

MOREHEAD STATE UNIVERSITY

AUDIT COMMITTEE MEETING

October 16, 2020 at 9:00 a.m.
via webex video teleconference (or audio
teleconference for those with limited or no
video availability)



**MOREHEAD STATE UNIVERSITY
BOARD OF REGENTS
AUDIT COMMITTEE MEETING**

Friday, October 16, 2020 at 9:00 a.m.
via webex video teleconference
(or audio teleconference for those
with limited or no video availability)

Committee Members:
Committee Chair, Sanford Holbrook
Eric Howard
Wayne Martin
Adam Hinton

AGENDA

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVE MINUTES OF APRIL 16, 2020 AUDIT COMMITTEE MEETING
- IV. RECOMMENDATIONS AND REPORTS
 - A. **Accept 2019-2020 Audit Report**, Mr. David Richard,
Dean Dorton Allen Ford, PLLC 3
 - B. **Report on Status of Internal Audits**, Mrs. Cynthia Hunt,
Internal Auditor
- V. ADJOURNMENT

Agenda materials are available online at <http://www.moreheadstate.edu/bor>

**BOARD OF REGENTS
AUDIT COMMITTEE MEETING MINUTES
April 16, 2020**

The Audit Committee met on April 16, 2020 at 9:45 a.m. via webex video teleconference, due to social distancing measures put in place by Governor Beshear due to the novel coronavirus.

Audit Committee Chair Wayne Martin presided.

The following Audit Committee members were present: Audit Committee Chair Wayne Martin, Kathy Walker, Eric Howard, and Sanford Holbrook.

Kathy Walker moved to approve the October 18, 2019 Audit Committee Meeting minutes. Sanford Holbrook seconded the motion and the motion carried unanimously.

RECOMMENDATION: That the Audit Committee approve the audit price and the extension of the auditing services contract with Dean Dorton Allen Ford, PLLC, in Lexington, Kentucky, to conduct the required annual audits for Morehead State University for the fiscal year that will end on June 30, 2020.

KRS 164A.570 requires an annual audit to be conducted for all universities in the state system. The bylaws of the Board of Regents provide that the Audit Committee review, evaluate, and recommend to the full Board, an accounting firm to conduct the University's required annual audits. State statutes specify that the auditing firm must be selected through a request for proposal process, and that a personal services contract be issued to engage the firm.

On January 11, 2016, the University issued a request for proposals from qualified public accounting firms to perform the auditing services. As a result of that process, the Audit Committee recommended and the Board approved the appointment of Dean Dorton Allen Ford, PLLC to conduct the annual audits. The contract with the firm was for the fiscal year that ended on June 30, 2016 with the option to extend the contract for four additional one-year periods. The audit fee adjustments for the extension periods will be based on the consumer price index.

The services rendered by Dean Dorton Allen Ford, PLLC for the 2018-2019 fiscal year were satisfactory and in compliance with the terms of the contract. The fee for the 2019-2020 fiscal year will not exceed \$94,700.

MOTION: Sanford Holbrook moved that the Audit Committee approve the recommendation and Kathy Walker seconded the motion.

VOTE: The motion carried unanimously.

RECOMMENDATION: That the Audit Committee approve the minimum scope of the University's audit for the year ending June 30, 2020.

The University is required to have an annual audit conducted of its financial activities. The Bylaws of the Board of Regents specify that the Audit Committee review, evaluate, advise and recommend to the full Board the minimum scope of the annual audit. The University Director of Accounting

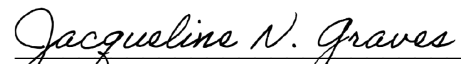
and Financial Services and Director of Internal Audits provided an outline of the scope of the audit and stated that the audit will comply with all local, state, and federal audit requirements.

MOTION: Kathy Walker moved that the Audit Committee approve the recommendation and Sanford Holbrook seconded the motion.

VOTE: The motion carried unanimously.

There being no further business to conduct, Eric Howard moved that the meeting adjourn and Kathy Walker seconded the motion. The motion carried unanimously.

Respectfully submitted,


Jacqueline N. Graves, Secretary
Board of Regents

Recommendation:

That the Audit Committee accept the audit report for the fiscal year ended June 30, 2020 as presented by Dean Dorton Allen Ford, PLLC.

Background:

KRS 164A.570 requires an annual audit to be conducted by all universities in the state system. The audit is to be conducted by an independent public accounting firm. On April 16, 2020, the Board approved the recommendation of the Audit Committee to appoint the accounting firm of Dean Dorton Allen Ford, PLLC to conduct the 2019-20 fiscal year audit. The Board also approved at that time, the Audit Committee's recommendation for the minimum scope of the audit work to be performed.

Dean Dorton Allen Ford, PLLC has completed the audit for the June 30, 2020 fiscal year. The report was issued with an unmodified opinion on the financial statements. A copy of the audit report has been provided to each member of the Board of Regents.



Morehead State University is committed to providing equal educational opportunities to all persons regardless of race, color, national origin, age, religion, sex, sexual orientation, gender identity, gender expression, disabled veterans, recently separated veterans, other protected veterans, and armed forces service medal veterans, or disability in its educational programs, services, activities, employment policies, and admission of students to any program of study. In this regard the University conforms to all the laws, statutes, and regulations concerning equal employment opportunities and affirmative action. This includes: Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Executive Orders 11246 and 11375, Equal Pay Act of 1963, Vietnam Era Veterans Readjustment Assistance Act of 1974, Age Discrimination in Employment Act of 1967, Sections 503 and 504 of the Rehabilitation Act of 1973, Americans with Disabilities Act of 1990, and Kentucky Revised Statutes 207.130 to 207.240; Chapter 344 and other applicable statutes. Vocational educational programs at Morehead State University supported by federal funds include industrial education, vocational agriculture, business education, and the associate degree program in nursing. Any inquiries should be addressed to: Affirmative Action Officer, Morehead State University, 301 Howell-McDowell Administration Building, Morehead, KY 40351, 606-783-2097.