



UFSS Audit Committee Meeting

California State University, Sacramento
Wednesday, April 15, 2026 at 10:00 a.m.

<https://csus.zoom.us/j/85978370485?pwd=WvQEC9a3rPGJS2bs8n1lzvWpeXf9kx.1>

Agenda

I. Call the meeting to order

II. Public Comments - Members of the public may speak for up to one minute

III. Review and Approval of the April 15, 2026 Agenda

IV. Review and Approval of minutes from the March 23, 2026 meeting

V. Update on audit findings and corrective actions - Mashariki Lawson-Cook

VI. Final approval to continue using CLA for the UFSS Audit and Taxes

VII. Review the updated draft Audit Committee Charter

VIII. Internal Controls Discussion - Sonia Diwa

IX. Discussion of Conflict of Interest and Whistleblower Policies

X. Review the Annual Task Chart

XI. Discuss Next Steps

XII. Other Business

XIII. Adjourn



**The University Foundation
at Sacramento State**
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T (916) 278-7043 • F (916) 278-5709

**The University Foundation at Sacramento State
Audit Committee Meeting**
Monday, March 23, 2026
Zoom

Committee Members Present:

Tina Treis, *Chair*
Alice Perez
Colette Harris-Mathews
Michael Reza

Guests:

Sonia Diwa, *Accounting Services*
Jennifer Barber, *AVP Alumni Relations*

MEETING MINUTES

- Chair Tina Treis called the meeting to order at 1:04 p.m. with a quorum
- Public Comments - none
- Approval of the March 23, 2026 agenda
 - Motion – Colette Harris-Mathews
 - Second – Tina Treis
 - Approved
- Approval of February 13, 2026 minutes
 - Motion – Harris-Mathews
 - Second – Treis
 - Approved
- Review and Vote to continue using CLA to handle the UFSS Audit
 - The committee discussed continuation of audit and tax services with CLA, including a proposed multi-year fee schedule
 - Michael Reza recommended approval contingent upon review of the formal engagement letter
 - A motion was made to approve the use of CLA and the proposed fee schedule, with the condition that the engagement letter be reviewed prior to final approval
 - Motion – Treis
 - Second – Harris-Mathews
 - Approved with condition to review engagement letter prior to final approval
- Draft updated UFSS Audit Committee Charter
 - The committee conducted a detailed review of the Audit Committee Charter, comparing it with best practices and other CSU foundation models.
 - Key discussion points included:
 - Need to revise language regarding “employee” to align with bylaws

- Clarification of committee responsibilities and reporting structure
 - Consideration of removing the grantee audit program section
 - Ensuring required meetings with the President and CFO (or designees)
 - Revisions to sections related to responsibilities, duties, and internal controls
 - Inclusion of Form 990 review under Audit Committee responsibilities
 - Potential addition of conflict-of-interest review language
 - Audit Committee Composition and Membership
 - The committee discussed the need to strengthen membership, particularly adding financial and audit expertise
 - Treis rotating off the board in 2027
 - Potential recruitment of external members
 - Consideration of community members or non-board participants
 - Need to identify a future Audit Committee Chair
 - The issue of committee composition will be elevated to the Executive Committee for further discussion and recommendations
 - Internal Controls and Audit Oversight
 - The committee discussed strengthening oversight of internal controls and audit-related processes
 - Review of internal controls matrix and audit-provided tools
 - Need for regular reporting of CSU system audit findings impacting the foundation
 - Requirement that staff report relevant audit findings and corrective actions to the committee
 - Consideration of whether auditors should test expense reimbursements
 - Staff will coordinate presentation of the internal controls matrix at the next meeting
 - Policies and Governance Matrix
 - The committee discussed several governance-related items:
 - Whistleblower policy review and clarification of reporting structure
 - Consideration of whether responsibility resides with Audit or Governance Committee
 - Development of an audit committee evaluation/assessment tool
 - Alignment of bylaws with audit committee responsibilities and reporting expectations
- Other Business
 - Discussion of ensuring access to audit reports and findings
 - Consideration of adding requirements to bylaws for reporting systemwide audit impacts
 - Continued work on charter, task timelines, and governance alignment
- The meeting adjourned at 1:50 p.m.



April 3, 2026

Statement of Work - Audit Services

This agreement constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated February 20, 2023, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and The University Foundation at Sacramento State ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended June 30, 2026.

Brenda Scherer is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the financial statements of the financial statements, which collectively comprise the basic financial statements of The University Foundation at Sacramento State, and the related notes to the financial statements as of and for the year ended June 30, 2026.

We will also evaluate and report on the presentation of the supplementary information accompanying the financial statements in relation to the financial statements as a whole.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

The RSI will be subjected to certain limited procedures, but will not be audited.

We will also evaluate and report on the presentation of the supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Audit objectives

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the

judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinions.

Our audit will be conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinions.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will issue a written report upon completion of our audit of your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to

management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the entity and its environment, including the system of internal control, relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls
- Revenue recognition

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or

employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in

accordance with U.S. GAAP.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

You are responsible for the design, implementation, and maintenance of effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we may report.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers); (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for the preparation of the supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our

report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit

engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of CLA and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory bodies pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of CLA's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to those regulators. The regulators may intend, or

decide, to distribute the copies of information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a regulator. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Fees

Our professional fee is \$38,140.00. We will also bill for expenses (including travel, report production, word processing, postage, internal and administrative charges, etc.) plus a technology and client support fee of five percent (5%) of all professional fees billed. This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. Our invoices, including applicable state and local taxes, will be rendered as work progresses and are payable on presentation.

Audit of financial statements	\$36,140.00
Implementation of GASB 103 Standards	\$2,000.00

Bill to be mailed on	Amount to be billed
May 2026	\$12,714
August 2026	\$12,713
September 2026	\$12,713

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below to indicate your acknowledgement and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of The University Foundation at Sacramento State.

CLA
CLA

Brenda Scherer

Brenda Scherer, CPA, Signing Director

SIGNED 4/3/2026, 8:35:35 AM PDT

Client

The University Foundation at Sacramento State

SIGN:

Michael Reza

DATE:



Date: April 3, 2026

Statement of Work - Tax Exempt Returns and Filings

This agreement constitutes a statement of work (“SOW”) under the master service agreement (“MSA”) dated February 20, 2023, or any superseding MSA, made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and The University Foundation at Sacramento State (“you,” “your,” or “the organization”). The purpose of this SOW is to confirm our understanding of the scope of services, responsibilities, limitations, and related terms of our engagement for the year ended June 30, 2026.

Our responsibility to you

We will prepare the entity's federal and state returns and filings as defined herein in accordance with the applicable tax laws. We will use our judgment in resolving questions where the law is unclear, and where there is reasonable authority, we will resolve questions in your favor whenever possible.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the returns and filings, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information.

Your responsibilities

It is your responsibility to provide us with all of the information needed to prepare complete and accurate returns and filings. We will have no obligation to prepare the returns and filings until you have provided such information to us. It is your responsibility to comply with all foreign jurisdiction filing requirements. We have no obligation to prepare returns for foreign jurisdictions.

CLA requires that you provide information 60 days prior to the filing deadline. If you provide information after that date, we may be unable to complete the return(s) by the original filing deadline and may need to file an extension. If an extension is filed and information is not provided by 60 days prior to the extended filing deadline, we may be unable to complete your return(s) by the extended due date. Failure to timely file your return(s) or to file for an extension can result in penalties which can be substantial.

The United States Supreme Court ruled in *South Dakota versus Wayfair* that physical presence is no longer required to establish nexus for sales tax. This ruling may have broad implications, even beyond sales tax, as to where an entity is subject to tax. Please note that if the entity had a taxable presence in more than one jurisdiction, such as an employee or agent within the jurisdiction, any tangible property owned or rented within the jurisdiction, or if the entity exceeds any applicable economic nexus thresholds, the entity, its owners, or related entities may be subject to state or local income, sales, use, franchise, or gross receipts tax in that jurisdiction depending upon the particular facts. It is the entity's responsibility, not CLA's, to

determine if assistance is needed in deciding whether the entity, its owners, or related entities may be liable for income, sales, use, franchise, or gross receipts tax, or have a filing requirement in the various state or local jurisdictions.

It is important for you to identify any ownership OR signature authority over a foreign bank account or other foreign financial assets which includes but is not limited to foreign: stocks, mutual funds, partnerships, bonds, retirement accounts, estates, trusts, annuities, swaps, and derivatives. Failure to disclose penalties can be significant, starting at \$10,000 and can be upwards of 50 percent of the value of the asset. Please provide account statements if you have any foreign account ownership or signature authority. Note that these rules do not apply to foreign investments held by U.S. mutual funds. In addition, ownership in a foreign business entity (association, corporation, disregarded entity, or partnership) could trigger additional U.S. foreign informational reporting requirements. These reporting requirements require the disclosure of ownership, financial information, and related-party transactions. Failure to properly disclose ownership, related-party transactions, and the required information could trigger a penalty of up to \$25,000 penalty per filing. We cannot be held responsible if you fail to identify or provide such information to us.

For all nonattest services we may provide to you, including these tax services, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services. You are responsible to carefully review the returns and filings that we prepare on your behalf before they are signed and submitted to tax authorities. We will advise you with regard to tax positions taken in the preparation of the returns and filings, but the responsibility for the returns and filings remains with you.

Section 174 capitalization requirement

For tax years beginning after December 31, 2021, research and experimental (“R&E”) expenditures under Internal Revenue Code Section 174 were required to be capitalized and amortized. The legislation referred to as the “One Big Beautiful Bill Act” (the “Act”), signed on July 4, 2025, modified these rules.

The Act reinstated the ability to fully expense domestic R&E expenditures for tax years beginning after December 31, 2024. Unamortized domestic R&E expenditures from 2022 through 2024 can be deducted in 2025. Alternatively, they can be deducted ratably in 2025 and 2026. Additionally, small business taxpayers may elect to deduct such unamortized expenditures for tax years 2022 through 2024 on amended income tax returns if filed by July 4, 2026. Note that amending prior year tax returns may reduce previously claimed research and development tax credits and result in other impacts to prior year tax liabilities.

