
AUDIT AND BUDGET COMMITTEE MINUTES

Coast Community College District

Special Meeting of the Audit and Budget Committee

April 15, 2014 at 2:30 p.m.

Board Conference Room

1370 Adams Avenue, Costa Mesa, CA 92626

Procedural Matters

1. **Call to Order** - The meeting was called to order at 2:35 p.m.

2. **Roll Call**

Trustees Present: Trustee Patterson and Trustee Hornbuckle
Trustees Absent: None

In Attendance – Dr. Andrew Jones, Chancellor; Dr. Rich Pagel, Orange Coast College Vice President of Instruction; Mr. W. Andrew Dunn, Vice Chancellor of Finance and Administrative Services; Ms. Julie Frazier-Mathews, Secretary of the Board/ District Director of the Office of the Board of Trustees; Ms. Rachel Snell, Director of Internal Audit Services; Dr. Dennis Harkins, Orange Coast College President; Mr. Dean Mancina, Coast Federation of Educators Representative; Ms. Ann Nicholson, Coast Federation of Classified Employees President; Ms. Jeanne Neil, Orange Coast College Faculty Member and Division Senator for Business and Computing; Ms. Christine Nguyen, Coastline Vice President of Administrative Services; Ms. Daniela Thompson, Administrative Director, Fiscal Affairs, and Mr. Bob Fey, Coast Federation of Educators Executive Director.

3. **Opportunity for Public Comment**

There were no requests to address the Audit and Budget Committee during Public Comment

4. **Approval of Minutes: Meeting of February 4, 2014**

It was moved by Trustee Hornbuckle and seconded by Trustee Patterson to approve the minutes of February 4, 2014.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None

5. **Board Resolution to Approve September - December 2013 Budget Transfer for 2013-14**

Mr. Dunn and Ms. Thompson reviewed Resolutions #14-09 and # 14-10 with the Committee. Resolution #14-09 was to increase income and expenditure for 2013-2014, and Resolution # 14-10 was to approve September-December 2013 budget transfers for 2013-2014.

On a motion by Trustee Hornbuckle and seconded by Trustee Patterson the Committee voted to add Resolution # 14-09 and Resolution # 14-10 to the April 16, 2014 Board Meeting Agenda.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None

6. Revision of Board Policy 6200, Budget Preparation

Mr. Dunn reviewed Board Policy 6200, Budget Preparation as language was being added and deleted to align with AP 6200.

On a motion by Trustee Hornbuckle and seconded by Trustee Patterson the Committee voted to place Board Policy 6200, Budget Preparation on the April 16, 2014 Board Agenda.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None

7. Review and Discuss the Draft of the Annual Audit Plan

Ms. Snell reviewed the draft Internal Annual Audit Plan and requested input from the Committee. The Committee members agreed to change Faculty Onboarding to Faculty Hiring.

On a motion by Trustee Hornbuckle and seconded by Trustee Patterson the Committee voted to have this item on the June 3, 2014 Audit and Budget Committee meeting agenda and also place it on the June 18, 2014 Board Meeting Agenda for consideration by the full Board.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None

External Auditors Overall Plan to Accomplish the Audit

Ms. Graves and Ms. Henton from Vicenti, Lloyd & Stutzman LLP reviewed the following with the Committee members:

- Audit Services/Objectives
- 2014 Audit Requirements
- Communications Arising from the Audit
- Timing of the Audit
- Litigation Review
- Consideration of Fraud in a Financial Statement Audit
- State Compliance Objectives
- New Governmental Accounting Standards
- Governmental Accounting Standards Board Statement No. 70
- Governmental Accounting Standards Board Statement No. 68

Trustee Patterson had the following concerns:

- Independence
- Previous Auditors Recommendations
- Final Report

The External Auditors indicated they would have the final report on the November 19, 2014 Board Meeting.

8. Internal Auditor's Report

Ms. Snell provided an update on the Internal Auditor's Report.

On a motion by Trustee Hornbuckle and seconded by Trustee Patterson the Committee voted to add the Retirement Board to the Internal Auditor's Report and for this report to also be presented to the full Board.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None

9. Discuss and Possible Action to Approve Proposed Meeting Dates for 2014

There was no discussion on this item.

- a) October 7, 2014 at 1:00 p.m.
- b) November 4, 2014 at 1:00 p.m.
- c) December 2, 2014 at 1:00 p.m.

10. Future Meeting Dates:

The Committee members agreed to meet on June 3, 2014 at 1:00 p.m.

On a motion by Trustee Hornbuckle and seconded by Trustee Patterson the Committee voted to change the August 26, 2014 meeting to August 13, 2014 at 11:00 a.m.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None

11. Future Agenda Items

The Committee requested the following items be added to the June 3, 2014 Audit and Budget Committee agenda.

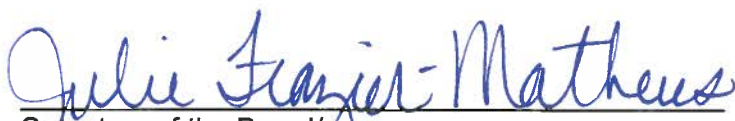
- a) Financing for the Student Housing at Orange Coast College
- b) Tentative Budget
- c) Final Internal Audit Plan

12. Adjourn

There being no further business, it was moved by Trustee Hornbuckle and seconded by Trustee Patterson to adjourn the meeting at 3:44 p.m.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson
No: None
Absent: None


Secretary of the Board/
District Director of the Office of the Board of Trustees