

November 25, 2014

Members of the Board Audit Committee

Marquita Wiley, Chair
Adrian Miller
Shirley Portwood
Joel Sambursky

Dear Members of the Audit Committee:

There will be a meeting of the Audit Committee on Thursday, December 11, 2014, immediately following the Academic Matters Committee in Ballroom B in the Student Center, Southern Illinois University Carbondale, Carbondale, Illinois. The following items have been suggested for the agenda:

1. Approval of Minutes of the September 13, 2012, meeting (enclosure).
2. Information Item: Office of Internal Audit, Compliance and Ethics FY 14 Annual Report.
3. Other business.

Yours truly,

Duane Stucky
Senior Vice President for Financial and Administrative Affairs
and Board Treasurer

DS/lap

Enclosure

C:	Roger Herrin	Mitch Morecraft	Julie Furst-Bowe
	Don Lowery	Randal Thomas	Other Interested Parties
	Donna Manering	Randy J. Dunn	

BOARD OF TRUSTEES

SOUTHERN ILLINOIS UNIVERSITY

Minutes of the Audit Committee Meeting

September 13, 2012

The Audit Committee met following the Academic Matters Committee in the Conference Center, 2nd Floor, of the Delyte W. Morris University Center, Southern Illinois University Edwardsville, Edwardsville, IL. Present were: Marquita Wiley (Chair), David Hamilton and Don Lowery. Other Board members present were: Jesse Cler, Roger Herrin, Ed Hightower, Mark Hinrichs and Donna Manering. Absent was: John Simmons. Executive Officers present were: President Glenn Poshard; Chancellor Rita Cheng, SIUC; Chancellor Julie Furst-Bowe, SIUE; General Counsel Jeffrey McLellan; Vice President for Academic Affairs Paul Sarvela; and Senior Vice President for Financial and Administrative Affairs and Board Treasurer Duane Stucky.

Minutes

Trustee Lowery recommended approval of the minutes of the July 12, 2012, meeting as submitted. The motion was duly seconded by Trustee Hamilton and passed by the Committee.

Proposed Revisions to the Board of Trustees Policy on Internal Audit and Office Structure [Amendments to 5 Policies of the Board E] (Board Agenda Item X).

Senior Vice President Stucky reviewed the proposed revisions. Trustee Wiley commented on the steps that have been taken to strengthen audit and risk management processes and commended the administration for proposing reasonable solutions that don't require a great amount of additional resources. Trustee Hightower thanked Trustee Wiley for her expertise and leadership in these efforts. Trustee Lowery asked about additional costs associated with this change, and Sr. Vice President Stucky responded that the initial costs would be absorbed within the current financial resources available.

Trustee Hamilton recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Lowery and was passed by the Committee.

Information Item: Assessment of Risk Management.

Senior Vice President Stucky reviewed an assessment report performed by Brown Smith Wallace. The assessment found that SIU has made progress in performing aspects of risk management in certain areas and made specific recommendations for further improvements. A recommendation was made that the role of the current Director of Risk Management be expanded to the University Enterprise Risk Management Leader. After additional review and consultation, staff will be recommending

organizational changes to the President. Currently, the Risk Management Office has a number of open positions. Replacement personnel will be chosen to strengthen the Office's ability to guide enterprise risk management. If additional resources are needed, the goal will be to limit the need for these resources to a modest level. Future reports to the Board will be given as progress is made.

Other Business.

There being no further business, the meeting was adjourned.

DS/lap