

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

**Agenda Item Summary Sheet**

**Committee:** Audit Committee

**Date of Meeting:** May 20, 2009

**Agenda Item:** Review Preliminary Auxiliary Revenue Sources Report

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

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

As part of its 2009 audit plan, Internal Auditing is conducting a study of auxiliary revenue sources at the colleges and universities.

**Scheduled Presenter(s):**

John Asmussen, Executive Director, Office of Internal Auditing

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

- This preliminary report is intended to provide useful information to the Board of Trustees.

**Background Information:**

- In January 2009, the Audit Committee a system-wide internal auditing study of the auxiliary revenues collected at the colleges and universities.
- Internal Auditing plans to deliver the final report on the full project to the Audit Committee in September 2009.

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

<b>BOARD INFORMATION</b>
REVIEW PRELIMINARY AUXILIARY REVENUE SOURCES REPORT

In January 2009, the Audit Committees approved a system-wide Internal Auditing study of auxiliary revenues collected by the college and universities. This project was selected because of interest in learning more about auxiliary and supplemental revenue sources and to ensure that the most significant sources, e.g. bookstores and food services, maintained adequate internal controls and complied with existing board policies.

John Asmussen, Executive Director of the Office of Internal Auditing, will provide a preliminary report on the results from phase I of study to the Audit Committee at its May 20, 2009 meeting. Phase I focused on institutional practices for auxiliary revenue sources. It was designed to address the following questions:

- To what extent have colleges and universities generated auxiliary revenues? What are the most significant sources of these revenues?
- Have colleges and universities established sufficient institutional policies and practices regarding controls and compliance for auxiliary revenues?

Internal Auditing will present the final report on this study to the Audit Committee at its September 2009 meeting.

*Date Presented to the Board of Trustee: May 20, 2009*