



Board of Governors Risk Management & Audit Committee Meeting

Plaster Student Union, Traywick Parliamentary Room 313

Thursday, 10/2/2025

1:00 - 2:00 PM CT

- I. Roll Call *Presented By: Governor Melissa Gourley*
- II. Approval of Minutes *Presented By: Governor Melissa Gourley*
 - A. Approval of the open and closed minutes of the Risk Management and Audit Committee meeting of June 12, 2025
 - II.A. Open Minutes of the Risk Management and Audit Committee meeting of June 12, 2025 - Page 2*
- III. Issued Communication from Auditor *Presented By: Natalie McNish, Director of Internal Audit and Risk Management*
 - A. West Plains Civic Center Cash Count Letter
 - III.A. West Plains Civic Center Cash Count Letter - Page 4*
 - B. Printing Services Inventory Letter
 - III.B. Printing Services Inventory Letter - Page 5*
 - C. Sign Shop, Academic Lock Shop, Environmental & Custodial Inventory Letter
 - III.C. Sign Shop-Academic Lock Shop-Custodial & Environmental Inventory Letter - Page 6*
 - D. Art Supply Inventory Letter
 - III.D. Art Supply Inventory Letter - Page 8*
 - E. Testing Center Cash Count Letter
 - III.E. Testing Center Cash Count Letter - Page 9*
- IV. Resolution Authorizing Closed Meeting, Pursuant to the Revised Statutes of the State of Missouri 610.021
 - IV. Closed Meeting Resolution - RMAC - Page 10*
- V. Adjournment *Presented By: Governor Melissa Gourley*

II.A.

**MINUTES OF THE
BOARD OF GOVERNORS RISK MANAGEMENT AND AUDIT COMMITTEE
MISSOURI STATE UNIVERSITY
THURSDAY, JUNE 12, 2025**

The Risk Management and Audit Committee of the Board of Governors for Missouri State University held a meeting in the West Plains Civic Center, Magnolia Room on Thursday, June 12, 2025, with Governor Melissa Gourley, Chair of the Risk Management and Audit Committee, presiding. Governor Gourley called the meeting to order at 1:00 p.m.

Roll Call

Present – Melissa Gourley, Committee Chair
Tim Francka, Committee Member
Chris Waters, Committee Member

Absent – Anson Elliott, Committee Member

Also present – Richard B. Williams, President
Rachael Dockery, General Counsel and Vice President for Legal Affairs & Compliance
Natalie McNish, Director of Internal Audit and Risk Management
Rowena Stone, Secretary to the Board of Governors

Approval of Minutes

Governor Gourley called for a motion to approve the open and closed minutes of the April 23, 2025, Risk Management and Audit Committee meetings. Governor Tim Francka provided a motion, receiving a second from Governor Chris Waters.

Motion passed 3-0.

Issued Communications from Auditor

Natalie McNish, Director of Internal Audit and Risk Management, reviewed the cash count letter issued to Copy This which contained one recommendation.

Review of Replacement Policies G1.02 Conflict of Interest and Financial Disclosure

Ms. McNish reviewed proposed revisions to G1.02 Conflict of Interest and Financial Disclosure. Governor Francka made a motion to recommend the revisions be presented for approval at the full Board meeting the following day; Governor Waters provided a second.

Motion passed 3-0.

Closed Session

It was determined that the Board of Governors needed to meet in a closed session to consider items of business provided in the Revised Statutes of Missouri. Governor Waters asked if a resolution authorizing a closed meeting of the Board was prepared. Thereupon, the following resolution was presented for consideration:

BE IT RESOLVED by the Risk Management and Audit Committee of the Board of Governors for Missouri State University that a closed meeting, with closed records and closed vote, be held during a recess of the Risk Management and Audit Committee meeting of the Board of Governors to consider items pursuant to:

- R.S.Mo. 610.021 (18). “Confidential or privileged communications between a public governmental body and its auditor,....”

Governor Waters provided a motion for approval to move into closed session; Governor Francka provided a second.

A roll-call vote on the motion was as follows: those voting in favor – Governors Francka, Gourley, and Waters; those voting against – none; those absent – Governor Elliott.

The open meeting recessed at 1:06 p.m. to go into closed session.

The open meeting reconvened at 2:29 p.m.

Adjournment

With no additional information needing to be discussed, Governor Gourley called for a motion to adjourn the meeting. Governor Francka provided a motion; Governor Waters provided a second.

Motion passed 3-0.

Meeting adjourned at 2:29 p.m.

Melissa Gourley
Committee Chair

Passed at the meeting of
October 2, 2025

Rowena Stone
Secretary to the Board



OFFICE *of*
INTERNAL AUDIT AND
RISK MANAGEMENT

To: Keri Elrod, Associate Vice-Chancellor for Athletics & Community Engagement, West Plains

CC: Zora Mulligan, Chancellor, West Plains
Rachael M. Dockery, General Counsel
Dr. Richard B. Williams, President

From: Natalie B. McNish, Director

July 22, 2025

Civic Center Cash Count

To whom it may concern:

The Office of Internal Audit and Risk Management (herein "Office") performed a surprise cash count of all monies on hand June 12, 2025. We determined all monies held are properly secured and accounted for.

