

**MINUTES OF SEPTEMBER 18, 2024
AUDIT AND COMPLIANCE COMMITTEE MEETING**

**ISU Alumni Center
Iowa State University
Ames, Iowa**

Committee Members

David Barker
Sherry Bates
Robert Cramer (Vice Chair)

Nancy Dunkel (Chair)
Jim Lindenmayer
JC Risewick

Greta Rouse

Others

Pam Bormann, Director, Financial Audit Division, Office of Auditor of State
Brian Brustkern, Deputy Auditor of State
Chad Sharp, Assistant Audit Director

Chair Dunkel called the meeting to order at 3:05 p.m.

Minutes of the June 12, 2024, Committee Meeting

- By GENERAL CONSENT, the Committee approved the Minutes of the June 12, 2024, Committee Meeting.

State Audit Plan and State Audit Reports

Deputy Auditor of State, Brian Brustkern, presented the FY 2024 State Audit Plan and discussed anticipated audit scopes, approaches, and deliverables. He also discussed timelines, staffing plans, hours, fees, and expenses. Unmodified opinions are expected.

Deputy Auditor of State Brustkern also presented the FY 2023 Reports of Recommendations. The ISU report repeated a finding from the Internal Control Letter issued in March which was to ensure bond segment information is accurately reported. The Iowa Educational Services for the Blind and Visually Impaired report was issued September 5, 2024 and contained one finding. The FY 2022 Board of Regents Report of Recommendations was also presented with no findings.

In response to a question from Regent Dunkel about staffing levels, Brustkern said the State Audit Office is almost back to pre-pandemic staffing levels, but it is hard to find qualified staff.

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

FY 2024 Audit Progress and FY 2025 Internal Audit Plans

Chief Audit Executive Sharp said the office is actively recruiting for open positions. The office also hired several new staff over the past year and training has taken time, but the new staff are doing very well.

Chief Audit Executive Sharp presented FY2024 audit plan progress and the FY2025 audit plan. Time will also be spent analyzing and implementing the new IIA standards in FY25.

- By GENERAL CONSENT, the Committee received the report of FY 2024 Audit Progress and recommended that the Board approve the FY 2025 Internal Audit Plan.

Internal Audit Reports Issued

Chief Audit Executive, Sharp, highlighted two of the five original audit reports. Two overdue follow-up reports from UNI are being actively worked on and Internal Audit will stay in communication with management and close them as soon as possible.

Baker-Tilly continues to monitor payment applications and no significant issues have been identified to date, and the project appears to be on schedule and on budget.

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

Internal Audit Charter

Chief Audit Executive Sharp summarized the Internal Audit Charter and explained no changes have been made since last September.

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

MOVED by DUNKEL, and SECONDED by CRAMER, to recommend that the Board receive the reports and approve the FY 2024 Audit Progress and FY 2025 Internal Audit Plans and the Internal Audit Charter renewal. MOTION APPROVED UNANIMOUSLY

Chair Dunkel adjourned the meeting at 3:30 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. Video of the meeting is also available on the website.
