

**Council on Postsecondary Education
November 7, 2008**

Fiscal Year 2007-08 Agency Audit

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| <p>ACTION: The Executive Committee recommends that the Council accept the 2007-08 agency audit as submitted by the firm of Potter & Company, LLP.</p> |
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The Council contracted with the firm of Potter & Company, LLP, to perform a financial and management audit of the Council's activities during fiscal year 2007-08.

The audit was conducted in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

The Council's Executive Committee received a draft of the Financial Statements and Independent Auditor's Report, the Memorandum of Comments and Suggestions, and the Matters to be Communicated to the Executive Committee. The Executive Committee reviewed these documents October 29, 2008, with Potter & Company, LLP, representatives and Council staff.

The Council received an unqualified opinion. The audit report contains no reportable conditions or material weakness related to internal control over financial reporting or major federal programs. The audit report contains no reportable findings of material noncompliance related to financial statements.

The Council staff has acted upon suggestions by Potter & Company, LLP, involving the timing and amounts of payments, and receipt of sub-recipient reports.

The final audit report will be sent to the Council members for review prior to the November 7 Council meeting.