The Act did not change the treatment of foreign R&E expenditures. Therefore, such expenditures must continue to be identified, capitalized, and amortized over 15 years.

We are available to model and analyze the impacts of each option available to you under the Act. Such services, if requested, will be covered under a separate SOW.

Beneficial ownership information reporting

Under the Corporate Transparency Act (CTA), foreign entities (non-US entities) doing business in the U.S. are required to report information to the Financial Crimes Enforcement Network (FinCEN) as to their beneficial ownership. It is your responsibility to prepare and submit any BOI report to FinCEN that is required under the CTA. In addition, certain states may have beneficial ownership disclosure requirements for foreign and domestic entities. We have no obligation to identify any filing requirements or provide any services related to BOI reporting.

Tax examinations

All returns and filings are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you. Services in connection with tax examinations are not included in our fee for preparation of your returns and filings. Our fee for such services will be billed to you, along with any direct costs.

Record retention

You are responsible for retaining all documents, records, canceled checks, receipts, or other evidence in support of information and amounts reported on your returns and filings. These items may be necessary in the event a taxing authority examines or challenges your returns or filings. These records should be kept for at least seven years. Your copy of the returns and filings should be retained indefinitely.

If carryover item(s) exist (e.g., capital loss, net operating loss, tax credits, etc.), you should retain the supporting records related to the carryover item(s) until the item has either been utilized (and the statute of limitations associated with the year of utilization has expired) or the carryforward period has expired.

In preparing the returns and filings, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your returns and filings will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for your records.

Tax consulting services

This statement of work also covers tax consulting services that may arise for which you seek our consultation and advice, both written and oral, that are not the subject of a separate statement of work. These additional services are not included in our fees for the preparation of the federal and state returns and filings. Our fee for such services will be billed to you, along with any direct costs.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written

advice provided by us is for your information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

Tax Compliance Services or Form Description	Fee Detail
--	-------------------

IRS Form 990 – Return of Organization Exempt from Income Tax	\$9,775
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Our customary billing practice is to invoice up to 50% of the estimated professional services fees upon receipt of your tax return information, or upon the preparation of an application for an extension of time to file your tax return(s) if earlier. We will continue to periodically bill for our time as work progresses.

Our professional fee reflects that, if needed, CLA will provide you with first and second drafts of each return or filing. Additional drafts requested by you may result in additional professional fees.

Additional charges may apply if you request a paper copy of your return(s), your circumstances are complex, changes to the tax law occur, or unexpected circumstances require additional time. We may apply a 20% surcharge (based on prior year invoice) if you do not provide accurate and complete tax information at least 60 days prior to the extended federal filing deadline, and an additional 5% surcharge for each and every two-week period thereafter until accurate and complete tax information is provided.

We will also bill for expenses (including travel, report production, word processing, postage, internal and administrative charges, etc.) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices, including applicable state and local taxes, will be rendered as work progresses and are payable on presentation.

Termination of agreement

Either party (you or CLA) may terminate this SOW at any time by giving written notice to the other party. In that event, the provisions of this SOW and the MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below to indicate your acknowledgement and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Brenda Scherer, CPA
Signing Director
brenda.scherer@claconnect.com

Accepted on behalf of:

CLA
CLA

Brenda Scherer

Brenda Scherer, CPA, Signing Director

SIGNED 4/3/2026, 9:20:10 AM PDT

Client

The University Foundation at Sacramento State

SIGN:

Michael Reza

DATE:

AUDIT COMMITTEE CHARTER

University Foundation at Sacramento State

I. PURPOSE

The Audit Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of the University Foundation at Sacramento State (the “Foundation”). The Committee assists the Board in fulfilling its oversight responsibilities relating to:

- The integrity of the Foundation’s financial statements and reporting;
- The effectiveness of internal controls over financial reporting and compliance;
- The independence, qualifications, and performance of the independent auditor;
- The Foundation’s compliance with legal and regulatory requirements; and
- The review and monitoring of conflicts of interest.

The Committee provides oversight and does not duplicate or certify the activities of management or the independent auditor.

II. COMMITTEE MEMBERSHIP

A. Composition

The Committee shall consist of **not fewer than three (3) and not more than six (6) members** of the Board of Directors, **each of whom shall be independent**.

B. Restrictions

- No member of the Committee shall be an **employee (as defined in the bylaws) of the Foundation**.
- The **Board Chair may not serve** on the Committee.
- The **Chair of the Audit Committee may not serve on the Finance and Investment Committee**.
- **No more than forty-nine percent (49%)** of the Committee members may serve concurrently on the Finance and Investment Committee.
- The Foundation shall not engage in business with any Committee member or any entity in which a Committee member has a material financial interest.
- Committee members shall not receive compensation beyond that provided, if any, for Board service.

C. Qualifications

Committee members shall collectively possess:

1. Knowledge of the Foundation's primary activities;
2. The ability to read and understand governmental enterprise entities and nonprofit financial statements.
3. An understanding of key operational and financial risks and related controls.

At least one member, preferably the Chair, shall have advanced financial expertise, including:

- Knowledge of governmental, nonprofit and tax-exempt organizations;
- Familiarity with applicable tax and regulatory requirements;
- Understanding of generally accepted accounting principles (GAAP);
- Experience preparing, auditing, analyzing, or evaluating financial statements of comparable complexity;
- Understanding of internal controls over financial reporting; and
- Familiarity with audit committee functions and responsibilities.

D. Authority to Engage Advisors

The Committee shall have the authority, at its sole discretion, to retain independent legal counsel and other advisors as it deems necessary to fulfill its responsibilities.

III. MEETINGS

- The Committee shall meet **as frequently as necessary**, but no fewer than twice annually in connection with the audit and IRS Form 990 cycles.
 - The Committee shall meet separately at least annually with:
 - The **President (or designee)**;
 - The **Chief Financial Officer (or designee)**; and
 - The **independent auditor**.
 - The Committee shall hold **executive sessions** without management present as needed.
 - The Committee may meet with legal counsel when appropriate.
-

IV. RESPONSIBILITIES AND DUTIES

The Committee shall perform the following duties:

A. Independent Auditor Oversight

1. Recommend to the Board the appointment, retention, or termination of the independent auditor.
2. Negotiate and approve the auditor's compensation.
3. Oversee the work of the independent auditor, who reports directly to the Committee. Obtain confirmation from the auditors that they are independent and there were no limitations on the scope or nature of the audit.
4. Review and determine whether to accept the annual audit.
5. Ensure auditor independence, including:
 - Reviewing all relationships between the auditor and the Foundation;
 - Approving all audit and non-audit services; and
 - Ensuring compliance with Government Auditing Standards.

B. Financial Reporting and Audit Review

6. Review the annual audited financial statements and related reports.
7. Discuss significant accounting policies, estimates, and judgments with management and the auditor.
8. Review management letters and auditor recommendations.
9. Oversee the preparation and review of the Foundation's IRS Form 990, with primary oversight by the Audit Committee.

C. Internal Controls and Risk Oversight

10. Review the effectiveness of internal controls over financial reporting, including use of management control matrices and auditor-provided control assessments.
11. Discuss with management and auditors any material weaknesses or significant deficiencies.
12. Ensure systems are in place for:
 - Accurate financial recordkeeping;
 - Authorization of transactions; and
 - Prevention and detection of fraud or misuse of assets.
- 13. Obtain an annual report from management of the controls over execution of donor disbursements in accordance with donor intent.**

D. Communication and Oversight

13. Maintain open communication among the Board, management, and the independent auditor.
14. Resolve disagreements between management and the auditor.
15. Receive regular reports from management and the auditor regarding financial reporting and controls.

E. Compliance and Ethics

16. Establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal controls, or auditing matters, including anonymous submissions.
17. Review compliance with applicable laws and regulations.

F. Conflict of Interest Review

18. Review annual summary of Directors and key stakeholders reporting for potential conflicts of interest.
19. Ensure appropriate disclosure and management of conflicts consistent with Foundation policies.
20. Report annual results to the Board

G. Additional Authority

20. Perform such other duties as assigned by the Board or as necessary to fulfill the Committee's purpose.

V. MATTERS REMOVED OR RESERVED FOR FUTURE CONSIDERATION

- The **grantee audit program** has been removed from this Charter and may be reconsidered in the future if the Foundation elects to engage in grantmaking activities.

VI. ADOPTION

This Charter supersedes prior Audit Committee Charters and shall be reviewed periodically by the Committee and the Board.

Adopted: [Insert Date]



Origination 1/30/2019
Effective 1/1/2025
Reviewed 12/17/2024
Next Review 12/17/2026

Owner **Andy Alvarez:**
Assoc Dir, SW
Emp & Plcy
Admin

Area **Human
Resources**

Codes **HR 2025-02**

Conflict of Interest Policy

I. Policy

The California Political Reform Act of 1974 (hereafter referred to as 'The Act') prohibits a public official from using their official position to influence a governmental decision in which they have a financial interest. To help individuals identify potential conflicts of interest, the Act requires California State University (CSU) public officials and employees in designated positions in a conflict of interest code to report their financial interests on a form called Statement of Economic Interests (Form 700). Additionally, CSU employees must disqualify themselves from participating in decisions in which they have a personal material financial interest. This policy outlines the requirements and responsibilities of the CSU, designated Conflict of Interest Filing Officers, and designated employees.

II. Conflict of Interest Code

The Act requires State Agencies, including the CSU, to adopt a formal conflict of interest code (COI Code). A COI Code must provide reasonable assurance that all foreseeable potential conflict of interest situations will be disclosed or prevented, provide to each affected person a clear and specific statement of his or her duties under the COI code, and adequately differentiate between designated employees with different powers and responsibilities. A COI code lists the position titles of those employees or officials in an organization who are required to disclose personal financial information, assigns appropriate disclosure categories to these identified positions, and indicates the types of economic interest which must be reported (i.e., investments, interests in real estate, or sources of income or gifts).

