



California State
University

**SITE
AUTHORITY**
C H A N N E L
I S L A N D S

SITE AUTHORITY STANDING AUDIT COMMITTEE MEETING MINUTES
Monday, May 12, 2025, 11:00 am Via a Zoom Conference Call

Site Authority Audit Subcommittee Members: Supervisor Laura Hernandez, Councilmember Martita Martinez-Bravo

Site Authority Audit Subcommittee Members Not Present: Supervisor Kelly Long

Staff Invited: Stephanie Bracamontes, John Lazarus, Bradley Olin, Leo Cervantes

Independent Auditors Invited: Nicole Stan and Jennifer Burrola with CohnReznick

Chairperson Laura Hernandez called to order at 11:00 AM

Nicole Stan introduced herself as the audit partner with CohnReznick. She introduced Jennifer Burrola, the audit manager. She shared the 2025 Audit Plan for California State University Channel Islands Site Authority.

- A. Key members of the engagement team include Nicole Stan; Partner, Aaron Filene; Senior Manager and Jennifer Burrola; Manager.
- B. Summary of 2025 services is for CohnReznick to audit the financial statements as of June 30, 2025, and for the year then ended. The engagement letter dated March 6, 2025 stated that CohnReznick is responsible for conducting an audit with the auditing standards such as standards generally accepted in the United States of America (U.S. GAAS); Government Auditing Standards for the purpose of forming an opinion of the financial statements. CohnReznick responsibility related to other information or nonfinancial information is based on information provided by management. Management ensures that the management's discussion and analysis is in accordance with the underlying records.
- C. CohnReznick approaches the audit with a risk-based approach. This is done by looking at the most significant or riskiest areas and perform a sample-based approach. Although CohnReznick 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. The Audit Committee would be notified of any violations of laws and regulations, disagreements with management and any unusual transactions, any potential effects of any uncorrected misstatements on future-period financial statement and other significant matters that are relevant to the Site Authority's responsibility in overseeing the financial reporting process.
- D. Management responsibilities include establishing and maintaining internal controls, providing all financial records and related information. Management is responsible for the totality of the financial statements and the underlying data. It was noted to the board and to management that CohnReznick should be made aware of any cyber security incidents. This would allow them to tailor the audit procedures.
- E. The Engagement Objectives are to conduct the audit for the fiscal year ending June 30, 2025, identify and communicate best business practices to management, and ensure compliance of supplemental information with Chancellor's Office requirements. It was noted that CSUCI

management consistently issues five financial statements within a tight timeline and has a strong track record of timely reporting.

- F. 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. Focusing mostly on two significant areas, which are revenue recognition and related receivables and management override of internal controls. CohnReznick would place reliance on internal controls, when appropriate, and determine the degree of detailed testing required. They will evaluate the design of internal controls over key financial cycles and accounts including cash receipts cycle, cash disbursement cycles, financing, revenue and receivables, capital assets and financial reporting and closing cycle.
- G. A timetable for Audit Services focuses on the issuance for mid-September. Audit Design and Planning is scheduled for May, June and July with the Year-End Fieldwork in August. Issuance of the draft financial statements will arrive in mid-September to allow 3-5 days for review. The Final Audit Report on the Financial Statements will be issued in Mid-September before Chancellor's office due date.

Nicole Stan continued with the Site Authority Provisions of Engagement Administration, Timing and Fees for the year. She mentioned that there are new standards which are related to payroll and accrued vacation and accrued leave, which will not impact the Site Authority.

Nicole Stan asked the Committee if they had any questions or comments.

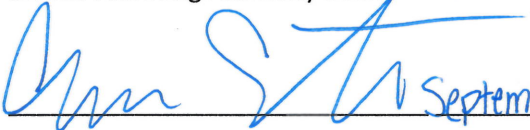
The question of holding an executive session was mentioned. Ms. Stan stated that those executive sessions are standard practice with most boards, although not historically conducted here. Typically, management steps out briefly while auditors meet privately with the board to allow for open discussion of any sensitive concerns. Although no issues have arisen in the past, the auditor recommended executive sessions as good governance practice to normalize the process and avoid drawing attention if concerns arise in the future. The auditor added that any significant issues would be communicated directly without waiting for an executive session. It was recommended by the Committee to implement this going forward for the CSUCI Site Authority.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:30 AM.

APPROVED

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

 September 22, 2025

Christina Sotelo, Secretary

Date