UAS STANDING AUDIT COMMITTEE MINUTES
Tuesday, May 3, 2022 10:00 a.m. Via a Zoom Conference Call https://csuci.zoom.us/j/89110190814?from=addon
Passcode: 590450
California State University Channel Islands - Islands Cafe Private Dining Room 1996
One University Drive, Camarillo, CA 93012

University Auxiliary Services Audit Subcommittee Members Present: David Press Audit Committee Chair, Bill Robe Board Chair, Barbara Rex UAS Board Treasurer, Stephanie Bracamontes UAS Board Member
CI Staff Present: Jeff Kim, John Lazarus, Leo Cervantes, Minna Chang
Independent Auditors Present: Nicole Stan and Aaron Filene both with Cohn Reznick

1. Meeting called to order by David Press at 10:04am
2. The Audit Planning Report presented by Nicole Stan and Aaron Filene with Cohn Reznick
   a. Key Members of the Engagement Team
      i. Same team as last year.
   b. Go over the summary of 2022 Services
   c. Management's Responsibilities
      i. Key Members of the Engagement Team
      ii. Summary of 2022 Services
      iii. Management's Responsibilities
      iv. Engagement Objectives
      v. Audit Strategy
      vi. Timetable of Audit Services
   d. Engagement Objectives
      i. Our audit is designed to obtain reasonable, but not absolute, assurance of detecting errors or fraud that would have a material effect on the financial statements as well as other illegal acts having a direct and material effect on financial statement amounts.
      ii. Nicole stated that they cannot guarantee that they will discover fraud.
      iii. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud and for informing us about all known or suspected fraud.
iv. Cohn Reznick will inform UAS if it discovers weaknesses in controls.

v. Cohn Reznick will complete the Tax returns but those will be filed by UAS

vi. They will prepare the Form 990

vii. Nicole said that anything significant will be reported to Management and the Audit Committee.

viii. Nicole discussed the impact of GASB 87 — testing lease accounting. This covered operating and capital leases and anything of more than 1 year needs to go on the balance sheet.

e. Audit Strategy

i. Partner with Management and Audit Committee.

f. Timetable of Audit Services was briefly reviewed.

g. David Press asked about their opinion letter, which now says “Audit is designed to obtain reasonable, but not absolute, assurance of detecting errors or fraud that would have a material effect on the financial statements.” Is there a gap between statistical and 100%? Nicole replied that “In theory, yes.” There’s a lesson to be learned in management if Cohn finds a weakness, they will communicate that to Management or if controls are not being implemented.

h. David Press asked if we were lawsuit free. And John Lazarus answered “Yes”.

3. UAS Proposed Fee and Expense Estimate for year ending 6/30/22 reviewed.

a. Same cost as 2021.

b. 2022 cost Estimated at $17,500

4. The Entrance Agenda reviewed.

a. Scope of audit for 2022.


c. Timing of audit tasks.

d. Audit Committee expectations.

e. New Standards and impact on 2022 audit.

f. Audit team and client interface issues.

5. Chair David Press concluded the meeting at 10:46am