



STUDENT UNION BOARD OF DIRECTORS

**MEETING MINUTES
AUDIT COMMITTEE MEETING**

September 11, 2018 at 4:00pm in SU Meeting Room 5

Members Present: Sonja Daniels, Rose Lee, Ariadna Manzo, Ninh Pham-Hi, Joseph Sandoval-Rios
Members Absent: None
Guests Present: Cedric Woolfork, Kim Hagens, Matt Giorgio, Lisa Wilson (via telephone conference), Mauricio Gonzales, Myles Correa, Amy Guerra-Smith

I. Call to Order

Rose Lee called the September 11, 2018 Audit Committee Meeting to order at 4:07pm in the SU Meeting Room 5.

II. Roll Call

Rose Lee asked Amy Guerra-Smith to do roll call. Amy Guerra-Smith noted that she completed a visual roll call.

III. Approval of September 11, 2018 Audit Committee Meeting Agenda

Rose Lee asked for any changes needed to the SEPTEMBER 11, 2018 AUDIT COMMITTEE MEETING AGENDA. Seeing no changes, Ms. Lee asked for

Management Letter stated in item 20 titled sh d` h d` #

Mr. Giorgio noted that the audit went very well. Mr. Giorgio noted that the report presented was a draft version but does not anticipate any material changes between the draft report and the final version. Mr. Giorgio noted that the report is consistent with previous reports. Matt Giorgio noted that the biggest change for this year's report was the adoption of GASB 75 which now requires the net OPEB liability to be included in the financial statements compared to previous reports where this information was a disclosure in the footnotes. Another GASB 75 requirement is the deferred outflows of resources. Mr. Giorgio explained that the funding during the year made to OPEB plan is reported as the deferred outflow of resources because of the timing in which the liability of OPEB is determined. Mr. Pham-Hi asked how long the deferral is for. Mr. Giorgio noted that the deferral is for one year. Mr. Giorgio also indicated that any deferred inflows of resources should also be noted as well.

Mr. Giorgio also explained the reduction of \$9,542,110 of student fees to \$7,774,169 in Operating Expenses on page 11 noting that the reduction in student fees was the \$3,000,000 the Student Union pledged to Tower Foundation for the athletic facilities.

Mr. Giorgio noted that note 6 on pages 21-24 explain in greater details about the OPEB liability. The members of the Audit Committee asked Mr. Giorgio and Ms. Wilson various questions pertaining to the presentation on the report.

Mr. Myles Correa informed the Audit Committee members that RSM does not have any findings or internal control issues and that they did not have any disagreements with management.

Mr. Giorgio did note one audit adjustment relating to the Branding Project. Mr. Giorgio

Rose Lee asked for a motion to approve the September 11, 2018 Audit Committee Meeting at 5:00pm.

Ninh Pham-Hi moved to approve to adjourn the September 11, 2018 Audit Committee Meeting at 5:01pm.