The [CSU's COI Code](#) requires the employees who are most likely to be involved in university decision-making to file an annual Form 700. The purpose of this form is to alert employees to their personal interests that might be affected while they are performing their official duties. Disclosure also helps inform the public about potential conflicts of interest.

Every employee in a position designated by the code must complete a Form 700. A list of designated positions is published by CSU every year and is occasionally amended to reflect changes in position names and decision-making authority. The CSU coordinates with the Fair Political Practices Commission (FPPC) to process amendments to the CSU's COI Code.

In accordance with FPPC's rules, a COI Code is comprised of an Incorporation Section (Terms of the Code), as well as a list of Designated Positions and detailed Disclosure Categories:

a. Designated Positions

The code must list all agency positions that involve the making or participation in making of decisions that "may foreseeably have a material effect on any financial interest." This covers agency members, officers and employees, and it may include volunteers on a committee if the members make or participate in making government decisions.

The list of designated positions in the CSU's COI Code, is organized by university. Each university has appointed COI personnel with the responsibility of identifying the designated positions (see Designation of Filing Officers). These designated positions are those that influence or participate in decisions made on behalf of the university that may have a foreseeable financial effect on any financial interest. The [list of designated positions in the currently approved code](#), is available on the [CSU's COI Code webpage](#).

To review detailed criteria for designating a position, please refer to the attachment titled Designated Position Criteria.

b. Disclosure Categories

A disclosure category defines and describes the types of financial interests that designated agency members must disclose on their Form 700. The categories must be tailored to the financial interests affected, and must not require public officials to disclose private financial information that does not relate to their public employment. The CSU's COI Code defines seven (7) distinct disclosure categories.

III. Form 700 Filers and Disclosure Categories

"Form 700 Filers" including employees appointed to a designated position under the CSU's COI Code, certain consultants and employees in newly created positions that make or participate in the making of decisions that may foreseeably have a material effect on any financial interest.

A. Current Designated Positions

The [list of designated positions in the currently approved code](#), is available on the [CSU's COI Code webpage](#).

B. Consultants and New Positions

Consultants hired through the procurement process may be required to file a Form 700 depending on the nature of their duties. If the responsibilities of a Consultant includes any of the following, the Consultant must file a Form 700.

- A. Authorized and hired to make a CSU decision on behalf of the institution.
- B. Hired to influence a CSU decision, whose input is not independently reviewed.
- C. Hired to work on an ongoing basis for a year or more, in a position that otherwise would be designated and require a CSU employee to file a Form 700.
- D. Involved in investment of CSU funds (87200 filer).

The CSU COI Code includes Disclosure Category 6, which applies to Consultants with any of the abovementioned responsibilities. This disclosure category also applies to any newly designated positions (see attachment Designated Position Criteria).

FPPC provides optional documents to keep track of qualifying consultants ([Form 805](#)) and new positions ([Form 804](#)) and designate their disclosure categories.

C. Interim Disclosure Requirement

The FPPC requires certain consultants and employees in newly created positions that make or participate in the making of decisions that may foreseeably have a material effect on any financial interest to file an interim disclosure under Title 2, California Code of Regulation, [Section 18734](#). The interim disclosure requirement covers these consultants and new positions that have not been incorporated into the CSU's COI Code and must be added in the next Code amendment process. As identified in the section addressing Consultants and New Positions, the designated consultant and new positions required to file an interim disclosure must be assigned to Disclosure Category 6, or a different disclosure category if there is a written determination identifying a narrower scope of disclosure. The written determination must be maintained by each university, and the interim disclosure list must include the consultant/new position title as well as the appropriate disclosure category.

COI Filing Officers are responsible for maintaining an accurate list of new and modified positions that must complete an interim disclosure. The list of positions must be incorporated in the CSU's COI code during the next code amendment process.

IV. Form 700 Filer Requirements

Form 700 filers must submit a Form 700 filing at the time of the appointment to their designated position, on an annual basis, and upon leaving their designated position. Below is an overview of the requirements.

A. Assuming and Leaving Office Filing Requirements

Form 700 filers must complete an "Assuming Office" Form 700 within 30 days after assuming the designated position's role. Likewise, Form 700 filers must complete a "Leaving Office" Form 700 no later than 30 days after leaving the designated position.

1. An Assuming or Leaving Office Statement generally is not required for an official changing positions within the university. However, the next Statement of Economic Interests filed by the employee shall disclose interests made reportable by both the employee's original and new disclosure categories. [2 CCR §18735 \(a\)](#).

2. An Assuming and Leaving Office Statement is required if a current CSU official accepts a position at another CSU campus or the Office of the Chancellor.
3. If an existing official at the university is appointed to the position of Trustee, President or Executive position, the official shall file a leaving office statement of economic interests and an assuming office statement for their newly appointed role. [2 CCR §18735 \(b\).](#)

B. Annual Filing Requirement

Form 700 filers must complete an annual statement by April 1. The current [list of designated positions](#) identifies the position titles of those employees or officials (and their designated position) who are required to report personal financial information per the CSU's COI Code. Again, the assigned disclosure categories to these positions indicate the types of economic interest which must be reported (i.e., investments, interests in real estate, or sources of income or gifts).

Each COI Filing Officer is responsible for notifying Form 700 filers of their obligations and distributing the Form 700 for completion.

Please note that payments made to the CSU by an outside source that are used by CSU employees to conduct CSU business or to achieve a stated public purpose may not be treated as gifts or income by the CSU employee. These are considered Gifts to Agency and must be reported pursuant to FPPC regulation. Please see the [Gifts to Agency, Distribution of Tickets, and Reporting of Ceremonial Roles](#) policy.

C. Ethics Training

All CSU Form 700 filers are required to complete ethics training pursuant to [Section 89500.7 of the Education Code](#). A systemwide Ethics training is available through the CSU's learning management system (LMS) and is delivered in an interactive format. This training focuses on understanding how COI regulations apply to employees who are required to complete a Statement of Economic Interests (Form 700 or Form 700-U) and how ethics statutes and regulations guide official CSU conduct. COI training must be completed within six months of appointment to a designated position, and at least once during each consecutive period of two calendar years following the appointment in a designated position. Completion time is approximately 25 minutes, with quizzes embedded throughout the content. A unique course link is sent to each designated employee by Systemwide Human Resources' (SWHR) learning management system (LMS). The CSU does not permit exceptions for individuals who may have completed ethics training, or similar training through another employer or agency.

Form 700 filers will be able to access the training by invitation. The invitations will be prompted from the list of filers submitted by each university and will be communicated electronically to individual e-mail accounts. Reminders are sent via the LMS to filers. COI Filing Officers may monitor training completions by opting in to receive an automated report from their LMS administrator.

COI Filing Officers must complete the following tasks for appropriate assignment and management of Form 700 filer ethics training:

1. Provide your campus learning management system administrator with the names of the

- individuals that are required to take the training in order to assign the online training; and
2. Notify Form 700 filers of their ethics training obligations under the COI Code. Alert these designated employees of forthcoming e-mail communications from the learning management system that includes a link to the training and notification of when the training is due.
 3. Review completion reports and contact any filers with an overdue assignment. Reports are available through the campus learning management system administrator.
 4. Filing officers are responsible for ensuring timely completion by specified due date, and escalating through a prescribed protocol (e.g. the campus President or Chancellor for CO employees), as appropriate, until compliance is attained.
 5. Training completion records are public information and must be retained at the campus for at least five years from the time the employee completes the training. These records are public records and are subject to inspection and copying in accordance with the Public Records Act.

V. Designation of Filing Officers

The COI Filing Officer at each university, including the Office of the Chancellor (CO), is responsible for overseeing the scope of duties pertaining to COI functions and tasks, including the delegation of such tasks. Systemwide Human Resources tracks all delegations of COI Filing Officer duties. The information in this section outlines the designation criteria and responsibilities for COI Filing officers.

A. Filing Officer Designation Criteria

1. The university President or designee shall be the COI filing officer for officers or employees occupying designated positions on their campus.
2. The Assistant Vice Chancellor for CO Human Resources or designee shall be the COI filing officer for officers or employees occupying designated positions in the CO.
3. The Trustees Secretariat or designee shall be the COI filing officer for members of the Board of Trustees, Presidents of The California State University, and CSU officials who manage public investments (87200 Filers).
4. The Director of Contracts and Procurement at each university (including the CO), shall coordinate efforts with the respective COI filing officers to ensure that a Form 700 is on file for independent contractors who perform services comparable to a COI designated position at a CSU campus or the CO.
5. The university President or assigned designee(s) shall ensure the Form 700-U is maintained in accordance with campus procedures for Principal Investigators.
6. For officers or employees on loan from another campus who occupy a designated position on a campus or at the Chancellor's Office, the temporary location must ensure that a Form 700 is on file at that respective campus or the Chancellor's Office.

B. Filing Officer Responsibilities

1. Become familiar with the requirements of The Act, implementing regulations and guidelines issued by the FPPC.

2. Supply the necessary forms and manuals prescribed by FPPC.
 - i. Ensure that the appropriate financial disclosure forms, schedules, and instructions are distributed to the officers and employees whose positions are designated in CSU's Conflict of Interest Code.
 - ii. Provide filers with a copy of their disclosure categories from CSU's Conflict of Interest Code.
3. Maintain a current list of interim disclosure designated positions.
 - i. Each university is responsible for documenting their position review process.
 - ii. Each university must review new positions and any current positions that have been modified, to determine if the positions meet the requirements for inclusion in the CSU's COI Code. If so, the university must document its review as follows:
 - a. Review the position description to determine if the position should be included in the CSU COI Code.
 - b. Identify the disclosure categories applicable to the position duties if the position is to be added to the Code.
 - c. Inform the employee in the newly designated position of the interim filing requirements and provide the employee with Form 700. The employee should complete the form as an "Assuming Office" filing within 30 days of the decision to add the position to the Code.
 - d. Add the position to the list of designated positions and provide this list to Systemwide Human Resources annually by April 1.
 - iii. As addressed in section III.C. of this policy, positions identified on the interim disclosure list shall file under Disclosure Category 6 until the CSU's COI Code is amended. However, the campus may determine that an interim disclosure position's should be assigned to a disclosure category that is more tailored to the limited scope of duties. This determination shall include a description of the position's duties, and based upon that description, a statement of the extent of disclosure requirements (appropriate disclosure category).
4. Ensure that all new and existing designated employees are aware and reminded of their reporting responsibilities under the Conflict of Interest Code.
 - i. Each university is advised to include a statement informing applicants of filing responsibilities within job posting for designated positions. The following recommended language can be found in the Recruitment and Hiring Guidelines: "This position is a 'designated position' in the California State University's Conflict of Interest Code. The successful candidate accepting this position is required to file Conflict of Interest forms subject to the regulations of the Fair Political Practices Commission."
 - ii. Each university must notify Form 700 filers of their responsibility to submit a statement upon assuming office, upon leaving office, and on an annual basis.
5. Ensure adherence to CSU Ethics Training requirements.

