

# **VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

## **Audit, Budget, Foundation Relations Committee**

Committee Members: Trustee Heitmann (Chair) and Trustee Hernández

***Friday, October 8, 2010***  
***10:00 A.M.***

### **Meeting Notes**

#### **CALL TO ORDER**

The Meeting was called to order at 10:16 a.m. by Trustee Heitmann.

#### **PRESENT**

Members: Trustee Heitmann and Trustee Blum (substitute for Trustee Hernandez)

Staff: Sue Johnson, Mary Anne McNeil and Deborah LaTeer

Guest: Chuck Thompson, RPM Consultant Group

#### **PUBLIC COMMENT REGARDING AGENDA ITEMS**

There were no public comments.

#### **GASB 43 & 45 Compliance Process**

Ms. Johnson provided a brief overview of the proposals that were reviewed at the previous Audit, Budget, Foundation Relations Committee meeting on September 30, 2010. Of the six proposals received by the District for the GASB 43 & 45 Compliance Process, four proposals were selected at the prior meeting to move forward for review of pricing along with the components of their plans.

Mr. Thompson, RPM Consultant Group (the District's consultant for guidance in this task), provided an overview of pricing structures along with the plan components for these four proposals. After a thorough review of the four remaining plans, the Committee eliminated two proposals and decided the remaining two would be invited for an interview on October 18, 2010. The successful plan will then be recommended to the full Board at its November meeting.

#### **INTERNAL AUDITOR POSITION**

An Internal Auditor position has been discussed by the Committee for several years; and more specifically, in recent months. At the request of Committee Chair Heitmann, Ms. Johnson developed a draft job description for an internal auditor position.

Ms. Johnson explained the various types of internal audit functions (information technology, efficiency, business practices including cash and internal controls, etc.).

In a district the size of VCCCD, there could eventually be more than one internal auditor, however the recommendation at this time is to begin with a single position. This position would be focused on high risk areas, such as cash control/collection, inventory and other internal controls and standard business practices. The position would not be classified as a manager, but rather a high-level classified (confidential) employee, requiring a CPA, CFA, or CIA credential.

Ms Johnson explained the District's responsibility to ensure the adherence to proper internal controls and appropriate and standard business practices. The level of staffing in the district office does not allow for this review district-wide so the function could be contracted through external auditors or handled through the creation of an employee position. Ms. Heitmann suggested that the benefits of a full-time internal auditor outweigh the salary costs. There was discussion about the message the establishment of this type of position could convey to employees, and all agreed that the District's approach to establishing this classification needed to remain sensitive.

The timeline for such a position was also discussed. There is currently no budget for this position in FY11, but it may be built into the FY12 Budget. The position must first go to the Personnel Commission for review of minimum qualifications and salary placement. It would then be brought to the Board for establishment once funding had been identified.

#### **OTHER BUSINESS**

None

Meeting adjourned at 11:40 a.m.