

**University Enterprises, Inc.**  
**Audit Committee Meeting Minutes**  
**Wednesday, September 12, 2018**  
**UEI Conference Room,**  
**2:00 p.m. to 3:00 p.m.**

Members Present: David Bach  
Kelly Thompson

Attending  
Telephonically: Jim Reinhart, Executive Director  
Steve Perez

Staff Present: Craig Barth, Chief Financial Officer  
Emily Chu, Controller  
Angie Laguna, Executive Assistant

Presenting: Joy McNulty, Christy Norton, K-Coe Isom

The Audit Committee was called to order by Chair, David Bach at 2:03 p.m. Joy McNulty provided an overview of the audit process and deliverables including risk management, audit procedures and evaluations, evaluated findings, the expression of an unqualified opinion on the financial statements, reporting responsibilities and reports issued.

McNulty presented the Report to the Board of Directors, as well as the financial highlights contained in the audit. These included an overall increase in net position of \$995 thousand and an increase in total assets of \$3.2 million. Changes due to the implementation of GASB 75 include, in part, an increase in deferred outflows of resources of \$798 thousand, an increase in total liabilities of \$7 million, a decrease in deferred inflows of resources of \$1.8 million and a \$2.2 million restatement of net position at July 1, 2017.

McNulty also reported on the statement of revenues, expenses, and changes in net position: Grants and contract activity, other operating revenues and operating expenses increased by \$6.2 million, \$4.1 million, and \$11.9 million, respectively, resulting in a total reduction of \$1.6 million in net position after restatement.

No significant difficulties were encountered during the audit. There were no corrected misstatements or disagreements with management. The financial statements are fairly presented.

The Committee moved to accept University Enterprises, Inc. audited financial statements dated June 30, 2018 and 2017. (Thompson/Perez)

The committee then met with the auditor without management present.

The meeting was adjourned at 2:58 p.m.

Respectfully submitted:



Angie Laguna  
Recording Secretary