To appropriately assign the ethics training to Form 700 filers, COI Filing Officers must

complete the following tasks:

- i. Provide your campus learning management system administrator with the names of the individuals that are required to take the training in order to assign the online training; and
 - ii. Notify Form 700 filers of their ethics training obligations under the COI Code. Alert these designated employees of forthcoming e-mail communications that includes a link to the training and notification of when the training is due.
 - iii. Review completion reports and contact any filers with an overdue assignment. Reports are available through the campus learning management system administrator.
 - iv. Escalate reports of past due assignments through the prescribed protocol (e.g. the campus President or Chancellor for CO employees), as appropriate, until compliance is attained.
 - v. Retain training completion records for at least five years from the time the employee completes the training.
6. Conduct a facial review on all statements and determine whether the proper statements have been filed and whether:
 - i. The cover sheet includes the name and address of the filer, the period covered and type of statement;
 - ii. The summary page is completed, and the required schedules are attached as indicated;
 - iii. All information is legible, and readable reproductions of the statement can be made.
7. Conduct a full document review on all statements which are filed late, and at least 20 percent of statements filed on time (must be randomly selected) to determine whether:
 - i. The summary page is completed correctly, and all schedules applicable to the filer are either attached or checked "no reportable interests."
 - ii. The attached schedules include all required descriptive information for each financial interest.
 - iii. Information contained on one schedule suggests that required information is omitted on either that schedule or another schedule.
8. Promptly notify the filer if a statement does not satisfy the requirements, and/or if the review of the schedules indicates that the filing is incomplete or incorrect in any material aspect.
 - i. Request amendments to filings, as necessary, to ensure accurate and complete submissions of Form 700 Statements/Filings.
9. Notify all persons who have failed to file the required statements.
 - i. Any records of attempts made to contact the Filer regarding any missing filings must be kept by the filing officer.
 - ii. There should be at least one (1) attempt to contact a delinquent filer via telephone.
 - iii. If efforts to contact the filer are unsuccessful, the Filing Official must use any

personal information at the disposal of the university to contact the filer.

- a. Personal information used to contact the filer may be a personal email address, personal phone number, or home mailing address provided to the university.
 - b. Records of attempts to contact the filer via personal information should also be kept by the filing officer.
10. Report apparent violations of the Political Reform Act to Human Resources and/or your university counsel. An apparent violation exists when:
 - i. The filing officer knows or has reason to believe that the statement contains material inaccuracies or omissions;
 - ii. A filer fails to file all or part of their statement or refuses to file all or part of their statement after reasonable notice has been provided by the filing officer.
 11. Compile and maintain a current list of all statements filed with the office. Date stamp all statements.
 12. Receive and maintain Form 700 filings as public records.
 - i. Form 700 filings have a 7 year record retention period;
 - ii. Forms must be readily available upon request and must be made available within 2 business days;
 - iii. Copies can be provided for \$0.10 a page.
 13. Answer questions concerning reporting responsibilities and communicate with the appropriate departments (e.g. Human Resources, General Counsel) for further clarification as needed.
 14. Have authority to impose or waive fines (\$10 per day) for the late filing of required statements pursuant to guidelines established by the FFPC.
 15. Notify the CO of any changes in Filing Officer personnel. Notifications must be submitted to Form700@calstate.edu.

VI. CSU's Form 700 Electronic Filing System

Since January 2021, SWHR has contracted with Granicus to provide DisclosureDocs (an FPPC approved electronic Form 700 filing system) and eDisclosure (an FPPC approved electronic Form 700 filing web portal). The benefits of an electronic filing system include an automated filing notification process for Annual, Assuming and Leaving Office filings, as well as an enhanced filing experience for filers that ensures appropriate completion of Form 700. Many of the COI Filing Officer's responsibilities are automated with this electronic filing system. The CO provides training and resources to COI filing officers on COI requirements and the filing system.

Please note, electronic Form 700 filing is only available for Annual, Assuming, and Leaving office filings. Form 700-U filings required by Principal Investigators must be completed in accordance with the guidance provided in the section titled Principal Investigators below.

VII. Form 700-U Requirements for Principal

Investigators

Employees with principal responsibility for a research project funded or supported, in whole or in part, by a contract, grant or gift (or other funds earmarked by the donor for a specific research project or for a specific researcher) from a nongovernmental entity, shall be designated employees subject to the disclosure and disqualification requirements of the CSU Conflict of Interest Code. Principal Investigators are designated under Disclosure Category 4 and have distinct requirements for disclosure of financial interests. Disqualification shall not be required in connection with any decision if the decision is substantively reviewed by an independent committee established within CSU. (Refer to [Sponsored Programs Administration: Conflict of Interest for Principal Investigators](#) for further definitions.)

Principal Investigators (PIs) required to file a Form 700-U are employees with principal responsibility for a research project funded or supported, in whole or in part, by a contract, grant or gift (or other funds earmarked by the donor for a specific research project or for a specific researcher) from a nongovernmental entity.

The 700-U disclosure process for PIs differs from the Conflict of Interest filing requirements of other Form 700 filers. As a result, responsibility for the oversight and administration of the Conflict of Interest policy for PIs is shared between Human Resources and Sponsored Programs Administration. As such, the Conflict of Interest policy for PIs is set forth both here and the [Sponsored Programs Administration: Conflict of Interest for Principal Investigators](#).

There is no “annual” filing requirement for PIs; however, Title 2 of the California Code of Regulations requires PIs to file a Form 700-U (Statement of Economic Interests for Principal Investigators) before the final acceptance of a contract, grant or gift for a research project from a non-governmental entity, and within 30 days of renewal of the contract, grant or gift.

PIs must complete the ethics training within six (6) months of receiving the grant. Subsequent training is required at least once within each two-calendar year period that the contract, grant or gift is in place.

For additional information regarding PIs and their filing requirements, please see the [Sponsored Programs Administration: Conflict of Interest for Principal Investigators](#).

VIII. Definitions

1. **Annual Filing:** Any statement filed under this provision is deemed to satisfy the requirement of Section 87302(b), which requires that an initial or annual statement be filed. Accordingly, every employee in a position designated by the COI Code must complete Form 700 by April 1st. A list of designated positions is published by CSU every year and is occasionally amended to reflect changes in position names and decision-making authority.
2. **Assuming Office:** Employees who are newly appointed in a designated position under the COI Code must file an “Assuming Office” Statement of Economic Interests (Form 700) within 30 days after assuming office.
3. **Conflict of Interest Code (COI Code):** The list of CSU Designated Positions and detailed Disclosure Categories. The COI Code lists position titles of employees or officials in an organization who are required to disclose personal financial information, in accordance with

their specified disclosure categories, which indicate the types of economic interests to be reported.

4. **Consultant:** Consultants hired through the procurement process may be required to file a Form 700 depending on the nature of their duties. See the section titled Consultants and New Positions for more information.
5. **Designated Positions:** Positions identified by the COI Code as required to file a Statement of Economic Interests (Form 700).
6. **Disclosure Categories:** Numbered categories defined in the CSU COI Code. One or more categories are assigned to a designated position to determine what financial interests should be disclosed.
7. **Ethics Training:** All employees in designated positions, including those that fall under the interim disclosure requirement and select principal investigators and consultants, are required to complete ethics training. A systemwide training titled "Avoiding Conflicts of Interest" is available through the CSU's learning management system (LMS).
8. **Facial Review:** The FPPC requires a full review of at least 20% of all timely filed Form 700 statements.
9. **Fair Political Practices Commission (FPPC):** Administers and interprets the Political Reform Act and educates the public and public officials on the requirements of the Act.
10. **Filing Officer:** The designated university officer who manages the COI Form 700 duties and responsibilities.
11. **Full Review:** The FPPC requires a facial review of all late filed Form 700 statements.
12. **Interim Disclosure:** the Fair Political Practices Commission (FPPC) requires certain consultants and employees in newly created positions that make or participate in the making of decisions that may foreseeably have a material effect on any financial interest to file an interim disclosure under Title 2, Section 18734. The interim disclosure requirement covers those positions that have not been incorporated into the California State University (CSU) Conflict of Interest Code (COI) pending FPPC approval and any subsequent positions created by the university to be added to the Code in a future update process.
13. **Leaving Office:** Employees in a designated position must file "Leaving Office" statements once they stop performing the duties of the designated position. See more information about filing a "Leaving Office" Form 700 in Section VIII.
14. **Political Reform Act:** Government Sections 81000, et seq., also referred to here as "the Act," requires California State University (CSU), as an agency, to adopt and promulgate conflict of interest (COI) codes.
15. **Principal Investigator:** Employees with principal responsibility for a research project funded or supported, in whole or in part, by a contract or grant (or other funds earmarked by the donor for a specific research project or for a specific researcher) from a nongovernmental entity, shall be designated employees subject to the disclosure and disqualification requirements of the CSU Conflict of Interest Code. Principal Investigators designated under Disclosure Category 4 and have separate filing and reporting requirements.
16. **Statement of Economic Interests (Form 700):** Any elected official or public employee who makes or influences governmental decisions is required to submit a Statement of Economic

Interest, also known as the Form 700.

