

## AUDIT & FINANCE COMMITTEE MEETING MINUTES JUNE 4, 2001

### Present

*Robert Grimm, Sandy Hay, Mary Mason, Pat Millar, Kent Peterson, Delia Ybarra*

### Absent

*none*

### Others

*Catherine Bauknight, Mike Brandy, Leo Chavez, Will Coursey, Jane Enright, Bernadine Fong, Alan Harvey, Martha Kanter, Jim Keller, John Schulze, and Perry-Smith Auditors: Roxanne Wells, Justin Williams, Jeff Jensen and Brian Stover*

### **1. APPROVAL OF MINUTES**

The April 2 minutes were approved as drafted.

### **2. MEASURE E PROJECTS UPDATE**

Mary Mason thanked John Schulze for the Measure E update memo. Schulze distributed Project #2911, a listing prepared by Gilbane of all the projects on both campuses, including budget and cost estimates. Sandy Hay distributed copies of a "preliminary" Site Geologic Map which illustrates what is believed to be the path of the Monta Vista fault through the campus. John Schulze explained that many of the Foothill building projects on or near the fault are being put on hold until all of the geological studies have been completed. An immediate decision needs to be made regarding the existing Foothill Child Care Facility which is directly built on the fault.

Schulze further explained that some State capital outlay funds are available to replace buildings presently situated on the fault. These State capital outlay funds could free up Measure E dollars for other projects. He also commented that a number of bids are coming in over budget, including the De Anza Child Care Center and the Foothill Center for Innovation. Estimates for these renovations and new construction will be re-evaluated by Gilbane.

### **3. RESPONSE TO FINDINGS AND RECOMMENDATIONS OF THE 1999-2000 AUDIT FOLLOW-UP**

Will Coursey provided a brief update and distributed an Audit Findings Status Report, updated on 6/4/01. He noted that an update on the Bookstore inventory will be given at the fall meeting.

### **4. UPDATE ON 2001-02 BUDGET**

Jim Keller distributed copies of the Tentative Budget Draft and gave an overview of the document. He noted that Foothill-De Anza is in the process of converting to the new financial reporting

system required by GASB 35 (Government Accounting Standards Board). He stated that the District sponsored a very successful Statewide workshop to instruct other districts on the reporting requirements of GASB 35.

Kathy Blackwood will present an overview of the new process for the Board’s information at the June 18, 2001 Board meeting.

**5. REVIEW OF EXTERNAL AUDITING**

Will Coursey stated that the Board of Trustees has requested that the Audit and Finance Committee review the firm of Tom Perry-Smith and determine whether to continue using the firm as the District’s external auditor. Coursey stated that the District is in the third year of a 5-year contract with Perry-Smith. He added that he believes continuity in the external auditing process is important.

The committee will address this issue again at a subsequent meeting.

**6. NEXT MEETING**

The next meeting is scheduled as a joint meeting with the Board of Trustees for a public hearing on the 2001-2002 Budget on Monday, August 27, 2001 at 7:00 p.m.

***CALENDAR OF PENDING ITEMS***

2001-02 Budget .....	Aug. 27, 2001
Bookstore Inventory Update .....	Fall 2001
Review of External Auditing.....	Fall 2001
Measure E Update .....	ongoing

cb

Approved 11/19/01