

MINUTES
Council on Postsecondary Education Executive Committee
November 18, 2016

The Executive Committee of the Council on Postsecondary Education met November 18, 2016, at 8 a.m. (CT) at Owensboro Community and Technical College in Owensboro, Kentucky.

ROLL CALL The following committee members attended: Glenn Denton, Donna Moore, Joe Ellis, and Sherrill Zimmerman. Pam Miller did not attend. Council Members Joseph Papalia and Vidya Ravichandran also were present.

Robert King, Rebecca Bowman, Shaun McKiernan, and Mary Allison from the Council staff attended. Allen Norvell with the auditing firm was present.

FY 2015-16
AGENCY AUDIT
REPORT

The purpose of the meeting was to review the financial audit of the Council's programs for fiscal year 2015-16. Due to the complexity and amount of funds flowing through the agency's budget, the Council annually contracts with an independent auditor to compile financial statements and perform the agency's financial audit. This audit is not statutorily required, but it serves the Council well to have an outside entity review Council finances, internal controls, and regulation and grant compliance. Blue and Company LLP, a certified public accounting agency in Lexington, conducted the audit this year.

In 2015, the Council adopted new accounting guidance: Governmental Accounting Standards Board (GASB) Statements No. 68 and 71, Accounting and Financial Reporting for Pensions and Pension Transition for Contributions Made Subsequent to the Measurement Date.

The auditors issued an unmodified opinion, stating that the Council's financial statements present fairly, in all material respects, the financial position of the governmental activities, each major

fund, and the aggregate remaining fund information of the Council as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, the expenditures of federal awards and supplementary information are fairly stated in all material respects in relation to the basic financial statements as a whole.

The firm also noted that it did not identify any deficiencies in internal control that they consider to be material weaknesses.

Following the presentation by Mr. Norvell, several questions were answered regarding the drastic decrease in net position due to the pension reporting.

Mr. Norvell thanked the Council for the opportunity to serve as auditor and thanked the Council staff for their assistance during the audit.

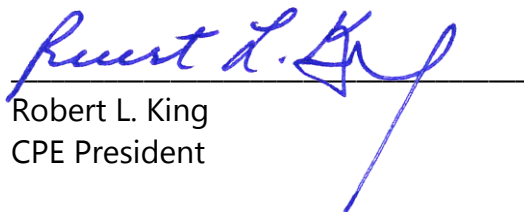
Mr. Bob King, CPE's president, thanked Mr. Norvell and Council staff.

CLOSED
SESSION

The Executive Committee went into closed session per KRS 61.810(1)(f) to discuss a personnel matter. Discussions involved issues that could lead to the appointment, discipline, or dismissal of an individual employee.

ADJOURNMENT

The Executive Committee returned from closed session. No votes were taken or final decisions were made. The meeting adjourned at 9:00 am CT.


Robert L. King
CPE President


Mary Allison
Executive Assistant to the President