IX. Additional Resources

1. [CSU COI Web Page](#) - Includes a summary of COI requirements, the CSU's current COI Code, and proposed changes during the Code Amendment Process.
2. [CSU Disclosure Category Listing](#) – Current list disclosure categories.
3. [Designated Position List](#) – Identifies the designated positions approved by the FPPC.
4. [Conflict of Interest Handbook](#) - This handbook prepared by the Office of General Counsel provides information on conflict statutes.
5. [Fair Political Practices Commission Web Page](#) - General information about COI as well as forms, guidance, regulations and rules.

X. Authority

This policy is issued pursuant to [Section II of the Standing Orders of the Board of Trustees of the California State University](#) as further delegated by the [Standing Delegations of Administrative Authority](#). The president may delegate authority and responsibility described in this policy to other campus officials pursuant to [Section VI of the Standing Orders of the Board of Trustees of the California State University](#).

COPY

All Revision Dates

12/17/2024, 1/30/2019

Attachments

[Designated Position Criteria](#)

Approval Signatures

Step Description	Approver	Date
VC	Albert Liddicoat: Interim Vice Chancellor for HR	12/17/2024
Area Manager	Andy Alvarez: Assoc Dir, SW Emp & Plcy Admin	12/17/2024
Owner	Andy Alvarez: Assoc Dir, SW Emp & Plcy Admin	12/17/2024



SACRAMENTO
STATE

**The University Foundation
at Sacramento State**

6000 J Street • Sacramento, CA 95819-6030
T (916) 278-7043 • F (916) 278-5709

TO: The University Foundation at Sacramento State Board of Directors

FROM: xxxx, Executive Officer, The University Foundation at Sacramento State

SUBJECT: Conflict of Interest Disclosure Statement for FY xxxx-xxxx

DATE: xx-xx-xx

Required by the CSU and in compliance with The University Foundation at Sacramento State bylaws, all board members are required to submit an annual conflict of interest disclosure statement. Please find enclosed the conflict of interest policy and disclosure statement for you to complete and return to me as soon as possible.

Thank you in advance for your prompt return of the form. Should you have any questions, please feel free to contact the Executive Assistant to the University Foundation Board at 916-278-2783 or xxxx@csus.edu.

The University Foundation at Sacramento State

Conflict of Interest Policy

I. INTRODUCTION

The Board of Directors of The University Foundation at Sacramento State (“the Foundation”), recognizing that we are entrusted with a large endowment devoted to charitable purposes, has adopted this Conflict of Interest Policy. Conflicts of interest place personal interests at odds with the fundamental duty of loyalty owed by Foundation Directors as servants of the public interest. In addition, the appearance of a conflict of interest can damage institutional credibility and the ability to fulfill the institution’s mission and programmatic goals. The Board of Directors expects that the Directors will respect their obligations to act for the good of the charitable beneficiaries and avoid even the appearance of impropriety. As a matter of practice, a Director should promptly raise any issue which may implicate this policy either with the Treasurer of the Foundation or with its outside legal counsel.

II. SELF DEALING AND CONFLICTS OF INTEREST

A. Internal Revenue Code: Prohibition of Excess Benefit Transactions with Disqualified Persons and Private Inurement

The Foundation is a Charitable Organization under Section 501(c)(3) of the Internal Revenue Code and, under Section 4958 of the Code, may not engage in Excess Benefit Transactions with disqualified persons. Accordingly the Foundation will not engage in any transaction or arrangement which provides an economic benefit to or for the use of any "disqualified person" unless the consideration received by the Foundation at least equals the value of the benefit provided. The directors are disqualified persons, as are certain of their relatives (see Exhibit A). For an explanation of the meaning of Excess Benefit Transaction and the Internal Revenue Service safe harbor approval procedures, please see Exhibit A.

In addition to the prohibition on Excess Benefit Transactions, the Internal Revenue Code requires that the Foundation be operated exclusively for charitable purposes and as such any arrangement involving private inurement or private benefit is forbidden.

B. California Nonprofit Corporation Law: Process for Approval of Self Dealing by Director and Transactions with Interlocking Directorates

The California Corporations Code specifies procedures that must be followed to approve transactions in which a director has a material financial interest (Section 5233) and in which the participating corporations have common directors (Section 5234). For an explanation of the meaning of Self Dealing and the approval procedures dictated by the Corporations Code, please see Exhibit B.

C. Special Conflict of Interest Policies Adopted by The University Foundation at Sacramento State

In addition to the rules imposed by the Internal Revenue Code and the California Corporations Code, the Board of Directors of the Foundation has adopted the following policy to address Conflicts of Interest. If a Director or a member of his or her family has a Conflict of Interest or potential Conflict of Interest, the Director shall make disclosures as described below, and the Board of Directors shall follow the procedures described below in considering the subject grant or financial, investment or business transaction.

1. Conflict of Interest Defined

A "Conflict of Interest" exists if a Foundation Director or his or her Family Members have:

- a. a (i) relationship of employee, officer, trustee, or director of, or (ii) a significant ownership interest in an organization or person seeking a grant from the Foundation or with which the Foundation proposes to enter into a financial, investment or business transaction; or
- b. a material financial interest in any existing or potential Foundation grant, or in any financial, investment or business transaction which is intended to be supported by a Foundation grant or in any potential grant, or financial, investment or business transaction to which the Foundation is a party.

2. Incidental Benefits Exempted

The receipt of the following types of benefits shall not be a Conflict of Interest or violate this Conflict of Interest Policy:

- a. incidental or tenuous benefits from the Foundation's grant making or financial, investment or business transactions; or
- b. benefits (received in good faith and without favoritism) solely by virtue of being among the class of persons intended to be benefited by charitable or public benefit programs conducted by the Foundation or supported by the Foundation's grants.

3. Family Members

Family members of a Director include their spouse, ancestors, descendants, siblings and the spouses of descendants and siblings.

D. Disclosure of Actual or Potential Conflicts of Interest

Directors will fully and regularly disclose all material facts relating to any actual or potential Conflicts of Interest. They will submit conflict of interest disclosure forms to the Chair of the Audit Committee:

- a. initially, upon joining the Board of Directors;
- b. annually, before the Annual Meeting;
- c. where appropriate at or prior to action on grant applications and business transactions; and
- d. upon becoming aware of an actual or potential Conflict of Interest.

The disclosure obligations are more fully described in Exhibit C.

E. Board Procedures for Resolution of Conflict of Interest Issues

A grant may be made, or a business transaction entered into, where there is an actual or potential Conflict of Interest if:

1. The disclosures set forth above have been made;
2. The business transaction would not constitute an Excess Benefit Transaction under Section 4958 of the Internal Revenue Code;
3. In the case of a grant, the grant meets the Foundation's stated eligibility and selection criteria and was found, after an objective review, to carry out the Foundation's programmatic goals and objectives;
4. In the case of a business transaction, the Board determines in good faith that the Foundation is entering into the business transaction for its own benefit, that the transaction is fair and reasonable to the Foundation, and that the Foundation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances;
5. The Interested Director may be present at the time of initial presentation of a prospective grant or business transaction, but is absent from the room during both Board discussion, and action or vote; and
6. If not involving a Director with a material financial interest, a grant may be approved by a majority of the Directors present. All other Grants and Business Transactions involving a Conflict of Interest must be approved by a majority of the Directors in office.

III. ADDITIONAL GUIDELINES FOR DIRECTORS

Directors shall not use their position as Director of the Foundation to advance the interests of a particular organization, constituency, or special interest group by any means, including but not limited to providing information not available to the public, lobbying on behalf of or serving as spokesperson to the Foundation for an organization or interest group with which he or she is affiliated, or attempting to effect a positive decision through his or her position within the Foundation. Directors will not materially

benefit from any information regarding grant making, investment or other business actions or decisions by the Foundation which has not been fully disclosed to the general public.

IV. RECEIPT OF BENEFITS FROM THIRD PARTIES

A. Gifts and Gratuities.

Directors will not directly or indirectly solicit or accept anything of monetary value in excess of \$50 annually, from persons or organizations doing business or seeking to do business with the Foundation unless the solicitation or acceptance is based upon a relationship with such person or organizations in a capacity other than that of Director of the Foundation.

V. REFERRAL TO COUNSEL

Questions regarding the interpretation or application of this Conflict of Interest Policy should be referred to counsel for the Foundation.

Exhibit A

Excess Benefit Transactions

Section 4958 of the Internal Revenue Code imposes a severe excise tax on disqualified persons who engage in "excess benefit transactions" with a Section 501(c)(3) foundations and upon foundation managers involved in the approval of the transactions.

Disqualified Persons:

A "disqualified person" is:

1. any person who was, at any time during the 5-year period ending on the date of such transaction, in a position to exercise substantial influence over the affairs of the foundation;
2. any member of the "family" of such person (where "family" includes the person's spouse, ancestors, descendants, siblings and the spouses of descendants and siblings); or
3. a corporation, partnership or trust controlled by such a person through the ownership, directly or indirectly of, in the case of a corporation, more than 35 percent of the total combined voting power, in the case of a partnership, more than 35 percent of the profits interest, and, in the case of a trust, more than 35 percent of the beneficial interest.

Approval Process

With respect to any transaction or arrangement whereby the foundation provides an economic benefit to or for the use of a "disqualified person":

1. Such transaction or arrangement shall be approved by the Board of Directors of the Corporation or a committee thereof that:
 - (i) is composed entirely of individuals unrelated to and not subject to the control of the disqualified person involved in the transaction or arrangement;
 - (ii) relies upon appropriate data as to comparability;
 - (iii) adequately documents the basis for its determination; and
 - (iv) determines that the value of the economic benefit provided by the foundation does not exceed the consideration received by the foundation (or, in the case of compensation, that the total compensation to be paid to an individual is reasonable in amount).

Exhibit B - Self Dealing and Interlocking Directorates

Self Dealing by Directors

1. Section 5233 of the California Corporations Code defines Self Dealing as a transaction in which a Director has a material financial interest.

