

Contact: Andrea Anania

MINUTES OF SEPTEMBER 7, 2016, COMMITTEE MEETING

**MAIN LOUNGE, IOWA MEMORIAL UNION
UNIVERSITY OF IOWA
IOWA CITY, IOWA**

Committee Members

Sherry Bates	Rachael Johnson	Bruce Rastetter (absent)
Patty Cownie (Vice Chair)	Larry McKibben (Chair)	Michael Richards
Milt Dakovich	Katie Mulholland	Subhash Sahai (absent)

Others

Mary Mosiman, Auditor of State
Andrew Nielsen, Deputy Auditor of State
Doug Oest, Marquette Associates, Inc.
Dave Smith, Marquette Associates, Inc.

Chair McKibben called the meeting to order at 4:00 p.m.

Minutes of June 9, 2016, Committee Meeting

➤ MOVED by BATES, SECONDED by COWNIE, to approve the minutes from the June 9, 2016, Committee meeting. MOTION APPROVED UNANIMOUSLY.

FY 2016 State Audit Plan

State Auditor Mary Mosiman and Deputy Auditor Andrew Nielsen discussed the June 30, 2016, state audit plan.

State Auditor Mosiman highlighted recent professional accounting changes which will become effective in the near future; discussed anticipated audit scopes, approaches, and deliverables; and covered anticipated timelines, staffing plans, hours, and fees.

➤ By GENERAL CONSENT, the Committee received the FY 2016 State Audit Plan.

State Audit Reports

State Auditor Mary Mosiman:

- ▶ Discussed the FY 2015 Reports of Recommendation for the five institutions and the Board Office. She said: (1) the University of Iowa, University of Northern Iowa, Iowa State University, and the Board Office had no findings; (2) Iowa State University had findings on internal control and statutory matters; and (3) the Iowa Braille and Sight Saving School had findings on internal control;
- ▶ Reported the University of Northern Iowa was the recipient of the Government Finance Officers Association "Certificate of Achievement for Excellence in Financial Reporting" for its Comprehensive Annual Financial Report. This is a certificate only a small percentage of government institutions receive. FY 2015 is UNI's 24th year of receiving it; and
- ▶ Thanked university personnel and Board Office staff for their professionalism, expertise, and accommodations.

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

FY 2015 Audit Progress and FY 2016 Internal Audit Plans

Chief Audit Executive Todd Stewart summarized the audit progress for FY 2016 and the internal audit plans for FY 2017.

- By GENERAL CONSENT, the Committee received the FY 2016 audit progress report and recommended that the Board approve the FY 2017 internal audit plans.

Internal Audit Reports Issued

Chief Audit Executive Todd Stewart summarized the original and follow-up reports presented this month.

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

Internal Audit Charter

Chief Audit Executive Todd Stewart reviewed the internal audit charter.

- By GENERAL CONSENT, the Committee recommended that the Board renew the Internal Audit Charter.

Investment and Cash Management Report for the Quarter Ended June 30, 2016

Chair McKibben welcomed Marquette Managing Partners Doug Oest and Dave Smith. They gave an overview of the market and provided highlights on the investment performance for the institutions' operating, intermediate, and long-term endowment portfolios for the quarter ended June 30, 2016.

- By GENERAL CONSENT, the Committee received the Investment and Cash Management Report for the quarter ended June 30, 2016.

Annual Review of Peer Group Comparisons

Marquette Managing Partner Doug Oest and Dave Smith provided highlights on the annual review of peer group comparisons.

In response to a question from Regent McKibben about the Regents portfolio with respect to the upcoming election, Managing Partner Smith said the Regents portfolio is well balanced, diversified, and well positioned to withstand the level of risk.

- By GENERAL CONSENT, the Committee received the Annual Review of Peer Group Comparisons.

Chair McKibben adjourned the meeting at 4:47 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 web site.
