

## MEMORANDUM

**TO:** Audit Committee  
Jon Strinden  
Weldee Baetsch

**FROM:** Jamie Kinsella, Internal Auditor

**DATE:** August 25, 2004

**SUBJECT: May 12, 2004 Audit Committee Meeting**

In Attendance:

Jon Strinden via conference call  
Weldee Baetsch  
Jamie Kinsella  
Sharon Schiermeister  
Shelly Stuber

The meeting was called to order at 10:33 a.m.

**I. February 12, 2004 Audit Committee Minutes**

The audit committee minutes were examined and approved by the Audit Committee.

**II. Goals and Objectives Project Update**

The updated goals and objectives report on the activities that occurred during the last quarter in the internal audit division was included with the audit committee materials.

**III. Administrative**

- A. Quarterly Audit Finding Status Report – As stated in the Audit Policy #103, the Internal Audit Division is to report quarterly to management and the audit committee the status of the audit findings of the external auditors, as well as any found by the internal auditor. A copy of the report was included with the audit committee materials.
- B. Position Reclassification – Ms. Kinsella indicated that the updated Position Information Questionnaire (PIQ) was reviewed by Kathy Allen, PERS Human Resources Manager, and forwarded to Human Resource Management Services. The person conducting this review is out on medical leave for 3 weeks.
- C. Performance Evaluation – Mr. Collins forwarded the audit committee a memo regarding Ms. Kinsella's performance evaluation. This memo was to document that the audit committee

approved this evaluation and that the evaluation is on file at NDPERS.

- D. Audit Committee Checklist Project – At the last meeting Eide Bailly LLP provided the audit committee a copy of an Audit Committee Checklist. Ms. Kinsella included with the audit committee materials was a copy of the working document for the audit committee checklist project with the last meeting's agenda. To facilitate this project, Ms. Kinsella distributed an audit committee risk assessment questionnaire at the meeting. The audit committee should be conducting a self-evaluation periodically, and since there will be a change in the audit committee this summer it would be a good time to do a self assessment. Ms. Kinsella would like to have this evaluation completed and returned to her by June 15, 2004.
- E. Audit Committee Charter Revision Project – One of the goals listed in the Internal Audit Plan is to assist the Audit Committee in reviewing and updating the Audit Committee Charter. Ms. Kinsella attached a copy of the working document for reviewing the audit committee charter at the last meeting. In order to facilitate this project, Ms. Kinsella thought the audit committee should conduct a self assessment so she can determine what areas are important to the audit committee and therefore should be included in the charter.

#### **IV. Miscellaneous**

- A. August 2004 Audit Committee Meeting Date and Time – The August 2004 audit committee meeting is scheduled for Wednesday, August 11, 2004 at 10:30am in the NDPERS Conference room, Wells Fargo Bank Building.
- B. Tone at the Top – Included with the audit committee materials was a copy of the February 2004 Tone at the Top Publication.
- C. Continuing Education Update - Ms. Kinsella indicated that she and Ms. Stuber attended a seminar sponsored by the Central NoDak IIA Chapter on April 22-23, 2004. The topic of this seminar was operational auditing. This seminar provided each of them with 14 hours of continuing education credits.
- D. Eide Bailly Audit Schedule – Eide Bailly LLP scheduled their preliminary audit work for the week of June 14, 2004, and will return August 23 to conduct their fieldwork.

The meeting adjourned at 11:00 a.m.