

AUDIT COMMITTEE MEETING
BOARD OF ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 519
Counties of Stephenson, Ogle, Jo Daviess and Carroll

CALL TO ORDER

A meeting of the Audit & Finance Committee of the Board of Illinois Community College District No. 519 was called to order by Mrs. Diane Gallagher, Committee Co-chair, at 4:00 p.m. on October 4, 2017, in the Robert J. Rimington Board Room in the Highland Community College Student/Conference Center, 2998 West Pearl City Road, Freeport, Illinois in said district.

ROLL CALL

Committee members present: Mrs. Diane Gallagher, Mr. Jim Endress, Dr. Steve Jennings, and Mr. Blake Musser

Committee members absent: None

Guests present: Mr. Dan Rowe, Wipfli

Staff present: Mr. Tim Hood, President; Ms. Chris Kuberski, Executive Vice President; Ms. Jill Janssen, Vice President of Administrative Services; and, Ms. Terri Grimes, Board Secretary

PUBLIC COMMENTS

There were no public comments.

REVIEW AND DISCUSSION OF FY17 AUDIT REPORT

Mr. Rowe reported that the audit is 99 percent complete, with the only possible change being for the Foundation numbers. He reviewed the main report, noting that once again the College received an unmodified or "clean" opinion on all audits that were performed. Money currently promised by the State is listed as a receivable, and if it is determined in the future that the money will not be received, Mr. Rowe and Ms. Janssen will need to decide how it would be recorded on the financials. There were no new notes to the audit this year, and GASB 77 was immaterial and did not require a note. Mr. Rowe referred committee members to the State Universities Retirement System (SURS) note on page 26, explaining that Highland's portion of the pension liability is \$60,412,403.

Mr. Musser questioned whether the College has an obsolescence report for equipment or a schedule for making improvements. Ms. Janssen reported that the College has a facilities master plan, and the maintenance department also keeps a list of when roofs and other major items will need to be replaced. Information is also captured through the Resource Allocation and Management Plan (RAMP) document, as well as through needs submitted during the bond process.

Mr. Rowe reported that the audit will be ready to be submitted by October 15, and he will attend the October 24 regular Board meeting to review the audit with Trustees.

Ms. Janssen distributed information on fraudulent conduct training that will be required of Highland employees.

MAIN MOTION (ACTION)

- A. Acceptance of FY17 Audit for Submission to the Illinois Community College Board
Mr. Endress moved and Mr. Musser seconded the motion to accept the FY17 audit for submission to the Illinois Community College Board. The roll call on the motion was as follows:

AYES: Endress, Jennings, Musser, Gallagher
NAYS: None

Whereupon the Chairperson declared the motion carried.

OLD BUSINESS

There was no old business.

NEW BUSINESS


Mr. Hood asked Mr. Rowe about the timing of the State budget being approved, noting that there have been comments that administration knew that there would be a State budget and did not disclose the information. Mr. Rowe responded that he does not believe anyone knew if there would be a budget, and colleges were preparing the best that they could with the information that they had at the time. Mr. Endress reported that Senator Tim Bivins had stated that he did not expect the State to approve a budget during Governor Bruce Rauner's term.

Mr. Rowe concluded the meeting by stating that overall the financial statements look good when comparing the fund balance to expenditures.

ADJOURNMENT

Dr. Jennings moved and Mr. Endress seconded the motion to adjourn the meeting of the Audit & Finance Committee. At 4:36 p.m., there being no further business, the Committee Co-Chair declared the motion carried and the meeting adjourned.

Respectfully submitted,



Terri A. Grimes, Board Secretary
Illinois Community College District No. 519