hinckley, Stephanie Shao, Lindsay Stewart

1. Call to Order/Roll/Declaration of Quorum

Chair Miller called the Meeting to order at 11:00 am and the Board Secretary took roll. A quorum was present, and the meeting, having been duly convened, proceeded with business.

2. Consent Agenda

a. Approval of September 6, 2017 Meeting Minutes

Chair Miller submitted the consent agenda for approval.

ACTION: Nickerson moved to approve the consent agenda. Kirkpatrick seconded. The motion passed unanimously.


Jean Bushong and Jake Huolihan of CliftonAllenLarson LLP presented the draft annual financial report for 2017. The presentation included responsibilities under US Generally Accepted Auditing Standards (GAAS), results of the audit (financial statement and single audit), and required communications. The auditors have provided an unmodified opinion. Primary items of note in the financial statements include increases in capital grant funding and capital assets in connection with capital projects on campus and the presentation of PSU’s net pension liability.

The auditors are still conducting the annual Single Audit regarding federal programs. They have completed the financial reporting portion of the Single Audit and have found no material weaknesses or significant deficiencies; their testing of federal programs is ongoing. They will report back to the Executive and Audit Committee in the winter or spring regarding the completed Single Audit.

Please see the CliftonAllenLarson PPT Presentation for additional commentary and detail.
4. Audit Update

a. Internal Audit Report

David Terry, Director of Internal Audit, provided the Committee with a status update on the annual audit plan, hotline complaints, and current projects. The audit of Title IX compliance and the Office of Global Diversity and Inclusion is 80% complete; the audit of the presidential transition is 40% complete; and IAO’s testing assistance regarding the Single Audit is 70% complete. Committee members have received audit reports for Phase 1 of the Construction Cost Audit and for the Overload Pay Audit. Please see Executive & Audit Committee PPT Presentation for additional details.

Trustee Nickerson requested that future audit reports include an executive summary. It was agreed that an executive summary would be provided and that the summary would be shared with all trustees after it is reviewed by the Committee.

5. Amendment to Internal Audit Charter

David Terry, Director of Internal Audit, recommended minor revisions to the Internal Audit Charter. New requirements for internal audit standards require Internal Audit Charters to include a reference to the Core Principles for the Practice of Internal Auditing. The revised Charter includes such a reference.

ACTION: Nickerson moved to approve the revisions and recommend approval by the Board. Kirkpatrick seconded. The motion passed unanimously.

6. Discussion Regarding Board/Committee Schedules and Events

It was agreed that the Executive and Audit Committee will increase the frequency of its meetings during this academic year and meet twice in between each full regular Board meeting. It was also agreed that the January 4, 2018 would be cancelled. The next meeting of the Committee is December 7.

7. Adjourn

With no further comments or questions from the committee, Chair Miller adjourned the meeting at 12:37 pm.