

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
AUDIT COMMITTEE MEETING

MINUTES

September 15, 2017  
9:00-10:00 a.m.  
SBS 405

MEMBERS PRESENT: Ronnie Swartz  
Sylvia Shively  
Amy Sprowles  
Richard Boone

MEMBERS ABSENT: Chris Dugaw  
Alex Enyedi

OTHERS PRESENT: Steve Karp, SPF  
William Cook, SPF  
Kacie Flynn, SPF  
Denise Bettendorf, Accounting  
Chrissie Anderson, Accounting  
Christopher Knopik, CLA Auditor

**I. Call to Order**

Ronnie Swartz called the meeting to order at 9:02 a.m.

**II. Auditor's Report**

(Attachments A & B)

Christopher Knopik, Principal with Clifton, Larson, Allen (CLA), was present to review the results of the audit with the committee. CLA was responsible for auditing the financial statements, as well as responsible for looking at internal controls in regards to Uniform Guidance compliance and the single audit.

CLA reported a "clean opinion" on the financial statements, stating there are no issues to be brought forward. With regards to the Internal Control & Compliance audit there were no significant deficiencies or weaknesses noted at the financial statement level.

HSU SPF qualified as a "Low Risk Auditee" for the federal single audit and compliance based on the lack of past audit findings.

As in past years, due to the deadline to submit campus auxiliary financial information to the CSU Chancellor's Office, the Audit Committee will act on behalf of the full board to accept the substantially complete, but still draft version, of the Sponsored Programs Foundation financial statements. Discussion ensued.

### III. Approval of Audited Financial Statements, period ending June 30, 2017

**Action Item:** Amy Sprowles m/s Richard Boone "Motion to accept the Audited Financial Statements, period ending June 30, 2017, on behalf of the HSU SPF Board of Directors." Motion carried unanimously.

### IV. Review of Audited 403(b) DC Plan

(Attachments C, D, E)

Steve Karp reviewed the results of the 403(b) DC Retirement Plan audit with the committee. Non-student HSU SPF employees qualify after one year of full time employment or two consecutive years of at least a half-time time base. The current contribution rate is 10%. The plan investments are managed by TIAA-CREF and are required to be audited annually. This report requires no action and is being presented for the committee's review as an informational item.

All significant transactions have been recognized in the financial statements in the proper period. CLA did not identify any material inconsistencies between the other information (Form 550) and the audited financial statements.

CLA made management recommendations to strengthen the internal controls and improve the plan governance. Based on those suggestions, SPF Management engaged with NFP, a 3<sup>rd</sup> party fiduciary, to help implement and establish some of those actions suggested.

In addition, the Executive Committee has established an Ad Hoc 403(b) Investment Committee. This committee will meet with NFP representatives to hear plan recommendations and make decisions on behalf of the Board.

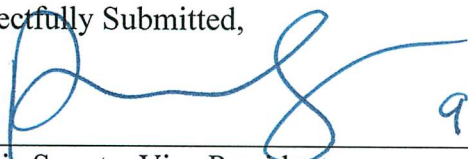
### V. Other

Ronnie thanked the Foundation as well as Accounting for their excellent cooperation and providing the required materials in a timely manner. Sylvia & Steve echoed those sentiments and commended both organizations on a job well done.

### VI. Adjournment

The meeting adjourned at 9:25 a.m.

Respectfully Submitted,

 9/26/17

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Ronnie Swartz, Vice President