



CI University Auxiliary Services, Inc.  
CSU, Channel Islands  
One University Drive  
Camarillo, California 93012

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 the cannot guarantee tha 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.
  - b. Audit risk areas/Risk Management Systems.
  - 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