

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION**  
**AUDIT COMMITTEE MEETING MINUTES**  
Thursday, July 20, 2023 at 10:00 am  
Via Zoom

Chair Amy Chan called the meeting of the Audit Committee to order at 10:03 am. She said she was excited to work with everyone as the new chair of the Audit Committee. She asked all the attendees on the Zoom call to introduce themselves before moving into committee business.

Committee Members Present

Amy Chan, Chair  
Don Nasser, Director  
Greg Cosko, Director  
Don Endo, Director  
Teri L. Jackson, Director  
Jeff Wilson, CFO/ Vice President Admin & Finance, SF State

Absent and Excused

Coraetta Smith, Director

Others Present

Jeff Jackanicz, Foundation President  
Venesia Thompson-Ramsay, Secretary & Treasurer  
Vicky Lee, Director of Finance  
Tammie Ridgell, Associate Vice President, Auxiliary Business Services, SF State  
Maggie Woo, Controller, Auxiliary Business Services  
Tom Huey, Concurring Partner, Windes  
Ben McKinney, Engagement Partner, Windes  
Gary Sjolander, Manager, Windes  
Mike Pearce, Cambridge Associates  
Katie Keuchler, Cambridge Associates

- I. **Review of Agenda:** The committee reviewed the agenda. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the committee approves the agenda for the July 20, 2023 meeting, as prepared.

Motioned by: Don Nasser                      Seconded by: Don Endo                      Motion: Passed

- II. **Approval of the November 17, 2022 Meeting Minutes:** The committee reviewed the minutes from the November 17, 2022 meeting. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the committee approves the minutes for the November 17, 2022 meeting, as prepared.

Motioned by: Greg Cosko

Seconded by: Don Nasser

Motion: Passed

- III. **Fiscal Year 2022 - 2023 Audit:** Tom Huey informed the committee that Windes had made some promotions over the past couple of months. He said Benjamin (Ben) McKinney had been promoted to partner and Gary Sjolander had been promoted to manager at the firm. He said that, as a result, McKinney would replace him as the engagement partner for the 2022-2023 audit, while he would be the one behind the scenes handling code review of the financials.

McKinney discussed the audit plan for the upcoming fiscal year. He said it was an opportunity for them to share some required communication at the beginning of the audit, discuss any concerns or answer any questions the committee may have. He said the scope of their services would be to perform the audit of the financial statements for the year ending June 30, 2023. He said Windes would begin preparing the Foundation's tax returns shortly after the audit.


McKinney said it was important to remember that these financial statements were management's financial statements, so Windes' responsibility was to examine, on a test basis, the information supporting the amounts in our financial statements. He said, as a result, they would not look at every single transaction during the audit but, instead, use some judgment and perform a risk assessment to determine what they were going to examine. McKinney said, specifically, they were going to look at the Foundation's internal controls. He said if they came across any significant findings, material adjustments or anything that should be brought to the Audit Committee's attention as soon as they are discovered. He said there would also be an "exit call" at the end of the audit, however, that would not be the first time that the Committee would hear of anything significant as they were required to communicate significant risks in the audit as soon as possible.

McKinney said the Foundation had the same two risks that were present in just about 99% of all other audits - 1) management override of controls (where management had the ability to manipulate the financials) and 2) fraud relating to revenue recognition. He said revenue was a significant part of any set of financial statements and was also subject to manipulation. He said some other areas that they were going to focus on included accounting for investment and endowment activities. He said they would look at the Foundation's collectability of receivables and pledges and do some extensive procedures on the various revenue sources. Additionally, they would keep our eye on upcoming pronouncements that might affect the Foundation.

McKinney then discussed the audit timeline. He said they were currently in the planning phase. He said the year-end fieldwork would take place mid-August through early to mid-September with a draft to management in early September. He said they would issue the financial statements before the Chancellor's Office September 22 deadline and begin the tax work shortly afterwards. McKinney said there were a couple of recent accounting standards he and his team were monitoring but they did not anticipate them impacting the Foundation.

- IV. **Committee Discussion with Auditors without Management Present:** After discussing the audit plan, the committee held an executive session with the auditors.
  
- V. **Other Business:** The Audit Committee discussed how best to implement the new strategic plan objectives. After a review of the charter and a lengthy discussion, the Committee decided not to make any changes to it. The Committee agreed to review the strategic plan at each meeting to ensure it remains focused on financial alignment and endowment health.
  
- VI. **Adjournment:** There being no further business to discuss, the Audit Committee was adjourned, without objection, at 11:11 am.

Respectfully Submitted,

DocuSigned by:  
  
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Amy Chan

02/13/2024 | 8:59 AM PST

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Date