



**STUDENT UNION BOARD OF DIRECTORS
AUDIT COMMITTEE MEETING MINUTES
September 9, 2014 at 10:00am in Clark Hall, Room 412**

Members Present: Joey Ruth, Andrew Johnson, Emily Wughalter, Ninh Pham-Hi
Members Absent: None
Guests in Attendance: Matt Giorgio, Lisa Wilson, Cathy Busalacchi, Kristin Kelly, Kim Hagens, Amy Guerra-Smith

CALL TO ORDER

Andrew Johnson facilitated the September 9, 2014 Audit Committee meeting. Mr. Johnson called the September 9, 2014 Audit Committee Meeting to order at 10:03am in Clark Hall room 412.

ROLL CALL

Mr. Johnson asked Amy Guerra-Smith to complete a visual roll call. Amy Guerra-Smith noted that she completed a visual roll call.

APPROVAL OF SEPTEMBER 9, 2014 AUDIT COMMITTEE MEETING AGENDA

Andrew Johnson asked for any changes needed to the September 9, 2014 Audit Committee Meeting Agenda. Seeing no changes needed, Mr. Johnson noted that the **September 9, 2014 Audit Committee Meeting Agenda was approved as presented by unanimous consensus.**

APPROVAL OF AUDIT COMMITTEE MEETING MINUTES FROM APRIL 8, 2014

Andrew Johnson asked for a motion to approve the April 8, 2014 Audit Committee Meeting Minutes. Lisa Wilson, McGladrey, requested to have the name McGladrey & Pullen LLC changed to McGladrey.

Emily Wughalter motioned to approve the April 8, 2014 Audit Committee Meeting Minutes with the suggested correction to fix McGladrey & Pullen LLC to McGladrey.

Joey Ruth seconded the motion.

VOTE ON THE MOTION: 4-0-0 MOTION PASSED.

INFORMATION ITEMS:

1. INTRODUCTION OF McGLADREY & PULLEN LLP AUDIT PARTNER

Lisa Wilson and Matt Giorgio of McGladrey introduced themselves to the members of the Audit Committee.

2. PRESENTATION BY AUDIT PARTNER OF JUNE 30, 2014 FINANCIAL AUDIT DRAFT

a. AUDIT COMMITTEE -QUESTIONS & ANSWER SESSION

b. DISCUSSION OF FINDINGS

c. REVIEW OF MANAGEMENT LETTER, IF ANY

Ms. Lisa Wilson and Mr. Matt Giorgio gave the Audit committee members highlights and touched upon the key points of the YE June 30, 2014 Audited Financials draft.

Mr. Giorgio noted that McGladrey did the final field work for the audit in August and anticipate issuing an unqualified opinion which means that McGladrey has determined based on the audit work done that the financial statements are materially correct. Mr. Giorgio commented that the Assets and Liabilities are fairly consistent with prior year however noted that the change of funding for student fees from annually to quarterly changed the financial landscape.

Mr. Giorgio noted that there was an increase in the overall student fees which was to try to better match the planned expenses that the Student Union was going to incur during the year. Mr. Giorgio also noted that the expenses increased as well mainly due to more events and activities during the year. Mr. Giorgio also noted that the last noted highlight was the FICA issue which is in process and almost 100% resolved. Mr. Giorgio noted that the FICA issue has a specific footnote at the end of the report. The committee had a detailed discussion about the conflict of interest policy and reporting self-dealing transactions. Lisa Wilson noted that this is not usually included in an external financial audit. Ninh Pham-Hi suggested that this be added to the contract for next year.

Ms. Wilson noted that McGladrey have some required communications to the Audit Committee members noting that McGladrey is responsible to audit under generally accepted audit standards. She noted however that they do not audit one hundred percent of the transactions. Ms. Wilson noted that at the end of the audit before everything is finalized, McGladrey will ask for a signed representation letter from management which is a statement that the information provided is true and correct. Ms. Wilson also noted that McGladrey did not encounter any significant difficulties in performing the audit and did not have any disagreements with management nor were there any other major issues identified during the audit.

3. OVERVIEW OF AUDIT CONCERNS – CLOSED SESSION

Ms. Wilson notified the committee members that a closed session with McGladrey is allowed to discuss any concerns with the Audit findings. The Audit Committee members agreed that there was no need for a closed session.

ACTION ITEMS:

1. APPROVAL OF CHAIR AND VICE-CHAIR

Andrew Johnson asked for nominations for Chair and Vice-Chair for 2014-15. Joey Ruth was nominated for Chair. Joey Ruth accepted the nomination for Chair. Andrew Johnson was nominated as Vice-Chair. Andrew Johnson accepted the nomination as Vice-Chair.

Andrew Johnson asked for any objections to approve Joey Ruth as Chair and Andrew Johnson as Vice-Chair.

Emily Wughalter moved to approve Joey Ruth as Chair and Andrew Johnson as Vice-Chair for 2014-15 year.

Andrew Johnson seconded the motion.

VOTE ON THE MOTION:

UNANIMOUS

MOTION PASSED.

2. REVIEW AND APPROVAL OF YE JUNE 30, 2014 AUDITED FINANCIALS DRAFT

Andrew Johnson asked for a motion to approve the Year End June 30, 2014 Audited Financials Draft as presented.

Emily Wughalter moved to approve the Year End June 30, 2014 Audited Financials Draft as presented.

Ninh Pham-Hi seconded the motion.

VOTE ON THE MOTION:

UNANIMOUS

MOTION PASSED.

MEETING ADJOURNMENT

Andrew Johnson asked for any other business to discuss. Seeing no other business to discuss, Andrew Johnson noted that the **September 9, 2014 Audit Committee Meeting was adjourned at 10:55am by unanimous consensus.**

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