

WASHBURN UNIVERSITY BOARD OF REGENTS
Audit Committee Meeting
December 22, 2009

Regents Present: Jim Lagerberg, chair, Blanche Parks

Staff Present: Jerry Farley, Wanda Hill, JuliAnn Mazachek, Chris Leach, Rhonda Thornburgh, Richard Liedtke

BKD, LLP Staff Present: Abe Cole, Joe Herting

Minutes of the July 24, 2009 meeting were approved as distributed.

Abe Cole and Joe Herting from BKD, LLP, distributed and reviewed the draft Letter to the Audit Committee and the draft Accountants' Report and Financial Statements for the year ended June 30, 2009..

- Mr. Cole said in performing the audit they did not intend to audit every transaction but set scopes of audit tests. He pointed out Footnote #1 of the Audit provides a description of the University's significant accounting policies. No unusual accounting policies or transactions were noted.
- Financial Statement Disclosures included the affiliation with Washburn Institute of Technology (Washburn Tech). Disclosures also included FAS 157 and FSP 117-1 which affect WEA and the Washburn Law School Foundation. There were no reportable matters regarding accounting principles or disagreements with management.
- Significant issues discussed with management dealt primarily with the report presentation of Washburn Tech.
- Mr. Herting said no material weaknesses or significant deficiencies were reportable. The auditors feel adequate compensating controls are in place to mitigate the risk of conflicting duties in the Cashier and Registrar areas.
- It was noted the audit cannot be compared "apples to apples" from last year due to the new affiliation with Washburn Tech.
- Total operating expenditures are up approximately \$10 million, primarily due to self-insurance claims and the Washburn Tech affiliation. Net assets decreased by \$7.4 million. Primarily due to reduced investment market values.

It was moved and seconded to recommend the Board of Regents approve the audit report as presented at the January 29, 2009 Regents meeting. Motion carried.

Meeting was adjourned.