



SITE AUTHORITY STANDING AUDIT COMMITTEE MEETING MINUTES
Monday, May 13, 2024, 3:00 pm Via a Zoom Conference Call

Site Authority Audit Subcommittee Members: Supervisor Laura Hernandez, Supervisor Kelly Long

Site Authority Audit Subcommittee Members Not Present: Councilmember Martita Martinez-Bravo

Staff Invited: Barbara Rex, Stephanie Bracamontes, John Lazarus, Minna Chang

Independent Auditors Invited: Nicole Stan with Cohn Reznick

Chairperson Laura Hernandez called to order at 3:10 PM

1. Nicole Stan introduced herself as partner with Cohen Reznick. She shared the audit introduction letter for the year ending June 2024.
 - a. Key members of the engagement team include Nicole Stan; Partner, Aaron Filene; Senior Manager, and Jennifer Burrola; Manager.
 - b. Summary of 2024 services is for Cohen Reznick to issue an opinion of the financial statements. Although Cohen Reznick looks at internal controls, they do not issue a full report. However, if they become aware of anything that rises to the level of significant deficiency or material weakness it will be communicated with management before the finalization of the audit.
 - c. Management responsibilities include internal controls, designing them, and implementing them. Cohen Reznick could make suggestions throughout the audit, but it is the management's responsibility to implement those suggestions. You can find more details on management's responsibilities in the Engagement Letter on pages five through seven.
 - d. Ms. Stan continued with Engagement objectives. Which include any significant materials that would be an improvement to business practices. This would be communicated with management. Engagement objectives could also include consultation regarding inaccurate or inadequate internal controls. She stated that CSUCI management issues five reports within a small timeline and historically speaking has never had any issues regarding the timely issuance. She stated that although Cohen Reznick is not auditing the schedules on the financial statements, they do make sure they are consistent with the financial statements and are accurate.
 - e. The Audit Strategy is to perform a risk-based type of audit. They are looking at anything significant or anything that could potentially yield an error that would impact the financial statements. She addressed a controlled environment, meaning the organization completes a questionnaire, and a few controls are selected and rotated year over year to make sure management is performing those controls by their control policy.
 - f. A timetable of Audit Services focuses on the issuance that is on September 20th. Interim testing is scheduled for the end of May and beginning of June and final testing is in August. Issuance of the draft financial statements will arrive in mid-September to allow 3-5 days for review. The final financial statements will be issued on September 20th.

Nicole Stan asked the Committee if they had any questions. No questions or comments were made.

2. Nicole Stan continued with the Site Authority Proposed Fee and Expense Estimate for the year ending June 2024. The total for Site Authority is \$40,550.00. Cohen Reznick has capped the increases year over year at five years, due to their commitment to CSUCI. The out-of-pocket cost will not exceed \$750.00. Ms. Stan stated that this year there were no changes to the audit standards.

Chairperson Hernandez asked Ms. Stan to confirm the schedule for the overall fee and the three installments. Ms. Stan confirmed that the first installment will be May 15th for \$14,700, the second installment being August 15th for \$13,600 and the third installment being September 15th for \$12,250.

Chairperson Hernandez asked John Lazarus about the letter received from a concerned homeowner. Barbara Rex responded that an operational audit is being requested from the homeowner and CSUCI staff would be able to answer those questions. CSUCI can audit the CAM Fee activity.

ACTION ITEM: Request the Audit Committee to approve the opening of the Audit.

Motion was made by Kelly Long to approve the action item. The motion was seconded by Laura Hernandez and carried unanimously by roll-call vote.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:26 PM.

APPROVED

California State University Channel Islands Site Authority Board and California State University Channel Islands Financing Authority Board

Christina Sotelo 09/20/202
Christina Sotelo (Sep 20, 2024 09:25 PDT)

Christina Sotelo, Secretary

Date