

**MINNESOTA STATE COLLEGES AND UNIVERSITIES  
BOARD OF TRUSTEES**

**Agenda Item Summary Sheet**

**Committee:** Audit Committee

**Date of Meeting:** March 17, 2009

**Agenda Item:** Results of Annual Student Financial Aid Audit

- Proposed Policy Change       Approvals Required by Policy       Other Approvals       Monitoring
- Information

**Cite policy requirement, or explain why item is on the Board agenda:**

Board Policy 1A.2. Part 5, Subpart E charges the Audit Committee with overseeing the work of external auditors.

**Scheduled Presenter(s):**

Beth Buse, Deputy Director, Office of Internal Auditing  
Christopher Halling, System Director for Financial Aid  
Steve Wischmann, Partner with Kern, DeWenter, Viere, Ltd.

**Outline of Key Points/Policy Issues:**

- The audit report cites no significant deficiencies or material weaknesses. It contains three administrative findings related to improvements needed to comply with certain federal financial aid regulations.

**Background Information:**

- Federal law requires an annual audit of major federal financial assistance programs, including the student financial aid programs.
- MnSCU received \$189 million in federal grants and student borrowed over \$426 million of federal loans in fiscal year 2008.
- The firm of Kern, DeWenter, Viere, Ltd. conducted the audit as part of its responsibilities as principal auditor for MnSCU.

**BOARD OF TRUSTEES  
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

<b>BOARD INFORMATION</b>
REVIEW RESULTS OF ANNUAL STUDENT FINANCIAL AID AUDIT

**BACKGROUND**

Copies of this report will be delivered to the audit committee members in advance of the March 17, 2009 meeting. These materials will also be made available to the public at the March meeting. The report will be prepared by the firm of Kern, DeWenter, Viere, Ltd. as part of its responsibilities as principal auditor for the Minnesota State Colleges and Universities. The results of this report will be incorporated into the State of Minnesota's Single Audit Report that will be released at the end of March. Copies of that report will be available at the end of March on the Minnesota Department of Finance web site at (<http://www.finance.state.mn.us/fin/acct>).

*Date Presented to the Board of Trustee: March 17, 2009*