

Minutes
Missouri Technology Corporation
Audit and Finance Committee
Friday, April 21, 2017

The Audit and Finance Committee (the “Audit Committee”) of the Board of Directors of the Missouri Technology Corporation (the “MTC”) met in regular session on Friday, April 21, 2017, beginning at 2:00 p.m. The meeting was held by teleconference.

Members Participating:

Garry Kemp	Chair
Mike O’Connell	Member
Donn Rubin	Member

Staff and Legal Counsel Participating:

Bill Anderson	MTC Executive Director
Dan Kaemmerer	MTC Staff
Tori Benson	MTC Staff
Amy Steinman	MTC Staff
Dawn Overbey	DED Staff
Tom Litz	Thompson Coburn LLP, MTC Legal Counsel

Guests Participating:

Les Renn	Central Bank
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WELCOME AND CALL TO ORDER:

Chair Kemp called the meeting to order at 2:10 p.m. and declared a quorum to be present with three members of the Audit Committee participating, including Mr. Rubin, Mr. O’Connell, and Chair Kemp.

APPROVAL OF MINUTES:

Chair Kemp asked if there were any comments on the draft minutes of the Audit Committee’s meeting held June 24, 2016, which had been made available to the Audit Committee prior to the meeting. On motion by Mr. O’Connell, seconded by Mr. Rubin, the following resolution was unanimously approved:

RESOLVED, the Audit Committee hereby approves the minutes of its meeting held June 24, 2016, as submitted.

REVIEW EXPENSE REPORT FOR APPROVAL:

Chair Kemp asked Director Anderson to review a request for reimbursement for Mr. Wetle for travel expenses incurred in November 2016. A copy of the expense report had been made available to the Committee prior to the meeting. Per MTC’s Travel Policy, adopted on October 26, 2012, the Audit Committee must approve any expenses claimed for travel that occurred more than 30 days prior to submission for reimbursement.

On motion by Mr. O’Connell, seconded by Chair Kemp, the following resolution was unanimously approved:

RESOLVED, the Audit Committee hereby approves the expense report for Mr. Wetle as submitted, pursuant to the Audit Committee’s authority as set forth in the MTC Travel Policy adopted on October 26, 2012.

CLOSED SESSION

On motion by Mr. Rubin, seconded by Mr. O’Connell, the following resolution was approved by roll call vote as follows:

RESOLVED, the Audit Committee hereby approves entering into Closed Session at 2:13 p.m. pursuant to Sections 610.021 (1), (14) and (17) RSMo.

Chair Kemp aye
Mr. Rubin aye
Mr. O'Connell aye

On motion by Mr. O'Connell, seconded by Mr. Rubin, the following resolution was approved by roll call vote as follows:

RESOLVED, the Audit Committee hereby reconvenes from Closed Session at 2:23 p.m.

Chair Kemp aye
Mr. Rubin aye
Mr. O'Connell aye

Chair Kemp reported that the Audit Committee took no action in Closed Session after a discussion confined to the matters stated above. The Audit Committee continued its discussion in Open Session.

REVIEW SHORT-TERM CASH INVESTMENTS:

Chair Kemp asked Director Anderson to review MTC's short-term cash investments. Director Anderson stated this meeting served as the Audit Committee's regular review of the Short-Term Investment Policy and MTC's short-term investment activity and accounts and then asked Mr. Renn to review the same.

Mr. Renn stated that MTC made three short-term investments in US Treasury notes in mid-March 2017, totaling \$1,000,000. This allows MTC to have ample cash balances for its budgeted requirements to fund planned awards and investments, as well as ordinary course operations.

REVIEW OF Q3 TREASURER'S REPORT/IRS FORM 990 FILING:

Chair Kemp reviewed the Third Quarter Treasurer's Report and advised MTC filed its IRS Form 990 in February. Director Anderson stated all reports had been uploaded to BoardPaq for review.

REVIEW MTC FINANCIAL STATEMENTS:

Director Anderson advised that while preparing financials for 2016, it was discovered that some previous statements for 2013, 2014 and 2015 contained incorrect classifications of certain items, but that the incorrect classifications were not material to the overall statements. He further advised the Audit Committee that the statements now have been corrected.

On motion by Mr. O'Connell, seconded by Mr. Rubin, the following resolution was approved by roll call vote as follows:

RESOLVED, the Audit Committee hereby approves the restated financial statements for 2013, 2014 and 2015, as presented.

UPDATE ON MTC AUDIT PROCESS:

Director Anderson advised that the staff would like to have responses to an RFP for an audit of MTC's fiscal 2017 financial statements by late May so that the Board can approve an audit engagement at its June meeting and the audit can be completed in August or September. The cost will likely be \$10,000-\$20,000.

ADJOURNMENT:

Having no further business and on motion by Mr. Rubin, seconded by Mr. O'Connell, the Audit Committee hereby adjourns at 2:50 p.m.