

**CI UNIVERSITY AUXILIARY SERVICES, INC. BOARD OF  
DIRECTORS Audit Entrance Meeting Minutes  
Friday, July 10, 2026 1:00 PM – 2:00 PM**

**University Auxiliary Services Audit Subcommittee Members Present:** David Press (Audit Committee Chair), Bill Robe

**Staff Present:** Edith Winterhalter, Stephanie Bracamontes, Dottie Patten, Jeff Kim and Leo Cervantes

**Independent Auditors Present:** Nicole Stan and Aaron Filene with CohnReznick LLP

1. Audit Chairperson called the meeting to order at 1:00 PM
2. Nicole Stan reviewed the 2026 audit services. CohnReznick will audit the financial statements for the year ended June 30, 2026, communicate any findings or internal control issues identified during the audit, assist management with preparation of the financial statements, and prepare the federal and state tax filings.
3. Key Members of the Engagement Team: Nicole Stan reviewed the engagement team and noted that Aaron Filene has significant prior experience with the organization and returned to the engagement team. Steven Pak will continue as a recurring senior, and Jola Tuck will continue as the tax partner.
4. Summary of Services: Nicole Stan reviewed the audit services to be provided for the fiscal year ended June 30, 2026, including the annual financial statement audit, required communications to governance, assistance with preparation of the financial statements, and preparation of the federal and state tax filings.
5. Management's Responsibilities: Nicole Stan noted that management is responsible for maintaining appropriate internal controls and providing complete and accurate financial information and supporting documentation for the audit.
6. Engagement Objectives: Nicole Stan explained that the audit will focus on obtaining reasonable assurance that the financial statements are free from material misstatement and communicating any significant findings or internal control matters identified during the audit.
7. Audit Strategy: Nicole Stan reviewed the audit strategy, beginning with an understanding and evaluation of internal controls, including information technology controls and key financial cycles. Ms. Stan stated that management override of controls and improper revenue recognition are standard significant audit risk areas. Key audit areas include revenue and related receivables, capital assets, loans, and net position. She noted that the audit plan may be adjusted if new transactions, control issues, or other risks are identified during the audit. Ms. Stan also reviewed key audit procedures, including testing selected revenue and expense transactions, reviewing unrecorded liabilities, confirming cash and investment balances with third parties, testing investment activity, and performing analytical reviews to identify unusual trends or variances requiring additional attention.

8. Timetable of Audit Services: Planning is underway, with year-end fieldwork scheduled for August and September. The audit results will be presented to the Audit Committee in mid-September before the financial statements are issued.
9. Nicole Stan reviewed the respective responsibilities of UAS management and the auditors. Ms. Stan explained that management is responsible for the financial statements, maintaining appropriate internal controls, providing complete and accurate information, and disclosing any known or suspected fraud. She noted that the auditors are responsible for planning and performing the audit independently, communicating significant findings or fraud concerns to the Audit Committee, and forming an independent opinion on the financial statements.
10. Nicole Stan reviewed GASB Statement No. 103, which updates the Management's Discussion and Analysis requirements to provide more consistent and informative explanations of year-over-year financial changes. Ms. Stan noted that guidance from the Chancellor's Office may further shape how the updated MD&A is presented. She also noted that the second GASB update discussed is not expected to impact UAS.
11. For the 2026 audit, the proposed fee is \$19,250, representing a 5% increase from the prior year.
12. A question was asked regarding how the auditors evaluate the reasonableness of investment activity. Nicole Stan explained that the auditors compare investment balances and activity to market-based expectations and independently verify gains, losses, and other activity to investment statements. Stephanie Bracamontes noted that the Chancellor's Office is developing guidance for the updated MD&A requirements and expects to provide a template. In response to a question regarding prior audit risks, Nicole Stan stated that no additional organization-specific significant risks have been identified in prior audits beyond the standard audit risks. She noted that prior changes to the audit plan were appropriately addressed and did not affect the issuance of clean, unqualified opinions.
13. The meeting was adjourned at 1:34 PM.