We commend the Civic Center staff for their diligence in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Natalie B. McNish". The signature is stylized with a large, loopy "N" and "M".

Natalie B. McNish, CFE, CGAP
Director of Internal Audit and Risk Management
Carrington Hall, Room 314
901 S. National Ave.
Springfield, MO 65897
(417) 836-5110
nataliemcnish@missouristate.edu

Auditors: Grant Jones, Internal Auditor
Ritika Sedhai, Graduate Assistant
Cailyn Cordell, Internal Audit Intern



To: Mark McCarty, Manager, Printing and Postal Services

CC: Jen Cox, University Space Manager - Director of Support Services
Matthew D. Morris, Vice President for Administrative Services
Rachael M. Dockery, General Counsel
Dr. Richard B. Williams, President

From: Natalie B. McNish, Director

Date: July 23, 2025

Printing Services Inventory

The Office of Internal Audit and Risk Management (herein "Office") receive and review inventory records from all departments with recorded inventory values each fiscal year. Based upon our analysis of risk at the time of the review, inventories are selected to be physically confirmed.

On July 2, 2025, the Office conducted limited procedures to confirm physical inventory counts for **Printing Services**. According to reports provided by management, Printing Services held 181,622 items valued at \$15,532 on July 1, 2025. Auditors selected a sample of 36,949 items valued at \$5,435 (36% of total inventory value) for confirmation. During our confirmation procedures, **we identified an error rate of less than 1% in quantity, which is commendable**. Based upon our review, we believe inventory value is reasonably accurate.

We thank you and your staff for your assistance during these procedures.

Sincerely,

A handwritten signature in black ink, appearing to read "Natalie B. McNish", written over a horizontal line.

Natalie B. McNish, CFE, CGAP
Director - Internal Audit and Risk Management
Carrington Hall, Room 314
(417) 836-5110
nataliemcnish@missouristate.edu

Auditors: Grant Jones, Internal Auditor
Ritika Sedhai, Internal Audit Intern



OFFICE *of*
INTERNAL AUDIT AND
RISK MANAGEMENT

To: Malynda L. Chorn, Material and Inventory Control Specialist

CC: Paul Ziegler, Coordinator, Property Control
Cole Pruitt, Associate Director of Facilities Management
David A. Hall, Director of Facilities Management
Matthew D. Morris, Vice President for Administration and Finance
Rachael M. Dockery, General Counsel
Dr. Richard B. Williams, President

From: Natalie B. McNish, Director

Date: July 23, 2025

Sign Shop, Academic Lock Shop, Environmental & Custodial Inventory

The Office of Internal Audit and Risk Management (herein "Office") receives and reviews inventory records from all departments with recorded inventory values each fiscal year. Based upon our analysis of risk at the time of the review, inventories are selected to be physically confirmed. Conclusions from our review of inventories held within Administrative Services – Facilities Management are as follows:

On June 18, 2025, the Office conducted limited procedures to confirm physical inventory counts for the **Sign Shop**. According to reports provided by management, the sign shop held 11,690 items valued at \$33,106 on June 6, 2025. Auditors selected a sample of 1,345 items valued at \$6,987 (21% of total inventory value) for confirmation. During our confirmation procedures, **we identified an error rate of less than 5%, which is reasonable**. Based upon our review, we believe inventory value is reasonably accurate.

On June 18, 2025, the Office conducted limited procedures to confirm physical inventory counts for the **Academic Lock Shop**. According to reports provided by management, the sign shop held 4,263 items valued at \$31,794 on June 6, 2025. Auditors selected a sample of 1,022 items valued at \$22,312 (70% of total inventory value) for confirmation. During our confirmation procedures, **we identified an error rate of less than 1%, which is commendable**. Based upon our review, we believe inventory value is reasonably accurate.

On June 18, 2025, the Office conducted limited procedures to confirm physical inventory counts for **Custodial Services**. According to reports provided by management, the custodial inventory held 3,797 items valued at \$23,533 on June 9, 2025. Auditors selected a sample of 1,366 items valued at \$7,302 (31% of total inventory value) for confirmation. During our confirmation procedures, **we identified an error**

rate of less than 1%, which is commendable. Based upon our review, we believe inventory value is reasonably accurate.

On June 18, 2025, the Office conducted limited procedures to confirm physical inventory counts for the **Environmental Services**. According to reports provided by management, the sign shop held 11,765 items valued at \$23,584 on June 9, 2025. Auditors selected a sample of 5,809 items valued at \$7,962 (34% of total inventory value) for confirmation. During our confirmation procedures, **we identified no errors, which is commendable.** Based upon our review, we believe inventory value is reasonably accurate.

The Environmental Services inventory was created to monitor supplies purchased with federal funds for COVID-19. It is maintained in the same location and system as Custodial Services. As the federal funds have been fully spent, this method of duplicate record keeping is no longer necessary. **We recommend Facilities Management consolidate the two (Custodial and Environmental) inventories to streamline record keeping moving forward.**

The Office did not conduct procedures to confirm physical inventory counts for the Central Stores or Paper Inventory for the year ended June 30, 2025.

