

**AUDIT & FINANCE COMMITTEE MEETING
MINUTES
MARCH 2, 1998**

Present

Robert Grimm, Jay Jackman, Judith Moss, Kent Peterson

Absent

none

Others

Mike Brandy, Leo Chavez, Will Coursey, Bernadine Fong, Ron Galatolo, Martha Kanter, Jim Keller, Jon O'Bergh

1. APPROVAL OF MINUTES

The November 17, 1997 minutes were approved as printed.

2. REVIEW OF MEMO ON OPERATIONAL AUDITS

The Committee acknowledged the memo from Leo Chavez to the Board specifying that operational audits need not be seen by the Audit & Finance Committee or the Board unless something of material significance is involved. It was further agreed that, when material significance *is* involved, such matters absolutely *will* be taken to the Board.

3. UPDATE ON AUDIT FINDINGS FROM 1996-97 AUDIT

Will Coursey reviewed implementation status of audit findings, pointing out the few instances where recommendations had not been implemented, such as in the case of "Cash Receipts, Foothill College Cashier," where implementation has been delayed due to remodeling and moving. The recommendation concerning EDGAR, where no fixed asset inventory system exists for federal programs, was also discussed. The district believes such a system would not be cost effective, considering that risk of exposure is low.

Prior year findings were discussed. Judy Moss pointed out an inconsistency in the notation for EOPS between "partially implemented" under prior year and "not implemented" under current year. Will Coursey clarified that the recommendation has indeed been implemented and he will correct the notation on his summary sheet.

4. SECOND QUARTER REPORT

Jim Keller summarized the Second Quarter Report. There were questions about the child care centers, college productivity, the impact of the Asian economic crisis, outcome measurements and transfer.

5. QUESTIONS AND COMMENTS — There were none.

6. NEXT MEETING DATE

The next meeting was scheduled for August 31 at 4:00 p.m.

CALENDAR OF PENDING ITEMS

Coordinated Business Plan for College Bookstores.....Winter 1998