

STUDENT UNION BOARD OF DIRECTORS
Audit Committee Meeting Minutes
April 7, 2015 at 3:30pm in the Student Union

Members Present: Kami Lopez, Ninh Pham-Hi, Rose Lee (by telephone conference)
Members Absent: None
Guests: Cathy Busalacchi, Amy Guerra-Smith, Kristin Kelly, Kim Hagens,
Lisa Wilson of McGladrey LLP, Matt Giorgio of McGladrey LLP

Call to Order

Kami Lopez facilitated the April 7, 2015 Audit Committee Meeting. Kami Lopez called the April 7, 2015 Audit Committee Meeting to order at 3:32pm in the Faculty/Staff Dining Room in the Student Union.

Roll Call

Kami Lopez asked Amy Guerra-Smith to do a roll call. Amy Guerra-Smith noted that she did a visual roll call.

Approval of APRIL 7, 2015 Agenda

Kami Lopez asked for any changes needed to the April 7, 2015 Audit Committee Meeting Agenda. Seeing no changes needed, Kami Lopez noted that the April 7, 2015 Audit Committee Meeting Agenda was approved as presented by unanimous consensus.

Approval of Meeting Minutes from SEPTEMBER 9, 2014

Kami Lopez asked for any changes to the September 9, 2014 Audit Committee Meeting Minutes. Seeing no changes, Kami Lopez asked for a motion to approve the September 9, 2014 Audit Committee Meeting Minutes as presented.

Ninh Pham-Hi moved to approve the September 9, 2014 Audit Committee Meeting Minutes as presented.

Kami Lopez seconded the motion.

VOTE ON THE MOTION: 2-0-1 MOTION PASSED.

Information Items:

1. **Selection of Audit Committee Chair and Vice-Chair**

Kami Lopez asked for nominations for the Chair and Vice-Chair for the Audit Committee. Kami Lopez was nominated as Audit Committee Chair. Kami Lopez accepted the nomination. Rose Lee was nominated as Audit Committee Vice-Chair. Rose Lee accepted the nomination.

2. **Review of McGladrey Engagement Letter for FY 2014-15 Financial Audit**

Matt Giorgio of McGladrey gave the Audit Committee members a brief overview of the Engagement Letter for the FY 2014-15 Financial Audit. Mr. Giorgio noted the audit base fee has increased slightly (4%) from the prior year. The agreement also includes the base fee and any indirect costs. The next letter in the packet explained the audit time line. Mr. Giorgio noted that McGladrey is scheduled to be back the in the beginning of June for one week and then again in August for two weeks to complete the year-end audit field work. Ms. Wilson also noted that the engagement letter, if agreed upon, will need

to be signed by the Chair of the Audit Committee, Cathy Busalacchi, and Kristin Kelly. Mr. Giorgio noted that this letter is identical to the letter issued last year.

3. Auditor's Responsibility

Lisa Wilson provided the Audit Committee members a detailed account of the Auditor's Responsibility. Ms. Wilson noted that this is a two way communication but the Auditors need to be independent. Ms. Wilson noted that the field work will begin the first week of June and then McGladrey will return in August to finish so that the draft report will be ready to be approved by the Board in September. Ms. Wilson noted that McGladrey does not test 100% but rather a sampling.

4. Mandatory Audit of Qualified 403B Plan as of June 30, 2014

Ms. Kelly noted that the mandatory audit is completed and a qualified opinion is issued. Kristin Kelly noted that the audit fees for this audit were approximately \$16,000.

Action Items:

1. Approval of Audit Committee Chair and Vice-Chair

Kami Lopez asked for any objections to approve Kami Lopez as Chair and Rose Lee as Vice-Chair of the Audit Committee. Seeing no objections, Kami Lopez noted **the Audit Committee approves Kami Lopez as Chair and Rose Lee as Vice-Chair of the Audit Committee by unanimous consensus.**

2. Approval of McGladrey fees for FY 2014-15 Financial Audit

Kami Lopez asked for a motion to approve the fees of \$43,300 for FY 2014-15 Financial Audit.

Ninh Pham-Hi moved to approve the fees of \$43,300 for FY 2014-15 Financial Audit. Rose Lee seconded the motion.

VOTE ON THE MOTION: UNANIMOUS MOTION PASSED.

Meeting Adjournment

Kami Lopez asked for any other business to discuss. Seeing no other business to discuss, Kami Lopez noted that the April 7, 2015 Audit Committee Meeting adjourned at 3:51pm by **unanimous consensus.**