

MINUTES
Council on Postsecondary Education Executive Committee
November 16, 2012

The Executive Committee of the Council on Postsecondary Education met November 16, 2012, at 8 a.m. (CT) at Western Kentucky University in Bowling Green, Kentucky.

ROLL CALL

The following members attended: Pam Miller, Glenn Denton, and Dan Flanagan. Joe Graviss and Marcia Ridings did not attend.

Robert King, Lee Nimocks, Jennifer Jackson, Terry Pruitt, and Tammie Clements from the Council staff attended. Allen Norvell with the auditing firm was present.

**2011-12
AGENCY AUDIT**

The purpose of the meeting was to review the financial audit of the Council's programs for fiscal year 2011-12. Due to the complexity and amount of funds flowing through the agency's budget, the Council annually contracts with an independent auditor to compile financial statements and perform the agency's financial audit. This audit is not statutorily required, but it serves the Council well to have an outside entity review Council finances, internal controls, and regulation and grant compliance. Blue and Company LLP, a certified public accounting agency in Lexington, conducted the audit this year.

For the year ending June 30, 2012, the auditors issued an unqualified opinion, stating that the Council's financial statements present fairly, in all material respects, the financial position of the agency. The firm noted one gain contingency stemming from a potential refund from an Adult Education local provider. The amount of the potential refund is not yet known.

The firm noted a couple of areas that could be strengthened in terms of internal controls and operating efficiencies. One relates to timely submission of subrecipient reports and another relates to timely submission of invoices from subrecipients. Although the submission of reports and invoices are dependent on outside agencies submitting documents to the Council, Council staff continues to work on monitoring the activity of its subrecipients in order to improve in both of these areas.

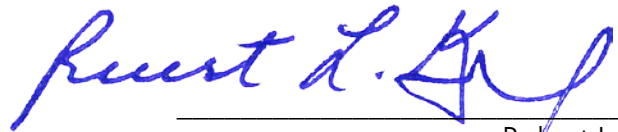
Mr. Norvell thanked the Council for the opportunity to serve as auditor and thanked the Council staff for their assistance during the audit.

Mr. Bob King, CPE's president, thanked Mr. Norvell and Council staff.

MOTION: Mr. Flanagan moved that the Executive Committee accept the audit report. Mr. Denton seconded the motion.

VOTE: The motion passed.

ADJOURNMENT The meeting adjourned at 8:45 a.m.



Robert L. King
President



Tammie L. Clements
Associate, Executive Relations