

**STUDENT UNION BOARD OF DIRECTORS  
AUDIT COMMITTEE MEETING MINUTES  
April 25, 2017 at 4:00pm in the SU Meeting Room 5**

**Members Present:** Sameer Saran, Rose Lee, Charlie Faas, Ninh Pham-Hi, Sonja Daniels  
**Members Absent:** None  
**Guests:** Amy Guerra-Smith, Lisa Wilson (by telephone conference), Matt Giorgio, Cathy Busalacchi

**Call to Order**

Sameer Saran called the April 25, 2017 Audit Committee Meeting to order at 4:03pm in Student Union Meeting Room 5.

**Roll Call**

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

**Approval of APRIL 25, 2017 Agenda**

Sameer Saran asked for any changes to the April 25, 2017 Audit Committee Agenda. Seeing no changes, Sameer Saran asked for a motion to approve the April 25, 2017 Audit Committee Agenda as presented. **The April 25, 2017 Audit Committee Agenda was approved as presented by unanimous consensus.**

**Approval of Meeting Minutes from SEPTEMBER 8, 2016**

Sameer Saran asked for any changes to the September 8, 2016 Audit Committee Meeting Minutes. Seeing no changes, Sameer Saran asked for a motion to approve the September 8, 2016 Audit Committee Meeting Minutes as presented. **The September 8, 2016 Audit Committee Meeting Minutes were approved as presented by unanimous consensus.**

**Agenda Items:**

**1. Nominations and Approval of the Audit Committee Chair and Vice Chair**

Rose Lee nominated Sameer Saran as Chair. Sameer Saran accepted the nomination.

**Rose Lee moved to approve to recommend Sameer Saran as Audit Committee Chair for the remainder of the 2016-2017 Academic Year.**

**Charlie Faas seconded the motion.**

**VOTE ON THE MOTION: 5-0-0 MOTION PASSED.**

Rose Lee nominated Ninh Pham-Hi as Audit Committee Vice-Chair. Ninh Pham-Hi accepted the nomination.

**Rose Lee moved to approve to recommend Ninh Pham-Hi as Audit Committee Vice-Chair for the remainder of the 2016-2017 Academic Year.**

**Charlie Faas seconded on the motion.**

**VOTE ON THE MOTION: 5-0-0 MOTION PASSED.**

## **2. Review and Approval of RSM US LLP Engagement Letter for FY 2016-17 Financial Audit**

Matt Giorgio of RSM gave the Audit Committee members a brief overview of the Engagement Letter for the FY 2016-17 Financial Audit. Mr. Giorgio noted that RSM does not test 100% but does a sampling and that their method is not designed to detect errors. Mr. Giorgio also noted that internal controls are considered as well.

Mr. Giorgio noted the audit base fee increased slightly to \$46,000 compared to last year at \$45,000. 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 RSM is scheduled to be back the in June for one week and then again in August for two weeks to complete the year-end audit field work.

A question about using “management” versus using Kristin Kelly’s name due to her retirement. Lisa Wilson agreed to use a generic term like, “management” in place of Kristin Kelly’s name. Another question was asked about the change of the audit managing partners. Lisa Wilson noted that Mr. Giorgio and she will not change but the person overseeing the fieldwork will change.

Sameer Saran asked for a motion to approve the RSM US LLP Engagement Letter for FY 2016-17 Financial Audit.

**Charlie Faas moved to approve the RSM US LLP Engagement Letter for FY 2016-17 Financial Audit.**

**Ninh Pham-Hi seconded the motion.**

**VOTE ON THE MOTION:**

**5-0-0**

**MOTION PASSED.**

## **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 key items for an accurate audit include: communication, independence, audit planning process and internal controls. Ms. Wilson noted that the preliminary field work will begin in June and then return in August to finish so that the draft report will be ready to be approved by the Board in September. An inquiry was made about the rotation of audit team members. Ms. Wilson noted that the team members are the same but the partner rotates every three years. Mr. Pham-Hi noted that it is the recommendation of the Chancellor’s Office that the audit team members rotate every so often.

## **Meeting Adjournment**

Sameer Saran asked for any other business to discuss. Seeing no other business to discuss, Sameer Saran noted that the **April 25, 2017 Audit Committee Meeting was adjourned at 4:26pm by unanimous consensus.**