

MEETING AGENDA

Meeting: Audit & Risk Committee
Date: January 9, 2025
Time: 10:00 AM
Location: Trust Authority Building, 3745 Community Park Loop, Anchorage
Teleconference: (844) 740-1264 / Meeting: 2864 389 1064 # / Attendee: #
alaskamentalhealthtrust.org
Trustees: Kevin Fimon (Chair), Corri Feige, Anita Halterman

Thursday, January 9, 2025

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10:00	<u>Call Meeting to Order (Kevin Fimon, Chair)</u> Roll Call Announcements Approve Agenda Ethics Disclosure Approval of Minutes – October 16, 2024	4
10:15	Grant Compliance Luke Lind, Grants Administrator Manager Carrie Predeger, Grants Accountability Manager	handout
10:45	Audit Update(s) Executive Session – (if necessary) <i>In accordance with the Open Meetings Act, AS 44.62.310(c)</i>	
11:15	Trustee Comments	
11:30	Adjourn	

Future Meeting Dates

Full Board of Trustees / Program & Planning / Resource Management / Audit & Risk / Finance

(Updated – November 2024)

- | | | |
|--------------------------------|---------------------------|------------------------|
| • Full Board of Trustees | February 5-6, 2025 | (Wed, Thu) – Juneau |
| • Audit & Risk Committee | April 23, 2025 | (Wed) |
| • Finance Committee | April 23, 2025 | (Wed) |
| • Resource Mgt Committee | April 23, 2025 | (Wed) |
| • Program & Planning Committee | April 24, 2025 | (Thu) |
| • Full Board of Trustees | May 21-22, 2025 | (Wed, Thu) – TBD |
| • Audit & Risk Committee | July 31, 2025 | (Thu) |
| • Finance Committee | July 31, 2025 | (Thu) |
| • Resource Mgt Committee | July 31, 2025 | (Thu) |
| • Program & Planning Committee | Aug 1, 2025 | (Fri) |
| • Full Board of Trustees | August 27-28, 2025 | (Wed, Thu) – Anchorage |
| • Audit & Risk Committee | October 15, 2025 | (Wed) |
| • Finance Committee | October 15, 2025 | (Wed) |
| • Resource Mgt Committee | October 15, 2025 | (Wed) |
| • Program & Planning Committee | October 16, 2025 | (Thu) |
| • Full Board of Trustees | November 19-20, 2025 | (Wed, Thu) – Anchorage |
| • Audit & Risk Committee | January 7, 2026 | (Wed) |
| • Finance Committee | January 7, 2026 | (Wed) |
| • Resource Mgt Committee | January 7, 2026 | (Wed) |
| • Program & Planning Committee | January 8, 2026 | (Thu) |
| • Full Board of Trustees | February 4-5, 2026 | (Wed, Thu) – Juneau |

Future Meeting Dates Statutory Advisory Boards (Updated – December 2024)

Alaska Commission on Aging

ACOA: <https://aging.alaska.gov>

Executive Director: Martin Lange, (907) 465-4879, martin.lange@alaska.gov

- Quarterly Meeting: Spring / TBD

Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse

AMHB: <http://health.alaska.gov/amhb/Pages/default.aspx>

ABADA: <https://health.alaska.gov/abada/Pages/default.aspx>

Executive Director: Stephanie Hopkins, (907) 465-4667, stephanie.hopkins@alaska.gov

- Quarterly Meeting (winter): January 2025 / Zoom
- Quarterly Meeting (spring): April 15-18, 2025 / Anchorage

Governor’s Council on Disabilities and Special Education

GCDSE: <http://health.alaska.gov/gcdse/Pages/default.aspx>

Executive Director: Patrick Reinhart, (907)269-8990, patrick.reinhart@alaska.gov

- Triannual Meeting (winter): February 11-13, 2025 / Juneau
- Triannual Meeting (spring): May 2025 / Anchorage

**ALASKA MENTAL HEALTH TRUST AUTHORITY
AUDIT & RISK COMMITTEE MEETING
October 16, 2024
12:45 p.m.**

**Hybrid/Webex Meeting:
Originating at:
Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 200
Anchorage, Alaska 99508**

Trustees Present:

Kevin Fimon, Chair
Anita Halterman
Corri Feige
Agnes Moran
John Morris
Rhonda Boyles
Brent Fisher

Trust Staff Present:

Allison Biastock
Katie Baldwin-Johnson
Julee Farley
Miri Smith-Coolidge
Michael Baldwin
Eric Boyer
Kat Roch
Kelda Barstad
Debbie DeLong
Valette Keller
Tina Voelker-Ross
Eliza Muse
Janie Caq'ar Ferguson
Carrie Predeger
Luke Lind

Trust Land Office staff present:

Jusdi Warner
Jeff Green
Sarah Morrison
Brittany Williams
Mariana Sanchez
Blain Alfonso

Also participating:

Gene Hickey; Steve Sikes; Rep. Julie Coulombe; Rep. Justin Ruffridge; Chris Orman; Stephanie Hopkins; Rep. Mike Prax; Kathy Craft; Bikky Shrestha.

