

**MILWAUKEE AREA TECHNICAL COLLEGE
Advisory Audit Committee (AAC) Minutes**

MATC ADMINISTRATION PRESENT: Michael Sargent
Christy Brown

**SPECIAL ADVISOR
TO THE AAC:** Craig Piotrowski, ASL Consulting

GUESTS: Steven Pawlow
John Knepel, Steven Henke, Lisa Salo, Jacob Lenell – Virchow Krause

In the absence of, and upon the recommendation of Mr. Bobbie Webber, Mr. Bob Yahr agreed to chair today's meeting, and to serve with Ms. Charlotte Sain as vice-chairs of the Advisory Audit Committee.

CALL TO ORDER

The regular quarterly meeting of the Advisory Audit Committee (the "Committee") of the Milwaukee Area Technical College (MATC) was held in open session on Thursday, November 3, 2005, and called to order by Robert Yahr at 9:06 a.m. in the Board Room, Room M210, at the Milwaukee Campus of Milwaukee Area Technical College.

ROLL CALL

Present: Jeannette Bell, Bonnie Baerwald, Charlotte Sain,
Anne Szczygiel, Tom Wieland, Robert Yahr
Excused: Bobbie Webber

COMPLIANCE WITH THE OPEN MEETINGS LAW

The Advisory Audit Committee meeting was noticed in compliance with the Wisconsin Open Meetings Law.

APPROVAL OF MINUTES – August 17, 2005

Motion It was moved by Ms. Bell, seconded by Ms. Baerwald, to approve the minutes of the August 17, 2005, Committee meeting as submitted.

Action Motion Approved

COMMENTS FROM THE PUBLIC / MISCELLANEOUS

None

ACTION ITEMS

E-1 Approval of Revised Committee Charter

Attorney Brown and Mr. Craig Piotrowski provided an overview of the proposed revisions to the Advisory Audit Committee Charter. Attorney Brown noted that the Charter will probably be issued as an appendix to Policy A0111-A.

It was suggested that language be added to the charter that addresses length of term (three-years) for committee members, to include a provision that members may serve for consecutive and/or multiple terms, which terms may be staggered after the initial term.

Language will be added to the charter stating that The MATC FPO Committee Chair may select member(s), at least one of whom has financial expertise, to serve as additional officers for the Committee, including but not limited to the position of Vice-Chair, to be numbered sequentially if more than one is selected.

Motion: It was moved by Ms. Bell, seconded by Mr. Wieland, to recommend to the FPO Committee approval of the Revised Advisory Audit Committee Charter.

Action: Motion Approved.

E-2 Vice Chair Recommendation

Mr. Bobbie Webber provided a written recommendation to select both Mr. Bob Yahr and Ms. Charlotte Sain to work with him as vice chairs of our Committee. As stated in item E-1 above, language will be added to the charter stating that The MATC FPO Committee Chair may select member(s), at least one of whom has financial expertise, to serve as additional officers for the Committee, including but not limited to the position of Vice-Chair, to be numbered sequentially if more than one is selected. Duties of the Vice-Chairs will be disseminated on a case-by-case basis.

Motion: It was moved by Ms. Bell, seconded by Mr. Wieland, to approve the selection of Mr. Bob Yahr and Ms. Charlotte Sain to serve the Advisory Audit Committee as Vice Chairs, with duties to be disseminated on a case-by-case basis.

Action: Motion Approved.

E-3 Policy B0107, Advisory Audit Committee

Attorney Brown noted that MATC's current Internal Audit Policy #B0107 is no longer applicable, as MATC no longer has an internal auditor, the Advisory Audit Committee now directing internal audit activity. Therefore, a request to rescind Policy B0107 will be forwarded to the Board for approval.

Motion: It was moved by Ms. Baerwald, seconded by Ms. Szczygiel, to recommend to the FPO Committee approval to Rescind Policy B0107.

Action: Motion Approved.

DISCUSSION ITEMS

F-1 Internal Auditing

Update on RFP for Internal Audit Assistance - Mr. Sargent provided an update on the status of the RFP for internal audit services, noting that the language allows for a non-exclusive agreement. Ms. Charlotte Sain expressed a desire to serve on the evaluation committee for this RFP.

Student Activity Fund Review – Mr. Steven Pawlow of Gladys R. Wilson & Associates and Ms. Theresa Barry, Vice President of Student Services, shared information related to the student activity fund review, events that led to the request of the review, and updated the committee on activity since the reviews conclusion.

F-2 Budgeting & Business Practices

Strategic Planning & Research – Ms. Sain noted that she has met with both Vicki Martin, Vice President, MATC Oak Creek, and Dave Turner, acting Director of Strategic Planning & Research. She reported as receiving valuable information on the Strategic Planning process at MATC.

Anonymous Tipster Program – Mr. Tim Howard of Ethics Point gave a presentation on the types of anonymous reporting services that can be provided,

He addressed committee member questions on FTE-based cost, coverage, language translation issues, etc.

F-3 Other Post Employment Benefits

Mr. Sargent provided an OPEB overview, sharing information recently received from MATC's actuarial firm.

F-4 Administrative Systems

Ms. Bonnie Baerwald provided an update on administrative systems utilized through the Wisconsin Technical College system. She spoke of possible joint procurement opportunities for digital imaging, data warehousing, etc.

F-5 Financial Reporting / External Auditing

Mr. John Knepel and Mr. Steve Henke, both of Virchow Krause shared information with the committee on the audit process, timeline, etc. A copy of the Comprehensive Annual Financial Report (CAFR) was provided, in draft form. The CAFR will go before the MATC Board for approval at its November 22nd meeting.

F-6 Dialogue with External & Internal Auditors Regarding Internal Control Matters

The committee discussed openly with representatives of Virchow Krause, as well as Mr. Pawlow, as to what areas the committee may wish to focus on for review. Both receivables and inventory were noted as two areas of possible issue.

OLD BUSINESS / NEW BUSINESS

Next Meeting: Thursday, January 26, 2006 at 9:00am

ADJOURNMENT

The Committee adjourned at 12:42 p.m.

Respectfully submitted,
Caryn Dohring
Administrative Specialist