

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
Board of Trustees
Audit/Budget/Foundation Subcommittee

March 30, 2005
4:00 PM

Notes

Subcommittee Members: Trustee Hernandez, Trustee Jacobs

Staff: Dr. James Meznik, Ms. Sue Johnson, Ms. Yvonne Scholle

Guests:
None

Call to Order

The meeting was called to order at: 4:10 PM

Public Comments on Agenda Items

None

Prior to the meeting, a copy of the agenda, the proposals, and a draft of the interview questions were provided to the committee. Each member was asked to review the questions and update if desired.

Trustee Hernandez opened with a brief explanation of the interview process and questions that would be asked of each audit firm. Each firm was provided the list of questions and was asked to review and respond in order to each. The questions asked were standard regarding the firm's philosophy, staff experience, estimated hours of engagement, diversity of staff and time spent on compliance vs. financial, issues facing the District, etc.

The interviews began with Vavrinek, Trine, Day & Company represented by Ms. Heidi White and Mr. Rick Alonzo. They were followed by Vicenti, Lloyd & Stutzman represented by Ms. Renee Graves, Ms. Claudette Elias Dain and Mr. Todd Owens. The third firm was Macias, Gini & Company, represented by Ms. Jean Horimoto.

Following the interviews, the committee discussed their concerns and expectations of the selected firm. Ms. Johnson explained that the variation in costs was primarily due to the fact that the current firm had identified the areas of audit efficiencies (as pointed out by Ms. White in her interview statements) and that new firms initially incurred more cost, as

well as they had to estimate their time, and typically built in fee protection. The committee discussed the issue of costs, as well as the pros and cons of changing audit firms. Both members expressed a position on the benefit of changing firms and getting a fresh perspective and audit techniques. They concluded, however, that in the current financial situation, they believed it was not the time to spend the additional dollars for a new firm.

The committee recommended bringing Vavrinek, Trine, Day & Company forward to the full Board for contract renewal, with the recommendation that the District consider rotating audit firms at the end of this new contract.

Budget Assumptions

Ms. Johnson distributed the Fiscal Year 2005-2006 Budget Assumptions and stated that three years ago the allocation model was set aside and a great deal of time and discussion was spent on replacing it.

Trustee Hernandez stated that he is concerned about budget assumptions going to DCAS prior to the governing board reviewing it first because he believed it could cause some issues for the Board if they chose a different direction. He expressed his concerns that the colleges were put in the position of competing with each other for funding and felt that could cause problems. Trustee Miller spoke on how the DCAS committee has worked in past years, and that colleges did support each other.

Trustee Hernandez inquired on what it takes to get FTES up from one college to another. Dr. Meznek explained that declining enrollment at one college affects all the colleges.

Ms. Johnson stated that DCAS recommended a status quo allocation process because the Board had not yet determined funding priorities districtwide. It was recommended that the assumptions be forwarded to the Board for consideration with the request that the Board plan a retreat to discuss board priorities that would provide the foundation for a new budget allocation model.

Meeting was adjourned at 6:40