

## Audit Committee Meeting

MINUTES                      NOVEMBER 12, 2009                      10:00 AM                      DISTRICT OFFICE

<b>ATTENDEES</b>	Jeanne Swarthout, Phd, - College President (Chair) Maderia Ellison (CPA – CO) - Director of Financial Services V. Blaine Hatch - VP for Administrative Services Neal Ranstrom, (CPA – AZ) - Local Community Member with CPA Tad Spader - Contoller Terrie Shevat – Secretary
<b>ABSENT</b>	James Menlove, (CPA – AZ) - Local Government Business Officer
<b>HANDOUTS</b>	1. Agenda; 2. AR Collection Guidelines; 3. June 30, 2009 Single Audit Report

**DISCUSSION**

FY0809 Financial Audit: Maderia indicated the audit report has completed the initial partner review from Hiendfield Meech. Along with several minor changes discussed, one significant change requires NPC, as a sub-recipient of the Coconino grant, to add the Coconino Federal grant to the SEFA schedule.

**Review draft Financials:** Maderia reviewed the 08/09 draft financials (handout 3). Operating revenues are up approximately \$900,000 due to increased tuition, fees, bookstore sales and grant monies. Bookstore revenues have decreased, with the majority related to \$120,000 in book write-offs for old editions. Maderia explained that a virtual bookstore will eliminate the need for book write-offs and will allow for just-in-time (JIT) purchasing by the student. Operating expenses increased by 2% (\$500,000) which is far less than the previous year at over three million dollars. Net assets continue to grow and increased by six million dollars. In terms of the audit, the prior two findings from 07/08 are deemed a non-issue for 08/09. The Foundation Audit was completed with one finding relating to a restatement of 07/08. Maderia will send notice once the 08/09 audit is finalized through the AG’s office.

Review draft guidelines for Accounts Receivables: Maderia reviewed the AR Collections Guidelines (handout 2). The draft of AR Collection Guidelines is a written document describing the process for student notification and Jenzabar entry for delinquent accounts. The Finance Team is currently working on the collections process, with on-going discussions with other community colleges and the Navajo County.

**Proposed implementation – Spring 2010:** The Finance Team would like to implement the AR Collections Guidelines by Spring 2010. Maderia requested approval of the document from Audit Committee members asking for concerns. No concerns were noted and the document was approved.

Budget Update: The legislature is looking to hold a special session with a possible target date of November 17. Details are currently unknown as the agreement to hold a special session has not been officially announced.

Overview of HLC Accreditation visit: Group discussed NPC’s very successful HLC accreditation visit. Jeanne added that the Higher Learning Commission is looking for schools to pilot a new path for accreditation and she is considering Northland Pioneer College for this undertaking.

<b>NEXT MEETING</b>	THURSDAY, JANUARY 14, 2010 - 10:00 A.M. - NPC DISTRICT OFFICE CONFERENCE RM
<b>APPROVED</b>	December 04, 2009