PROCEEDINGS

CALL TO ORDER

CHAIR FIMON called the meeting to order and began with a roll call. He asked for any announcements. There being none, he moved to the approval of the agenda.

APPROVAL OF AGENDA

MOTION: A motion to approve the agenda was made by TRUSTEE MORRIS; seconded by TRUSTEE HALTERMAN.

There being no objection, the MOTION was APPROVED

ETHICS DISCLOSURE

CHAIR FIMON asked for any ethics disclosures. Hearing none, he moved to the approval of the minutes of July 30, 2024.

APPROVAL OF MINUTES

MOTION: A motion was made to approve the minutes of July 30, 2024. The motion was made by TRUSTEE HALTERMAN; seconded by TRUSTEE FEIGE.

There being no objection, the MOTION was APPROVED.

CHAIR FIMON moved to the Audit Presentation/Update.

ANNUAL AUDIT PRESENTATION/UPDATE

CFO FARLEY stated that they were nearing the end of the annual financial audit with BDO, and that Bikky Shrestha was online. He has been involved with the Trust audit for numerous years and is very familiar with the accounting at the Trust.

MR. SHRESTHA stated that he was the audit partner in charge of the audit for the Mental Health Trust. He presented the status of the audit and the draft of the financial statements as of October 16th. He continued that the majority of the work had been completed, and BDO was not expecting too many changes from the draft beyond what is presented today. He added that he had two documents: one was the audit draft document, and also the financial statements. He proceeded through the main highlights of the results. He stated that professional standards require communicating about matters regarding the audit that were significant and relevant to the Trust's responsibility in overseeing the financial reporting process. He added that the document had some of that information. He stated that they had substantially completed the audit of the financial statements as of June 30, 2024. The audit was also subject to an audit in accordance with Government Auditing Standards. He continued that the object of the audit was to obtain reasonable -- not absolute -- assurance about whether the financial statements were free from material misstatements. He added that they expected to issue an unmodified or a clean opinion on the financial statements, and that nothing had come up that would lead to not presenting an unmodified opinion. All records and information requested by BDO were freely available for inspection, and BDO received full access to all the information that was requested as part of the audit. He talked about the Trust's significant accounting policies and practices. He noted that they did not find any uncorrected misstatements. There was an error found when they got the trial balance that was corrected once the trial balance was received. The correction had been

made by management with the hope that it fixes the net position problem going forward. He then talked about internal control over financial reporting, and continued that they reported finding one significant deficiency which was related to the net position still not rolling forward correctly in the financial statements.

CHAIR FIMON asked for clarification on whether the misstatement was not an accounting move.

CFO FARLEY replied that entry was the entry needed at the close of the FY23 audit, and when it processed it was later in FY24 and sent through when the State still had FY23 open. During the processing, it had to go through a couple of approvals. The FY23 was closed in the middle of that processing.

MR. SHRESTHA continued with the statement of net position or the balance sheet of the financial statements at the end of the year. He then moved to the statement of activities or the statement of revenue expenditures and changes in the net position. He continued through to numbers and totals, explaining as he moved through the statements. He stated that the audit was done in a pretty compressed time and thanked all the folks at the Trust that helped because the information had to be shared fairly quickly.

CHAIR FIMON stated appreciation for the staff on both sides. He thanked Mr. Shrestha, and moved to the LB&A audit update.

LB&A AUDIT UPDATE

MOTION: A motion that the Audit & Risk Committee for the Alaska Mental Health Trust Authority Board of Trustees enter Executive Session to obtain an update on the LB&A legislative audit of the Alaska Mental Health Trust Authority. This Executive Session is permitted under the Open Meetings Act, AS 44.62.310(c)2, as the matters to be discussed concern matters which by law are required to be confidential. The motion was made by TRUSTEE FISHER; seconded by TRUSTEE MORRIS.

There being no objection, the MOTION was APPROVED.

(Executive Session from 1:10 p.m. until 2:15 p.m.)

CHAIR FIMON stated that they were out of Executive Session, and recognized Trustee Fisher.

TRUSTEE FISHER stated, for the record, that he, his fellow trustees, members of the Trust Authority are returning to the Audit & Risk Committee meeting from the Executive Session. During the Executive Session, the trustees only discussed the items identified in the motion to move into Executive Session. The Audit & Risk Committee did not take any action while in Executive Session.

CHAIR FIMON asked for anything else to be brought before the Committee. Hearing none, he asked for a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE HALTERMAN; seconded by TRUSTEE MORRIS.

After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Morris, yes; Trustee Fisher, yes; Trustee Moran, yes; Trustee Boyles, yes; Trustee Feige, yes; Chair Fimon, yes.)

CHAIR FIMON adjourned the meeting.

(The Alaska Mental Health Trust Authority Audit & Risk Committee meeting adjourned at 2:17 p.m.)