

Northland Pioneer College Audit Committee Meeting

MINUTES NOVEMBER 1, 2016 10:00 AM PDC – TAWA CENTER

ATTENDEES	Jeanne Swarthout, PhD, - College President (Chair) Maderia Ellison –VP for Administrative Services; (CPA – CO) Director of Financial Services Neal Ranstrom, (CPA – AZ) - Local Community Member with CPA Amber Hill – Controller
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ELECTRONIC HANDOUTS	1. Agenda; NCCCD 2016 CAFR Preliminary Draft Report; FY1516 SEFA Draft
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ABSENT	Terrie Shevat – Secretary
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DISCUSSION	Maderia called the meeting to order at 10:00 AM
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Audit Committee Members

Vacancy: Maderia discussed a vacancy on the NPC Audit Committee relating to Mr. James Menlove resigning his position as Finance Director for Navajo County and acquiring a new position with Gila County. Maderia asked for ideas to fill the vacancy for a local government business officer as referenced in the Audit Committee Charter. Members agreed to hold for now and look at Navajo County in the near future.

Fiscal Year 1516 Audit

CAFR issuance – November 10: Maderia reported on the CAFR stating the target date to issue is November 10. She mentioned that several preliminary items sent out at the end of last week are still going through minor changes. Maderia asked for feedback on the draft CAFR issued electronically to the Audit Committee. Neil reported he had no issues. Maderia stated the CAFR will be submitted to GFOA for review in early December and she hopes to receive a response in February.

Single Audit – November 18: Maderia reported the Schedule of Expenditures of Federal Awards (SEFA) will be released on November 18. She stated the Audit Exit meeting will be held on November 9. Maderia informed the committee that the audit finding received last year related to capital is not expected to be a finding in FY1516. Amber informed the committee members there may be a finding related to when NPC implemented the new purchasing threshold for grants; there was some confusion around a delayed implementation date and the requirements. The Business Office is working towards compliance of the new threshold change for procurement relating to grant purchases.

Fiscal Year 1516 Expenditure Limit Report

Target date for submission to Auditors – December 23: Maderia reported the college will exceed the expenditure limit this year by approximately 1.3 million. The target date to submit the ELR to the Auditor General is December 23. Maderia stated the Auditors are expected to present the report to the District Governing Board in January or February 2018.

Formula calculation: Jeanne explained that the legislative statutory changes to expenditure limit calculation will be effective in 2018. Jeanne further discussed the process and challenges with finding the correct number to use for capacity. Maderia stated the Auditor General planned to post guidance on their website about what they understood community colleges are currently doing and trying to standardize some of these processes. Maderia added that the Records Office is currently working on the new FTSE calculations as a result of the new legislation.

General Fund carry forward: Maderia reported the carry forward is approximately 32 million and stated this number will come down some as we exceed the threshold this year. She explained the process we use for our tuition exclusions will not add additional carry forward funds since we are using the funds in the year that it relates to.

NEXT MEETING	THURSDAY, FEBRUARY 2, 2017 - 10:00 A.M. - NPC PDC TAWA CENTER CONFERENCE RM
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APPROVED	November 10, 2016
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