

Contact: Patrice Sayre

MINUTES OF APRIL 1, 2020
AUDIT AND COMPLIANCE COMMITTEE MEETING

VIRTUAL MEETING

Committee Members

David Barker (Vice Chair)
Sherry Bates
Nancy Boettger

Patty Cownie
Milt Dakovich
Nancy Dunkel (Chair)

Zack Leist
Jim Lindenmayer
Michael Richards

Others

Marlys Gaston, Deputy Auditor of State
Patrice Sayre, Chief Audit Executive

Chair Dunkel called the meeting to order at 11:55 a.m.

Minutes of the February 5, 2020, Committee Meeting

- By GENERAL CONSENT, the Committee approved the Minutes of the February 5, 2020, Committee Meeting.

State Audit Reports

Deputy Auditor of State Marlys Gaston presented the State of Iowa Comprehensive Annual Financial Report (CAFR) and reported that the financial statements present fairly the financial position of the activities and major funds for FY 2019. The Single Audit Report (SAR) for FY 2019 has not yet been issued and a 60-day extension has been approved by the Federal Government as a result of the COVID-19 pandemic. There are no material non-compliance issues with any Regent institutions. A clean opinion is expected.

Gaston indicated all three universities' financial reports for FY 2019 were issued a clean, unmodified opinion. No findings were reported. The 2019 IT reviews of the People Soft General Ledger System at the University of Iowa, Facilities Planning and Management Information System at Iowa State University, and ProTrav system at UNI had no significant findings.

The Committee was reminded of Governmental Accounting Standards Board (GASB) Statements 84 and 87. GASB 87 will cause a significant increase in lease liability for the universities and is set to go into effect in FY 2021. However, GASB will consider delaying the effective dates for 84 and 87, due to the COVID-19 pandemic.

The Performance Investigation Division of the State Auditor's Office issued the UI Department of Psychiatry Special Investigation Report. Patrice Sayre reported that UIHC Leadership reached out to the person who was found to have received inappropriate paid leave and has received a check of the amount paid back in full.

In response to a question from Regent Barker, Gaston responded that the State Auditor's Office will be looking into Iowa State University's WorkDay system this year. They will specifically be looking at how the system works with financial reporting.

- By GENERAL CONSENT, the Committee received the State Audit Reports.

Internal Audit Reports Issued

Chief Audit Executive Sayre highlighted the original audit report presented this month.

➤ By GENERAL CONSENT, the Committee received the Internal Audit Reports Issued.

MOVED by DUNKEL, and SECONDED by BARKER, to recommend that the Board receive the reports. MOTION APPROVED UNANIMOUSLY.

Chair Dunkel adjourned the meeting at 12:11 p.m.

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.iowaregents.edu>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934. Audio of the meeting is also available on the website.