2. The California Corporations Code does not prohibit Self Dealing Transactions. It requires adherence to a specific process in order to approve any Self Dealing Transaction with the foundation. In general, that process requires that the Directors determine in good faith that the foundation is entering into the business transaction for its own benefit, that the transaction is fair and reasonable to the foundation, and that the foundation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.¹

3. Pertinent exceptions to the mandatory process for approval of Director Self Dealing include:

- a. action fixing Board or Officer compensation;
- b. a charitable program approved in good faith and without unjustified favoritism if a Director or members of their family are within the intended class of charitable beneficiaries; and
- c. a transaction involving less than \$100,000 per year where the interested Director has no actual knowledge of the transaction.

Interlocking Directorates

Section 5234 of the California Corporations Code permits transactions between corporations having common Directors and provides an approval process for such transactions, namely:

- a. all material facts as to the transaction and the foundation Director's other directorship are known to the Board; and
- b. the matter is approved in good faith by a vote sufficient without counting the vote of the common Director(s).

¹ Note that this California law covers only Directors and not Staff Members or those associated with Directors or Staff.

Exhibit C - Implementation Procedures and Responsibilities

Responsibilities for Implementation

The following section outlines the responsibilities of different bodies within the Foundation in the disclosure process, and steps for tracking and monitoring potential conflict of interest situations. This process affirms the Foundation's commitment to integrity and fairness in the conduct of all its activities.

Board of Directors. Responsible for reviewing and ratifying the annual report of Director affiliations, as reviewed and presented by the Audit Committee and considering recommendations of the Governance Committee for amendments to the Conflict of Interest Policy.

Audit Committee. Responsible for monitoring the Foundation's conflict of interest program, including an annual review of the report of Director affiliations, prepared by staff from the Director disclosure statements, and presentation of the review to the full Board for ratification.

Governance Committee. Responsible for reviewing Conflict of Interest Policy and recommending amendments to the Board of Directors.

Individual Directors. Responsible for reporting (annually and as changes require) all relationships which may result in real or potential conflicts of interest with Foundation activities.

Staff. Responsible for managing the conflict of interest program, including collecting the annual Director disclosure statements and maintaining a documentation process for tracking Directors' relationships.

Disclosure of Affiliations

At the beginning of each Director's term and annually thereafter, the Foundation will conduct a review of the relationships and affiliations of each Director. Disclosure forms are used to collect the information used for the review. Disclosure forms will document affiliations, business relationships, and other areas of potential conflicts of interest for the Foundation's Directors. All material facts concerning the existence and nature of the actual or potential conflict of interest and the relationship of any interested Director or Staff Member to the actual or potential conflict of interest shall be disclosed to the Chair of the Audit Committee and to counsel for the Foundation. Such facts shall be recorded in the minutes of the Board meeting considering the authorization or approval of the affected grant or business transaction, and where applicable in any proposal summary or recommendations presented to committees and/or the Board for decision. The disclosure process is as follows:

Initial and New Director Process. Each Director will complete the Foundation's conflict of interest disclosure form at the beginning of his or her term. The completed form will be forwarded to the Foundation's Treasurer. The Treasurer will prepare the information for presentation to the Audit Committee at its next meeting.

Annually. Each year, prior to the annual Board meeting, a disclosure form will be forwarded to each Director. The form is to be completed and returned to the Foundation's Treasurer before annual meeting. The Treasurer collects all forms and prepares a listing ("Report"), by Director, of all affiliations reported. The report is presented to the Audit Committee at the annual meeting. The Audit Committee reviews the report and presents the findings to the full Board of Directors for approval.

Interim Review. In addition to the new Director and annual disclosure process, the Foundation and Directors are responsible for disclosure and review of potential conflicts of interest at each Board or Committee meeting as these issues arise. Directors are responsible for reporting potential conflicts of interest on any individual Board or Committee agenda or grant docket item, prior to deliberation on the item.

The University Foundation at Sacramento State

Board of Directors

Potential Conflict of Interest Disclosure Statement

I have listed below all organizations and persons with which I or my family members have a relationship that could constitute an actual or potential conflict of interest with the interests of The University Foundation at Sacramento State (“the Foundation”).

For the purpose of filling out this questionnaire a "**Conflict of Interest**" exists if I or a Family Members have:

- a. a **relationship** of employee, officer, trustee, or director of an organization or person which is likely to seek or receive a grant from the Foundation or with which the Foundation proposes to enter into a financial, investment or business transaction; or
- b. a **material financial interest** in any existing or potential Foundation grant, or financial, investment or business transaction which is intended to be supported by a Foundation grant or potential grant, or financial, investment or business transaction to which the Foundation is a party.

Family Members include my spouse, ancestors, descendants, siblings and the spouses of descendants and siblings.

This Disclosure Statement must be updated as soon as you become aware of any information which should be disclosed under The University Foundation at Sacramento State's Conflict of Interest Policy. (E.g., The University Foundation at Sacramento State enters into discussions on a transaction with an entity with which you are affiliated and which you have not previously listed.)

Organization or Person	Relationship or Material Financial Interest

Signature

Date

Print Name

Date: November 17, 2016

Code: HR 2016-06

Supersedes: HR 2016-01
HR 2014-12
HR 2013-11

Reference: HR 2002-05

To: CSU Presidents, Vice Presidents, HR Officers, AVPs/Deans of Faculty Affairs and Campus Designees Responsible for Outside Employment Disclosure

From: Andrew Jones
Interim Vice Chancellor
Human Resources



Subject: Revised Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees

Summary

The Outside Employment Disclosure Requirements for MPP and Executive Employees have been revised to include the following:

- Clarify that the policy applies to all MPP and Executive employees (full-time and part-time)
- Clarify that outside employment may not create conflict of commitment and/or conflict of interest
- All MPP and Executive employees are required to submit an Outside Employment Disclosure Form at least annually, even if there is no outside employment to report
- Defines Senior Management as Executive employees and Vice Presidents. This group will be required to submit for review and approval a detailed Outside Employment Disclosure Form
- The Outside Employment Disclosure Form for MPP employees has been revised, and a separate Form has been created for Senior Management employees
- Campuses are required to submit a detailed report on outside employment disclosures of Senior Management employees to the Chancellor's Office annually by **July 31**
- The Board of Trustees shall annually review, provide the opportunity for public discussion, and approve the outside employment endeavors of all Senior Management employees
- The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management

Action Items

Develop procedures to manage the disclosure process and communicate the revised requirements to all MPP and Executive employees at the campus.

Update campus Outside Employment Disclosure Forms.

All MPP and Executive employees are required to submit an Outside Employment Disclosure Form at least annually.

Campuses must submit a detailed report on outside employment of Senior Management employees to the Chancellor's Office annually by **July 31**.

Distribution:

CSU Chancellor
Associate Vice Presidents/Deans of Faculty
All Campus Vice Presidents

Human Resources Officers
Employee Relations Designees

Affected Employee Group(s)/Units

All (full-time and part-time) MPP and Executive employees

Definition(s)

Appropriate Administrator: The administrator to whom the MPP or Executive employee directly reports

Conflict of Commitment: In the context of this policy, a conflict of commitment is any outside work that creates a perceived or actual conflict with an employee's ability to perform normal CSU work assignments, maintain satisfactory performance, and meet his/her responsibilities to the CSU

Conflict of Interest: The Political Reform Act prohibits an employee from making, participating in the making, or influencing a governmental decision in which the employee has a financial interest

Executive Employee: Includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, and Presidents

Management Personnel Plan (MPP):

As defined in Title 5 of the California Code of Regulations, Article 2.2, "MPP" refers to employees designated as "management" or "supervisory" under the Higher Education Employer-Employee Relations Act (HEERA). This includes Executive employees

Outside Employment: Any employment not compensated through the CSU payroll, including CSU foundation and CSU auxiliary employment. Unpaid volunteer work does not apply to this policy

Reportable Employment/Income:

Any work for which a W-2 or 1099 is issued. Reportable income can come from a number of sources, including but not limited to one-time speeches/presentations, paid work for profit or non-profit entities, and paid service on a board of directors. Passive income (e.g., payments for services performed in the past, including royalties for writing, copyrighted work, research, and patented materials) is not reportable

Senior Management: For the purposes of this policy, this term shall include Executives (Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents) and Vice Presidents

Details

Policy Statement

Outside employment activities, while often mutually beneficial to the CSU and the employees themselves, must not conflict with an employee's ability to meet his/her responsibilities to the CSU and at all times act in the best interest of CSU. Therefore, it is the policy of the CSU to provide a transparent system of disclosure, approval, and documentation of outside employment activities performed by CSU MPP and Executive employees to identify any potential conflicts of commitment and/or conflicts of interest. This policy complies with Section 42740 of Title 5, California Code of Regulations and frames the rules and procedures to delineate permissible outside employment activities. Campuses are required to establish procedures to implement this policy requirement.

Background

In response to the California State Auditor (CSA) recommendation on CSU Compensation Practices, the Board of Trustees (BOT) approved the following addition to Title 5 of the California Code of Regulations in January 2013:

§ 42740. Outside Employment – Management and Executive Employees.

Management Personnel Plan and executive employees shall be required to report outside employment for the identification of and to preclude any conflict of commitment. The Chancellor is responsible for implementing this section.

NOTE: Authority cited: Sections 89030 and 89500, Education Code. Reference cited: Section 89030 and 89500, Education Code.

The BOT resolution¹ required the annual disclosure and approval of all outside employment not compensated through the CSU payroll for MPP and Executive employees.

In April 2016, the CSU renewed its commitment to the State Legislature and the public to improve its policy, transparency, and accountability by revising the outside disclosure requirements for MPP and Executive employees. New requirements were also enacted under the Budget Act of 2016, signed into law by Governor Brown in June 2016. This policy update honors CSU's commitment to the Legislature and complies with the Budget Act of 2016. This updated policy goes into effect on January 1, 2017.

Disclosure Reporting Requirements

MPP and Executive employees are individually responsible and held accountable for ensuring that their outside employment activities do not create any actual or perceived conflict of commitment and/or conflict of interest to the CSU. All full-time and part-time MPP (including Executive) employees are expected to monitor and report any and all outside work for which they are being compensated. These employees are required to submit a disclosure form at least annually, even if there is no outside employment to report.

