

Board of Trustees Ventura County Community College District

AUDIT/BUDGET/FOUNDATION RELATIONS SUBCOMMITTEE MEETING MONDAY, OCTOBER 2, 2006 2:00 P.M. NOTES

CALL TO ORDER

Meeting was called to order at 2:10 p.m.

PUBLIC COMMENTS REGARDING AGENDA ITEMS

There were no public comments.

AGENDA ITEMS

- **Acceptance of Financial and Performance Audit of Prop 39 funds (Measure S) – July 1, 2005 – June 30, 2006. Discussion with audit firm Vicenti, Lloyd, Stutzman, LLP**

Ms. Shari Prosser, senior manager with Vicenti, Lloyd, Stutzman, LLP, discussed the Financial Audit and Performance Audit with the subcommittee.

She highlighted the conclusion in the Performance Audit, which states that "...for the items tested, the VCCCD properly accounted for the expenditures in the Bond Construction Fund and that such expenditures were made on authorized bond projects."

She also highlighted that the Financial Audit included an unqualified opinion, that the statements presented fairly the financial position and results of operations of the Bond Construction Fund in conformity with generally accepted accounting principles, and that there were no findings and questioned costs related to the audit.

The subcommittee accepted the reports and recommended that they be presented for acceptance to the full Board at its October meeting.

Once the Board accepts the reports, they will be presented to the Citizens Oversight Committee (COC).

- **Discussion with general audit firm, Vavrinek, Trine, Day & Co, regarding status of district-wide financial and compliance audit**

Ms. Heidi White and Mr. Rick Alonzo, both partners with Vavrinek, Trine, Day & Co, discussed the status of the general financial and compliance audit of the district with the subcommittee. The majority of the field work is completed. The partners highlighted the new compliance issues which the state requires be reviewed. The first draft of the management letter comments (MLC's) was presented to the subcommittee, and each finding was reviewed in detail. The subcommittee requested further clarification regarding GASB 43/45 and discussed the state requirements on class repetition.

The subcommittee will meet again in November to review the final MLC's and financial reports prior to their submission to the full Board in December.

The subcommittee requested that a preliminary meeting with the auditors be held in the spring to discuss any areas of special review the subcommittee may wish to request prior to the commencement of the audit for FY07.

- **Review of Allocation Methodology and Budget amendment of one-time Local Priority Funds**

A draft of the proposed allocation methodology and budget amendment for the special one-time local priority funds was presented and discussed. DCAS had reviewed these special one-time funds at their most recent meeting and proposed the allocation methodology to the subcommittee for board consideration.

The subcommittee accepted the proposal as presented and to ensure fiscal accountability requested that the colleges provide a report to the Board in June of how the funds were spent and how the expenditure met district priorities.

The subcommittee recommended that the proposal be sent forward to the Board for approval with the request for year-end reporting.

- **Other Business**

ADJOURNMENT

Meeting was adjourned at 3:30pm