



ASC AUDIT COMMITTEE

Minutes

Via Zoom

3:00 pm :: Tuesday, September 15, 2020

Present: Keya Allen (ASI Associate Executive Director), Pureum Kim (Accounting faculty), Steven Yim (AVP Finance & Admin).

Absent: Theresa Harvey (ASC Board member).

Staff: Raul Castaneda, Ann Ehl.

Guests: Kristen Guzman, Andy Maffia, Kyle Miller (Aldrich CPAs+Advisors).

I. CALL TO ORDER

Vice-chair Steven Yim called the meeting to order at 3:01 pm. Quorum was present.

II. APPROVAL OF MINUTES, 07/20/2019

Prof. Kim moved, Ms. Allen seconded and motion carried to approve the minutes of the July 20, 2020 ASC Audit Committee meeting.

III. PUBLIC COMMENT

There was no public comment.

IV. AUDIT REVIEW

From Aldrich CPA & Advisors (Aldrich), Andy Maffia, CPA & partner introduced himself and Kristen Guzman, CPA & senior manager. They reviewed the overall audit process.

Report to Board: This year was unique; had to adjust course with the pandemic, so audit was done completely remotely. Executive summary provides major takeaway points. Contracts was signed with scope of services. They rendered unmodified opinion, highest level of assurance possible. Internal controls reviewed; federal funding involved so single audit report will be supplied at later date. As it relates to internal controls, financial statements test internal controls; findings were reported. Overall risk of organization was based on previous knowledge; audit designed to focus on most impact. Received full cooperation from management.

Couple standards adopted by ASC: revenue recognition and post-retirement benefit. Three required this year, but due to pandemic, one of the standards was postponed until next year. While the postponement was optional, CSU decided to postpone throughout the system.

There was a change in accounting principles, with two new standards. Emphasis in matter relates to pandemic and how it affects markets. They spoke with Ms. Hee Joon Kang regarding refinancing of debt. There were slight modifications or adjustments.

There is a new standard regarding post-retirement benefits. There is a service cost recorded as payroll and benefits. Part of revenue recognition is standard; with grants & contracts, a couple things were recorded as liability carryover (see footnote 2).

Mr. Yim moved, Prof. Kim seconded and motion carried to approve the ASC audit of 2019-2020.

V. OTHER BUSINESS

There was no other business.

VI. REMINDERS/ANNOUNCEMENTS

➤ Next meeting TBD.

VII. ADJOURNMENT

Mr. Yim adjourned the meeting at 3:40 p.m.

Approved by the Audit Committee, April 28, 2021.

Steven Yim

Steven Yim, Vice-chair