We thank you and your staff for your assistance during these procedures.

Sincerely,

A handwritten signature in black ink, appearing to read 'Natalie B. McNish', written over a horizontal line.

Natalie B. McNish, CFE, CGAP
Director - Internal Audit and Risk Management
Carrington Hall, Room 314
(417) 836-5110
nataliemcnish@missouristate.edu

Auditors: Grant Jones, Internal Auditor
Ritika Sedhai, Internal Audit Intern



OFFICE *of*
INTERNAL AUDIT AND
RISK MANAGEMENT

To: Nancy Gesser, Academic Administrative Assistant III

CC: Dr. Mitzi Kirkland-Ives, Interim Department Head
Dr. Shawn Wahl, Dean of Reynolds College of Arts, Social Sciences and Humanities
Dr. Clarendia Phillips, Provost and Vice President for Academic Affairs
Rachael M. Dockery, General Counsel
Dr. Richard B. Williams, President

From: Natalie B. McNish, Director

Date: July 30, 2025

Art Supply Inventory

The Office of Internal Audit and Risk Management (herein "Office") receive and review inventory records from all departments with recorded inventory values each fiscal year. Based upon our analysis of risk at the time of the review, inventories are selected to be physically confirmed.

On July 9, 2025, the Office conducted limited procedures to confirm physical inventory counts for **Art Supplies**, including Metals and Jewelry, Photography, and Printmaking. According to reports provided by management, these inventories held 7,900 items valued at \$30,669 on May 30, 2025. Auditors selected a sample of 1,074 items valued at \$11,689 (38% of total inventory value) for confirmation. During our confirmation procedures, **we identified an error rate of less than 1%, which is commendable.** Based upon our review, we believe inventory value is reasonably accurate.

We thank you and your staff for your assistance during these procedures.

Sincerely,

A handwritten signature in black ink, appearing to read "Natalie B. McNish", written over a horizontal line.

Natalie B. McNish, CFE, CGAP
Director - Internal Audit and Risk Management
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Auditors: Grant Jones, Internal Auditor
Ritika Sedhai, Internal Audit Intern



OFFICE *of*
INTERNAL AUDIT AND
RISK MANAGEMENT

To: Sarah Rietman, Testing Coordinator

CC: Cindy Bridges, Director of Advising & Academic Support
Dr. Michael Orf, Vice- Chancellor of Academic Affairs
Rachael M. Dockery, General Counsel
Zora Mulligan, Chancellor

From: Natalie B. McNish, Director

Date: July 30, 2025

Testing Center Cash Count

To whom it may concern:

The Office of Internal Audit and Risk Management (herein "Office") performed a surprise cash count of all monies on hand June 12, 2025. We found the established change fund was intact and all monies were adequately secured; however, our review determined deposits are not being completed in accordance with university policy. The West Plains Cash Handling Procedures policy requires all cash collected must be deposited at the Business Office within one business day after collection/receipt of such money unless the total collected is less than \$50 and does not contain credit cards or checks. At the time of our cash count, a total of \$230 was on hand. This amount included receipts collected since June 5, 2025. A review of prior deposits identified similar delays in depositing. To ensure the security of receipts and compliance with policy, **we recommend the Testing Center deposit moneys in accordance with the adopted policy.**

We thank the Testing Center team for their assistance with these procedures.

Sincerely,

A handwritten signature in dark ink, appearing to read "Natalie B. McNish", written over a horizontal line.

Natalie B. McNish, CFE, CGAP
Director - Internal Audit and Risk Management
Carrington Hall, Room 302
(417) 836-5110
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Auditor: Ritika Sedhai, Audit Intern

IV.

BE IT RESOLVED by the Board of Governors for Missouri State University that a closed meeting, with closed records and closed vote, be held during a recess of the Risk Management and Audit Committee meeting of the Board of Governors to consider items pursuant to the [revised statutes of the State of Missouri 610.021](#):

- A. R.S.Mo. 610.021(1). “Legal actions, causes of action, or litigation involving a public governmental body...”
- B. R.S.Mo. 610.021(2). “Leasing, purchase or sale of real estate by a public governmental body...”
- C. R.S.Mo. 610.021(3). “Hiring, firing, disciplining or promoting of particular employees by a public governmental body...”
- D. R.S.Mo. 610.021(6). “Scholastic probation, expulsion, or graduation of identifiable individuals...”
- E. R.S.Mo. 610.021(9). “Preparation, including any discussions or work product, on behalf of a public governmental body or its representatives for negotiations with employee groups;”
- F. R.S. Mo. 610.021(11) and (12). “Specifications for competitive bidding...;” and “Sealed bids and related documents...;”
- G. R.S.Mo. 610.021(13). “Individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment,...”
- H. R.S.Mo. 610.021(14). “Records which are protected from disclosure by law;” and
- I. R.S.Mo. 610.021(18). “Confidential or privileged communications between a public governmental body and its auditor,...”