MPP and Executive employees should be given a copy of this policy and will be required to submit a written report of any outside employment at the following times:

- **At the time of hire or appointment** — Prospective MPP and Executive employees must disclose all current outside employment as a precondition of hire.
- **Annually** – All MPP and Executive employees must submit an annual disclosure by **July 15** of each year, reporting on outside employment held the previous calendar year (January 1 through December 31).
- **Within 30 days of accepting outside employment** – Employees must advise their supervisor of the outside employment opportunity within 30 days of accepting any outside employment.
- **Upon Request** – Employees shall provide any requested information within 10 days of an appropriate administrator's request.

The written disclosure statement shall include the nature of outside employment held, time commitment, and expected duration. In addition to providing the information above, members of Senior Management (which consists of Executives and Vice Presidents) are required to disclose details of the outside employment, including the organization name, total compensation received, whether the business has had dealings with the CSU, and whether the employee was involved in making any decisions that affect CSU's dealings with the outside employer. A revised sample disclosure form for MPP employees has been provided in Attachment A. Attachment B contains a separate Outside Employment Disclosure Form that has been created for Senior Management employees. Campuses may use electronic forms to satisfy the reporting requirement.

Campuses should designate an employee responsible for this function and develop procedures to manage the disclosure process for MPP and Executive employees. Campuses are also required to maintain these records in accordance with Section 1.17 of CSU's Records Retention Policy (at least 4 years from the date of the document), which can be found at <http://www.calstate.edu/recordsretention/>.

Determining Conflicts of Commitment

The following is a partial list of possible conflicts of commitment that merit a case-by-case examination of the outside employment activity to determine whether the activity should be managed appropriately, reduced or eliminated. Conflict of commitment may be found if the outside employment activity results in:

- A reduction of the employee's time and energy devoted to CSU activities
- The use of CSU property or other resources without authority (other than de minimus)
- An influence over the way the employee performs his/her CSU responsibilities
- The disclosure of confidential or proprietary information acquired through the performance of CSU duties
- Acting against the CSU's best interest or in conflict with the CSU's mission and goals
- The violation of CSU policies, procedures or practices

¹ Link to Board of Trustees Resolution #RUF01-13-01: <http://www.calstate.edu/BOT/resolutions/jan2013.pdf>

The primary commitment of Executive employees must be to the fulfillment of their regular CSU university responsibilities. As a reminder, Executive employees may serve on up to two corporate boards. Approval from the Chancellor is required prior to accepting service on a corporate board. Notice and approval are not required for service on non-profit boards. These requirements protect the public interest and support reinforcement of this policy.

Determining Conflicts of Interest

No CSU MPP or Executive employee may make, participate in making, or influence a governmental decision in which he/she has a financial interest as defined by the Political Reform Act. A conflict of interest exists if the outside employment creates a financial interest on the part of the employee that precludes the employee from making decisions within the scope of the employee's duties.

Document Review – MPP Employees (excluding Senior Management)

All MPP employees are expected to reduce or eliminate outside employment if any perceived or actual conflicts of commitment or interest are found. Outside employment disclosures should be reviewed for any perceived or actual conflicts of commitment or interest by an appropriate administrator. The appropriate administrator who reviews these forms shall be the person to whom the employee reports.

If the employee's manager or the appropriate administrator determines there is a perceived or actual conflict of commitment and/or conflict of interest in the outside employment activity, and the employee disagrees with this determination, it should be noted on the outside employment disclosure form and escalated to the next level of review. This second and final level of review should be conducted by an independent review committee appointed by the President or Chancellor or his/her designee. The recommendation provided at this level shall be the final determination.

Document Review and Approval – Senior Management Employees

To protect the interests of the public and the CSU, all Senior Management employees are expected to perform outside employment free of any perceived or actual conflicts of commitment or interest. All outside employment disclosures should be reviewed for any perceived or actual conflicts of commitment or interest and approved by the President or his/her designee, and for all Executive employees, by the Chancellor or his/her designee. In addition, the Board of Trustees shall annually review, provide the opportunity for public discussion, and approve the outside employment endeavors of all Senior Management employees.

If the outside employment requires a second level of review for approval, an independent review committee appointed by the Chancellor (or the Board of Trustees for the Chancellor) or his/her designee and the Vice Chancellor of Human Resources, in consultation with the Office of General Counsel, shall review the outside employment disclosure. The recommendation provided at this level shall be the final determination.

Violations of Policy

Noncompliance and violations of this policy will be subject to corrective action, consistent with how the CSU addresses any policy violations² and will depend on the severity of the conduct.

Chancellor's Office and Board of Trustees Review

Campuses are required to submit a summary report (see Attachment D for a template) on outside employment disclosures to the Chancellor's Office annually by **July 31**. Reports should be sent to CSUOutsideEmployment@calstate.edu. Annual reminders will be sent from Systemwide HR. The report shall include the following:

- Percentage of MPP employees with outside employment at the campus
- Disclosure of all outside employment details for Senior Management
- Additional information as requested by the Systemwide HR office

Outside employment disclosure forms are public records and are subject to the California Public Records Act. To increase transparency, protect public interest, and ensure public trust, the CSU will publicly post the outside employment activities of Senior Management employees, which include the Chancellor, Executive Vice Chancellors, Vice Chancellors,

² 5 Cal. Code Reg. §§42722, 42723

Presidents, and Vice Presidents. The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management.

Questions regarding this policy should be directed to Systemwide Human Resources at CSUOutsideEmployment@calstate.edu. This document is available on the Human Resources Policies Website at <https://csyou.calstate.edu/Policies/HRPolicies/Forms/Default.aspx>.

AJ/LH/tl

Attachments

Outside Employment Disclosure Form For Management Personnel Plan (MPP) Employees¹

Requirements: This form is to be completed as appropriate by MPP employees¹ pursuant to Section 42740 of Title 5, California Code of Regulations, even if completed at an earlier date.

Name: _____ Position/Title: _____

Campus: _____ Department: _____

Type of Disclosure (Check at least one box):

- Annual:** The period covered is January 1, 20____, through December 31, 20____.
- OR-** The period covered is ____/____/20____ (Time of hire or appointment) through December 31, 20____.
- Time of Hire or Appointment Date:** ____/____/20____
- Accepted outside employment:** Outside employment accepted date: ____/____/20____
- Administrator request:** The period covered is ____/____/20____ through ____/____/20____
- OR -** Current outside employment beginning ____/____/20____

Outside Employment Status (Select one):

- I have outside employment to report (complete table below).
- I have no outside employment to report.

	Nature of Outside Employment Held	Number of Hours for Reporting Period	Expected Duration From/To
1			
2			

I affirm that the information on this form is accurate to the best of my knowledge, that I have read and understand my obligations under the CSU's policy on Outside Employment Disclosure, and that I will comply with the conditions and restrictions imposed by the CSU to manage, reduce, or eliminate conflicts of commitment/interest. I certify that my time commitment to the outside employer(s), if applicable, does not create a conflict of commitment/interest that would interfere with CSU work assignments and satisfactory performance. I also commit to providing an updated form to my immediate supervisor whenever a significant change occurs in the information I have provided. *(Complete and sign below)*

Employee Signature: _____ Date: _____

Reviewed by:

Name: _____ Date: _____

Administrator's Signature: _____

If applicable, submit form and attachments to the independent review committee for additional review and approval. Submit completed form to HR.

¹ For Vice Presidents and Executive employees, see the Outside Employment Disclosure Form for Senior Management Employees.

Outside Employment Disclosure Form For Senior Management Employees

Requirements: This form must be completed by all Senior Management employees (includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents) pursuant to Section 42740 of Title 5, California Code of Regulations and the 2016 Budget Act under the following conditions: upon hire, annually by **July 15**, within 30 days of accepting outside employment, and within 10 days of request by an appropriate administrator.

1. Employee Information:

Name: _____ Campus: _____
Title: _____

2. Type of Disclosure (Check at least one box):

- Annual:** The period covered is January 1, 20____, through December 31, 20____.
-OR- The period covered is ____/____/20____ (Time of hire or appointment) through December 31, 20____.
- Time of Hire or Appointment Date:** ____/____/20____
- Accepted outside employment:** Outside employment accepted date: ____/____/20____
- Administrator request:** The period covered is ____/____/20____ through ____/____/20____
-OR- Current outside employment beginning ____/____/20____

3. Outside Employment Involvement (Select "Yes" or "No" for each):

Types of services engaged in during disclosure period:	Please select one:	
Paid service* on a federal, state, or local government agency committee, panel, or commission	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* as an officer or member on a non-profit or for-profit board	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* to organization(s) that further the interests of higher education	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Pay* for presentation(s) at scholarly colloquia and conferences, speaker at an event, and/or guest lecturer	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* consulting/professional advising activities	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* as an expert witness	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* on committees/advisory groups to other universities outside the CSU	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* for developing scholarly communications or conducting editorial work in books, journal articles, movies, television productions or similar works	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* review of journal/book manuscripts, grant or contract proposals	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Other (please specify any other service for which compensation was received): _____		

If you answered YES to any of these questions, you have outside employment to report.

*Does not include reasonable incidentals (e.g., travel, meals).

4. Outside Employment Status (Select one):

- I have outside employment to report.
- I have no outside employment to report (skip to Section 6 for signature and submit).

