
AUDIT AND BUDGET COMMITTEE MINUTES

Coast Community College District

Regular Meeting/Study Session of the Audit and Budget Committee

February 4, 2014 at 1:00 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 1:00 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 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. Helen Rothgeb, Coastline Community College Director Business Services and Entrepreneurship; Ms. Suzie Payne, District Accounting & Budget Manager; Ms. Ann Nicholson, Coast Federation of Classified Employees President, and Ms. Janet Houlihan, Golden West College Vice President of Administration Services.

3. **Opportunity for Public Comment**

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

4. **Approval of Minutes of the Regular Meeting of the Audit and Budget Committee of January 7, 2014**

It was moved by Trustee Hornbuckle and seconded by Trustee Patterson to approve the minutes of January 7, 2014.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Patterson

No: None

Absent: None

5. **Report on Governor's Budget Effects on Coast Colleges Planning and Budgeting (Vice Chancellor Dunn)**

6. **Mid-Year Report on FY 2014 Budget Cycle and Staff Planning for FY 2015 Budget (Vice Chancellor Dunn)**

Agenda items number five and six were discussed together. Mr. Dunn provided a PowerPoint presentation to the Committee on the 2014-15 Budget Development.

7. Initial Plan to Respond to Issues that were Presented on the External Auditor Report

The Committee members recessed at 2:17 p.m. for a break.

The meeting was reconvened at 2:20 p.m.

Mr. Dunn and the Committee reviewed and discussed the following six initial responses to the management comments identified by Vasquez & Co.'s 2012-2013 External Audit Report:

- Consider Developing a Formal Internal Audit Plan
- Bond Fund Guidance
- Year-end Financial Closing
- Centralized and Standardized Accounting
- Early Planning for GASB Statement No. 68 and the Upcoming Other Postemployment Benefit (OPEB) Accounting and Financial Reporting Requirements.
- Allocation of Audit Cost

Trustee Patterson asked if this information would be presented to the full Board. Mr. Dunn responded that there was a Board Log request for this item; however, he added that it could be added as an informational item to a future agenda if needed.

8. Internal Auditor's Report

Ms. Snell provided an update on the Internal Audit Report. She added that she had started to work on the Internal Audit Plan and the tentative completion date would be the June Board Meeting. Ms. Snell indicated she had worked on an initial assessment of the Internal Audit Department to evaluate the resources and the types of needs the District had. Ms. Hornbuckle suggested the assessment of the Internal Audit Department be presented to the full Board. Ms. Snell announced that a draft of the Internal Audit Plan would be provided at the April Audit and Budget meeting.

Ms. Hornbuckle requested that an Internal Auditor Report be included in future Audit and Budget Committee agendas and that a quarterly Internal Auditor Report be provided to the Board.

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

The Committee decided to add proposed meeting dates for October through December 2014 at the April 1st Audit and Budget Meeting, as they felt it was too early to discuss.

On a motion by Trustee Hornbuckle and seconded by Trustee Patterson the Committee agreed not to meet on March 4, 2014, May 6, 2014, July 1, 2014, August 5, 2014, and September 2, 2014, and voted to meet on April 1, 2014, June 3, 2014, and August 26, 2014.

Motion carried with the following vote:

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

- a. August 26, 2014 at 1:00 p.m.
- b. October 7, 2014 at 1:00 p.m.
- c. November 4, 2014 at 1:00 p.m.
- d. December 2, 2014 at 1:00 p.m.

10. Future Agenda Items

- a) Discuss and Possible Action to Approve Proposed Meeting Dates for October 7, 2014, November 4, 2014, and December 2, 2014
- b) Internal Auditor's Report

11. Future Meeting Dates:

The next Audit and Budget Committee meeting meets on April 1, 2014 at 1:00 p.m.

12. Adjourn

There being no further business, it was moved by Trustee Hornbuckle and seconded by Trustee Patterson to adjourn the meeting at 2:48 p.m.

Motion carried with the following vote:

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

Secretary of the Board of Trustees