Monday, October 12, 2020
1:00 pm to 2:00 pm
Zoom Meeting Conference: https://csudh.zoom.us/j/91243887148
Dial: +1 669 900 6833 (US Toll) or +1 253 215 8782 (US Toll)
Meeting ID: 912 4388 7148

Foundation Board of Directors Ad Hoc "Special Meeting" Minutes

Members Present: President Parham, Dr. Cornelia Brentano, Alan Caldwell, Nicole Enearu, Dr. William Franklin, David Gamboa, Jerome Groomes, Del Huff, Gilbert Ivey, Dr. Philip LaPolt, Dr. Thomas Norman, Rihab Shuaib, and Deb Wallace

Members Absent: Dana Ward and Pat West

Guests: Syed Farhan (CLA), Ed Fimbres (Dining Manager), Gillian Fischer (Director Sponsored Research and Programs), Jinna Matzen (Manager Business Process Improvement), Wayne Nishioka (AVP Admin & Finance), Marci Payne (AVP Information Technology), Dave Robydek (CLA) Cherisse Ross (Interim Controller), and Robert Sesnon (Interim CFO)

I. Roll Call

Meeting was held via virtual platform, Zoom. Members and guests could be heard clearly. Quorum met.

II. Call to Order

Meeting called to order by Vice-Chair Dr. Cornelia Brentano at 1:03 PM

III. Approval of Meeting Agenda

Norman moved, and Caldwell seconded. Motion carried.

IV. Public Comment

No one was present to represent the public

V. Informational Items
   a) Recommendation to approve Audit Report and Financial Statements – Audit Committee Chair, Wayne Nishioka

Audit Committee Chair Wayne Nishioka provided a presentation, which he stated was

very similar to the one provided to the Board on September 24, 2020, where the Audit Committee was working with a draft report. Nishioka further stated that one additional finding was added to the report as referenced as a possibility at the September 24, 2020 meeting. Nishioka explained that the Audit Committee met on October 7, 2020, and approved to recommend the single audit report. Nishioka detailed the audit report timeline, which included University due dates and each audit finding, noting that all findings were significant deficiencies in internal controls. Nishioka clarified that last year Foundation had four material weaknesses, and in comparison, this year's audit report was a significant improvement over prior years. Nishioka discussed each of the five findings in detail with the Board and the proposed actions to remedy the findings. The Board held discussions with Nishioka, Foundation staff, and auditors on accounts receivable and old accounts that were never closed, established processes for ongoing reconciliations with checklists, Post-Award receivables, and automating procedures to streamline processes. The Board further discussed the impact of COVID-19 and the campus closure on research activities, grant education programs, cancellation of educational travel, and the Department of Education's flexibility due to pandemic. Nishioka concluded his report by highlighting progress made from last year and emphasized that even though there were findings this year, they were a marked improvement over last year's six findings. No material weaknesses were identified this year. Robydek of CLA applauded the improvements and cited that monthly reconciling is vital to Foundation's continued progress and success. The Board accepted Nishioka's report requesting a draft proposal on how the discussed processes can be improved. Sesnon stated that Ross is currently working on checklists, which will also help with institutional memory. The Board thanked the staff for increased collaboration and thanked the Audit Committee for their time and dedication.

VI. Action Items
   a) Recommendation of Audit Report and Financial Statements

The corrective action plan was not included in the draft provided to the Board. Nishioka displayed the corrective action plan to the Board and described the written statements.

Norman moved, and Huff seconded. Audit Report and Financial Statements with the Corrective Action Plan was approved to be submitted to the Chancellor's Office. Motion Carried.

VII. Other Items

None

VIII. Adjournment

Meeting adjourned at 2:07 PM