



California State University, Stanislaus
Auxiliary and Business Services
One University Circle, Turlock, CA 95382 Tel: (209) 667-3149 Fax: (209) 667-3350

**AUXILIARY AND BUSINESS SERVICES
AUDIT COMMITTEE MEETING MINUTES**

September 26, 2013

President's Conference Room

PRESENT: Russell Giambelluca, Suzanne Espinoza, Gary Wahl, Briquel Hutton
STAFF: Wendy Olmstead, Amanda Nelson
AKT, LLP: Robert LaCour

I. WELCOME AND CALL TO ORDER

The meeting was called to order by Gary Wahl at 8:22 a.m.

II. APPROVAL OF MINUTES

A. Motion to approve the minutes of the July 1, 2013 Audit Committee meeting (M/S/P, Espinoza/Wahl).

III. DISCUSSION & REPORTS

A. Briquel Hutton provided a review of the Internal Control/Compliance Audit, conducted by the CSU Chancellor's Office auditors. This review included an explanation of the auditor's recommendations in regards to indemnification and insurance clauses in third party agreements; suggested revisions to the process for administration of the conflict of interest policy; and the introduction of procedures to review monthly commission reports for commercial operations in order to comply with contractual requirements. A discussion was held regarding the conflict of interest policy and the inclusion of ABS staff in devising an audit procedure for commercial operation commissions.

IV. NEW BUSINESS

A. A discussion of the audited financial statements for the fiscal year ended June 30, 2013 was held, following a review of the statements by Briquel Hutton.

V. AUDITOR & COMMITTEE CONFERENCE SESSION

A. Robert LaCour, of AKT, summarized the findings of the external audit, indicating that AKT was issuing an unmodified opinion, an indication of the highest level of assurance. Mr. LaCour indicated that the auditors found no material weaknesses in the internal controls of ABS and he summarized the key financial information of the organization.

B. Discussion: The committee discussed the audit findings and the need to examine and update the reserve policy.

C. In accordance with California Education Code, Section 899920, et seq., a closed conference session was held to discuss management and staff's performance without public, management, and staff present.

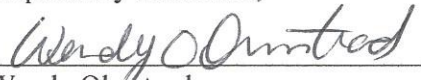
VI. NEXT MEETING DATE

The next meeting of the Audit Committee will be held on Thursday, December 12, 2013.

VII. ADJOURNMENT

(Motion to adjourn: by consensus)

Respectfully Submitted,



Wendy Olmstead