
AUDIT AND BUDGET COMMITTEE MINUTES

Coast Community College District
Special Meeting of the Audit and Budget Committee
April 14, 2020
Zoom Telephonic Conference Meeting
1370 Adams Avenue, Costa Mesa, CA 92626

1. Call to Order

The meeting was called to order at 2:11 p.m.

2. Roll Call

Trustees Present: Trustee Jim Moreno and Trustee Mary Hornbuckle
Trustees Absent: None

In Attendance – Dr. John Weispenning, Chancellor; Dr. Andrew Dunn, Vice Chancellor of Finance and Administrative Services; Dr. Andreea Serban, Vice Chancellor of Educational Services and Technology, Rachel Snell, District Director of Internal Audit; Paul Wisner, GWC Director of Business Services; Rachel Kubik, OCC Director of Business Services; Janet Houlihan, GWC Vice President of Administrative Services, Julia Clevenger, Director Chancellor’s Office Operations and Projects, Dr. Rich Pagel, Vice President Administrative Services OCC, Derek Bui, Director Business Services Coastline, Mary Grady Administrative Assistant, Board of Trustees, Jane Burton, Manager/Board Secretary

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 January 30, 2020

On a motion by Trustee Moreno, seconded by Trustee Hornbuckle, the Committee voted to approve the minutes of the Special Meeting of January 20, 2020.

Motion carried with the following vote:

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

5. Review, Discuss, and Possible Action Regarding Internal Audit Quarterly Update

Ms. Rachel Snell, District Director of Internal Audit, provided an internal audit quarterly update. The OCC Swap-meet report was presented to the Committee for review, and will be submitted to the full Board of Trustees on the June 2020 agenda with the usual quarterly report. Dr. Pagel gave an update that both swap-meets had been closed due to Covid-19 and some refunds would be issued to vendors.

6. Brief overview of the Governor's January Budget Proposal for the 2020/21 fiscal year

Dr. Andrew Dunn presented a detailed PowerPoint presentation with updated information. A few key facts from the presentation were discussed as follows:

- The last fiscal year closed with less than a half a point variation in our revenue estimate calculations.
- There is a statewide deficit.
- The Fund Balance chart lists Coast at 15.16% and the statewide average is 22.16%.
- Five- year retrospective for enrollments, staffing, revenue and salary expense
- A new category "Efficiency Metrics"
- Historically a decline in the economy brings an increase in enrollments, although that is not clear at this time due to Covid-19.
- Course section counts and efficiency levels are monitored and we have seen some increase in efficiencies this year 2020.
- Field work for external audit teams is beginning.
- Financial Aid audit meetings are being scheduled now.
- November 18, 2020 presentation to the Board of Trustees with Audit results.
- District Funding net total computational revenue has declined by an estimated \$3 million as the state changed the student funding formula, and a lower headcount.
- Summer 2020 will be distance learning only. Enrollment is unclear at this point.
- COLA - Coast could stay within the hold harmless range.
- Federal CARES ACT \$2.2 Trillion in relief, \$31 Billion for education, \$579 million for the California Community College system. Coast can expect to receive approximately \$14 million dollars.
- Coast is lining up short term borrowing, in January adopted a hiring freeze and implemented the SRP Retirement program.
- A presentation for the full Board will be ready the second half of May.

7. Collateralization of District Funds (FDIC Insurance) Mitigation Depository Risks

Board Policy 6350 was approved at the last Board meeting.

8. SERP Update

- The window would close on April 17, 2020 for potential retirees to accept the retirement offer and the Board of Trustees will vote whether to move forward with this at a Special Meeting on April 28, 2020. If approved the resignation/separation date would be June 30, 2020.
- Intermediate enrollment numbers had been provided to the Trustees. Reminders were being sent out to the employees.

9. Update from Human Resources on Temporary Employees

There were no updates at this time.

10. Future Meeting Date

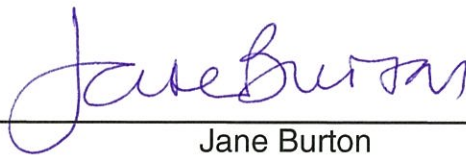
The next meeting of the Audit and Budget Committee was scheduled for Thursday, May 28, 2020 at 2:00 p.m.

11. Future Agenda Items

- (a) Proposed budget
- (b) Internal audit quarterly update

12. Adjourn

Trustee Hornbuckle adjourned the meeting at 3:16 p.m.



Jane Burton
Secretary of the Board