5. Detailed Reporting (attach additional pages as necessary):

Outside Employment/Activity 1:

1. Name of outside employer or business: _____
2. Duration of employment (From/To): _____
3. Describe the nature of the outside employment: _____

4. Number of hours for reporting period: _____
5. Total compensation received including equity or deferred compensation: _____

6. Does the outside employer have any business dealings with CSU? Yes No If "yes", please explain: _____
7. Are you involved in making any decisions affecting CSU's dealings with the outside employer (either directly or indirectly)? Yes No If "yes", please describe: _____
8. Additional comments (e.g., if compensation was donated, disclose here): _____

Outside Employment/Activity 2:

1. Name of outside employer or business: _____
2. Duration of employment (From/To): _____
3. Describe the nature of the outside employment: _____
4. Number of hours for reporting period: _____
5. Total compensation received including equity or deferred compensation: _____
6. Does the outside employer have any business dealings with CSU? Yes No If "yes", please explain: _____
7. Are you involved in making any decisions affecting CSU's dealings with the outside employer (either directly or indirectly)? Yes No If "yes", please describe: _____
8. Additional comments (e.g., if compensation was donated, disclose here): _____

6. Certification and Review

To be completed by the Employee:

I hereby affirm that the information on this form is accurate to the best of my knowledge, that I have read and understand my obligations under the CSU's policy on Outside Employment Disclosure, and that I will comply with the conditions and restrictions imposed by the CSU to manage, reduce, or eliminate conflicts of commitment/interest. I certify that my time commitment to the outside employer(s), if applicable, does not create a conflict of commitment/interest that would interfere with CSU work assignments and satisfactory performance. I also commit to providing an updated form to my immediate supervisor whenever a significant change occurs in the information I have provided.

Signature

Date

To be completed by the Employee's Immediate Supervisor/Appropriate Administrator:

I have reviewed this disclosure form and assessed whether the outside employment described above will create a conflict of commitment or interest between the employee and the CSU. I find that:

- the information submitted does not present a conflict of commitment or conflict of interest.
- the information submitted may present a conflict of commitment or a conflict of interest.

Comments/recommendations (*attach additional pages if necessary*): _____

If applicable, submit form and attachments to the independent review committee for additional review and approval. Submit completed form to HR.

Administrator's Name (Print): _____ Title, Dept: _____

Signature

Date

IF APPLICABLE - INDEPENDENT REVIEW COMMITTEE (FINAL LEVEL OF REVIEW)

Committee members: _____

Select one:

- The outside employment does not present a conflict of commitment or conflict of interest.
- The outside employment presents a conflict of commitment or conflict of interest.

Determination/Recommendation (Attach additional pages if necessary):

Revised Outside Employment Disclosure
Requirements for MPP and Executive Employees

**Outside Employment Disclosure Policy for MPP and Executives
Frequently Asked Questions**

1. Who is required to report outside employment?

All MPP and Executive employees, whether part-time or full-time, are required to complete the Outside Employment Disclosure Form even if they do not have any outside employment to report (see Attachments A and B).

2. What are MPP and Executive employees expected to report?

MPP and Executive employees are expected to report outside work for which the employees are being compensated and result in reportable income. "Reportable income" is any work for which a W-2 or 1099 is issued.

3. When must MPP and Executive employees disclose outside employment?

MPP and Executive employees must disclose outside employment under the following instances:

- **At the time of hire or appointment** — Prospective MPP and Executive employees must disclose all current outside employment as a precondition of hire.
- **Annually** – All MPP and Executive employees must submit an annual disclosure by **July 15** of each year, reporting on outside employment held the previous calendar year (January 1 through December 31).
- **Within 30 days of accepting outside employment** – Employees must advise their supervisor of the outside employment opportunity within 30 days of accepting any outside employment.
- **Upon Request** – Employees shall provide any requested information within 10 days of an appropriate administrator's request.

4. Why are there outside employment disclosure requirements for MPPs and Executives?

The need to report compensatory outside employment initially resulted from a California State Auditor (CSA) finding on CSU Compensation Practices and a Board of Trustees Resolution approving the addition to Title 5 of the California Code of Regulations. In April 2016, the CSU renewed its commitment to the State Legislature and the public to improve its policy, transparency, and accountability by revising the outside disclosure requirements for MPP and Executive employees. New requirements were also enacted under the Budget Act of 2016, signed into law by Governor Brown in June 2016. This policy update honors CSU's commitment to the Legislature and complies with the Budget Act of 2016.

5. Why are there two separate forms for reporting?

The Outside Employment Disclosure Form for Senior Management Employees (Attachment B) is a detailed reporting form that is required for all Executive employees and Vice Presidents. Attachment A (Outside Employment Disclosure Form for MPP Employees) is for all other MPP employees.

6. Who is considered "Senior Management"?

Senior Management, for the purpose of this policy, includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents.

7. Why must outside employment for Senior Management be disclosed publicly?

It is required under the Budget Act of 2016.

8. Are Vice Presidents required to submit both forms (Attachment A and Attachment B)?

No, Vice Presidents are only required to submit Attachment B.

9. Are prospective MPP/Executive employees required to submit the Form even if they do not have outside employment?

Yes, the policy requires all prospective MPP and Executive employees to complete the Disclosure Form even if he/she does not have outside employment to report.

10. If an MPP employee works one or two days only on an outside employment engagement, do they have to report it under this policy?

Yes, as stated in the policy, "MPP and Executive employees are expected to report any and all outside work for which the employees are being compensated." Any work that results in reportable income (for which a 1099 or W-2 is issued) must be reported, no matter the time commitment.

11. If an MPP/Executive employee accepts an honorarium for giving a speech or presentation, does it have to be reported as outside employment?

Yes. MPP/Executive employees are required to report all outside work for which they receive compensation. As a reminder, an employee may not accept an honorarium from a reportable source (i.e., a source the employee will be required to disclose on an annual Form 700 Statement of Economic Interest). Cal. Govt. Code §89502.

12. Does the supervisor have the ability to tell the employee that the outside employment is a conflict and they cannot do the work?

Yes. The appropriate administrator has the authority to advise the individual that his/her outside employment conflicts with CSU employment, and that the conflict can no longer continue.

If so, can the employee be disciplined or discharged if they do not comply with the policy?

Noncompliance and violations of this policy will be subject to corrective action, consistent with how the CSU addresses any policy violations and will depend on the severity of the conduct.

13. Is documentation required to support that the outside employment "interfered with normal work assignments" or affected "satisfactory performance"?

As with any disciplinary action and/or unfavorable performance review, these situations must be documented appropriately and in the same manner. Campus performance evaluation/assessment procedures should support these actions.

14. When administrators sign the Disclosure Form that employees submit, are they actually approving the outside employment?

Yes, only if the administrator is reviewing it for Senior Management employees. For MPP employees, the administrator's signature confirms that the administrator has reviewed the employee's outside employment and has determined that no conflict of commitment or conflict of interest exists.

15. What happens if the employee refuses to provide the information?

The administrator should acknowledge, sign, and indicate on the disclosure form that the employee refused to sign the form. Further action will be required to evaluate the employee on failure to adhere to a policy requirement.

16. What is "too much" outside employment?

"Too much" outside employment is one that interferes with CSU work assignments and employee performance.

17. If the work that is being performed does not conflict with the employee's work for the CSU and does not occur during CSU business hours, is this still reportable?

Yes.

18. If the employee is not performing work but is receiving passive income (e.g., royalty payments) for service(s) performed in the past, does this need to be disclosed?

No.

19. If the industry in which outside employment is being performed has no affiliation with the CSU, is it still reportable?

Yes.

20. What constitutes a conflict of commitment?

A conflict, in the context of this policy, means any outside work that conflicts with an employee's ability to perform normal CSU work assignments, maintain satisfactory performance, and meet his/her responsibilities to the CSU. Please refer to the "Determining Conflicts of Commitment" section of the policy for further information.

21. Where are completed forms filed, in the employee's personnel file or a separate file?

Completed forms shall be kept in a separate file and maintained in a fashion that allows Systemwide HR to efficiently access these files in the event of an audit.

22. Exactly what must the MPP disclose about his/her outside employment?

For MPP employees (excluding Senior Management), the Disclosure Form only requires the information about the nature of outside employment held, time commitment, and expected duration. "Nature" in this context can be used to categorize the role or category of employment services being performed (e.g., supervisor, president, manager, consultant). Senior Management employees have a separate and more comprehensive disclosure requirement.

23. What if the employee does not agree with the perception of work conflict?

The appropriate CSU administrator is responsible for determining if a work conflict exists, made in consideration of the employee's CSU work assignments and performance. If the employee does not agree that there is a conflict of commitment, it should be noted in the outside employment disclosure form and escalated to the next level of review, which will involve an independent review committee. See "Document Review – MPP Employees (excluding Senior Management)" and "Document Review and Approval – Senior Management Employees" sections in the policy for more information.

24. Will the Chancellor be asking the Presidents to report outside employment?

Yes. This policy applies to all Executive and MPP employees, including the campus presidents. The Chancellor will administer the policy to Presidents.

25. Why do campuses have to report outside employment of their presidents and vice presidents to the Chancellor's Office?

The CA State Legislature requires the Chancellor's Office to report outside employment activities of Senior Management employees publicly on an annual basis. The Chancellor's Office will maintain a public website reporting the outside employment endeavors of these individuals, and will be requiring campuses to report this information to the Chancellor's Office annually by **July 31**.

26. What is required on the annual report submitted to the Chancellor's Office?

The report shall include the percentage of MPP employees with outside employment at the campus, detailed disclosure of all outside employment activity for Senior Management, and any additional information as requested by the Systemwide HR office. Annual reminders will be sent from Systemwide HR detailing the required contents of the report.

27. Will my Outside Disclosure Form be posted on the internet?

The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management employees. All forms are public records and subject to production under the California Public Records Act.

Key Responsibility Area	Fall (Planning)	Winter (Audit & Review)
Auditor Oversight	Approve auditor/Confirm independence/Approve scope & fees	Meet with auditor/Review audit results
Financial Reporting	—	Review audited financials/Accept audit
IRS Form 990	—	Review & oversee preparation
Internal Controls & Risk	—	Review control findings
Compliance & Ethics	—	—
Conflict of Interest	—	—
Governance & Reporting	—	—
Committee Meetings & Communication	Meet with management & auditor	Meet with management & auditor

Spring (Compliance & Reporting)
—
—
—
Review controls & risk updates
Review legal and regulatory compliance/Monitor complaint procedures
Review annual disclosures
Report to Board/Review Charter (as needed)
Ongoing communication & executive sessions