

**AUDIT & FINANCE 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 Mr. David Shockey, Committee Chair, at 2:03 p.m. on October 22, 2019, 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: Mr. David Shockey, Mr. Jim Endress, Dr. Steve Jennings, and Mr. Blake Musser

Committee members absent: None

Also present: Mr. Tim Hood, President (departed 2:31 p.m.; returned 2:49 p.m.); Ms. Chris Kuberski, Executive Vice President (departed 2:31 p.m.; returned 2:49 p.m.); Ms. Jill Janssen, Vice President of Administrative Services (departed 2:31 p.m.; returned 2:49 p.m.); Mr. Dan Rowe, Wipfli; and, Ms. Terri Grimes, Board Secretary

**PUBLIC COMMENTS**

There were no public comments.

**GENERAL DISCUSSION OF FY19 AUDIT PROCESS**

Mr. Rowe reviewed the annual financial report for FY19, stating that once again the College received an unmodified or "clean" opinion. The College's total net position as of June 30, 2019, was \$21,299,223, while the Foundation's net position was \$24,258,487. The change in net position for the College and the Foundation was \$1,668,147 and \$507,630, respectively. There was also a decrease in cash of \$481,285, and the College added \$138,861 to the fund balances.

Mr. Rowe reminded trustees that last year the College Insurance Plan (CIP) liability had to be added to the financials and is listed as "Other Postemployment Benefits". He explained that this should not be confused with the State Universities Retirement System (SURS) pension liability, and he stated that the College has no liability for SURS pension at this time. The SURS portion of the pension liability at the State level is \$27,494,556,682, of which \$67,939,049 is associated with the District. Mr. Rowe noted that some colleges are putting dollars into a reserve fund for CIP in case the liability eventually gets put back on colleges, and he would lean toward doing that, if possible.

Audits were also completed on the Illinois Community College Board (ICCB) grants, enrollment hours, and single audit for student financial aid, and all received unmodified or "clean" opinions. Mr. Rowe reported that four adjusting entries were made during the audit, and there were no disagreements with management. He also noted that it is getting more difficult to try to keep to the October 15 deadline due to the complexity of audits in general.

### CLOSED SESSION

Mr. Musser moved and Dr. Jennings seconded the motion to move into Closed Session for the purpose of a meeting between internal or external auditors and the governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews conducted in accordance with generally accepted auditing standards of the United States of America, pursuant to the Open Meetings Act. The roll call on the motion was as follows:

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

At 2:30 p.m., the Chairperson declared the motion carried and the meeting in Closed Session.

Mr. Musser moved and Mr. Endress seconded the motion to end the Closed Session. The roll call on the motion was as follows:

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

At 2:49 p.m., the Chairperson declared the motion carried and the Closed Session ended.

### OLD BUSINESS

Mr. Musser asked if the information from the audit should be shared during negotiations. Mr. Endress responded that the budget has been presented to the committee, and Ms. Janssen will share some of the audit information with the committee.

### NEW BUSINESS

A directive was given to Mr. Hood and Ms. Kuberski regarding credit card procedures in order to try to avoid discrepancies in timing. The goal would be to eliminate unnecessary processes that result from late submission of procurement card documentation. This will save the College time and money.

The next Audit & Finance Committee meeting will be scheduled for March 2020.

ADJOURNMENT

Mr. Musser moved and Mr. Endress seconded the motion to adjourn the meeting of the Audit & Finance Committee. At 2:54 p.m., there being no further business, the Committee Chair declared the motion carried and the meeting adjourned.

Respectfully submitted,



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Terri A. Grimes, Board Secretary

Illinois Community College District No. 519