

**Introductory Remarks to the
Big 12 Internal Auditors' Conference
Andy Lester, Chairman, Board of Regents of the
Oklahoma Agricultural & Mechanical Colleges.
May 6, 2013**

Thank you, Cecil, for that kind introduction. I was going to mention that, as a lawyer, I had been involved in case involving auditors. I was not, however, planning to mention they had been auditing malpractice cases on the plaintiffs' side. Given what I have heard from some of my auditor friends about how auditors feel about lawyers, I think I'm glad I have a podium to duck behind, and that I am the closest person to the door! Maybe it's apt that the program immediately following my remarks is called, "Getting Along with the Difficult Person."

In all seriousness, perhaps in part because of my role in auditing litigation, I have had the opportunity to meet some of the finest auditors in the profession and greatly

appreciate and value what auditors do. As I will say momentarily, the internal audit reports I receive as a member of the Board of Regents are among the most important papers I receive. Thank you for your work.

On behalf of the Board of Regents of the Oklahoma Agricultural and Mechanical Colleges, I would like to welcome the Big 12 Internal Auditors' Conference to the campus of Oklahoma State University. Internal auditors are vital to the successful operation of the contemporary university. As a regent, this is obvious to me. I see first hand the work you do. Without it, university trustees simply would not know whether our own operations are working properly. With it, we can rest assured that we are making good use of the vast yet limited resources we have, and thereby appropriately and completely fulfill the mission of the institutions we govern.

Let me illustrate from the Oklahoma A&M system. The nine members of our Board of Regents govern five separate institutions of higher education, each of which has multiple campuses. We have charge over an annual budget of approximately \$1.3 billion. Our schools have well over 40,000 students, most of whom – some 36,000 – are OSU students. System wide, we have over 9,000 employees.

As a public Board, we have essentially two functions. We serve as fiduciaries of our schools. And we are tasked by the citizens of our state to operate our institutions on their behalf.

It would be impossible for us to keep track of how our funds are being spent if it were not for our internal auditors. You spend a lot of time planning your audits. You dig down to all levels. You test processes. You make sure we have appropriate internal controls. And thereby, you

provide an actual and appropriate check against the misuse of funds and data. You provide the necessary integrity that makes the system work smoothly. You keep up with the latest techniques in a wide variety of fields, and thereby instruct our officers and employees on how they can better fulfill the functions of their jobs.

As I mentioned, my legal practice has given me a special affinity for auditors. Through that experience, I have met some of the finest auditors and I have come to appreciate how important having a first rate audit function is.

Cecil Strande, our Director of Internal Audits, is one of those excellent auditors. In my almost six years on the Board of Regents, I have come to rely heavily on the audit reports Cecil and his staff produce. As I've told him on numerous occasions, I learn more about the day-to-day

operations of our institutions from his audit reports than from any other source of information. I read his reports carefully. I know when I read them that I am learning vital information about our schools, their work and their people. If we need to fix something, I will generally learn of it first from the internal audit reports I receive.

It is wonderful to have you on campus this week. I hope you have a chance to take in our facilities. If you haven't been on our campus for awhile, you will be surprised at the many positive changes. We just had our commencement a couple of days ago. I'm proud to say my daughter, Susan Lester, graduated from our Honors College and was elected to Phi Beta Kappa. Cecil's son, Christopher Strande, also received his Master's in Electrical Engineering. And that – providing an excellent educational experience to the next generation – is the

common cause all of us involved in higher education have. Internal auditors make that happen. I, for one, greatly appreciate what you do, as do all serious institutional trustees.

The Board of Regents for Oklahoma State University is honored to have you on campus this week. Your agenda looks full and I hope you have a great time in Stillwater. Thank you for the work you do to make our educational systems better.