

AUDIT & FINANCE COMMITTEE MEETING MINUTES MAY 19, 2003

Present

Robert Grimm, Sandy Hay, Andrea Leiderman, Kent Peterson, Delia Ybarra

Absent

Pat Millar

Others

John Assunto, Mike Brandy, Lois Callahan, Will Coursey, Jane Enright, Rich Hansen, Alan Harvey, Martha Kanter, Jim Klingensmith, Jim Ladd, Jon O'Bergh, John Schulze, Dwight Sur, Tonette Torres, Claudette Weber

1. PUBLIC HEARING

No members wished to address the Committee on items not on the agenda.

2. APPROVAL OF MINUTES

It was M/S/C (Grimm/Leiderman) to approve the minutes of the March 17, 2003 meeting with one change noting that Hay and Leiderman were present.

3. MEASURE E PROJECTS REPORT

Schulze distributed information on projected equipment costs for new buildings, noting that Measure E funds cannot be used for such purchases in most cases. Leiderman asked about looking into ways to be more efficient and scale back equipment and maintenance needs. Schulze assured her that this is being done, although opportunities are limited. In response to a question from Hay, he added that the District is considering only essential equipment, fundraising opportunities and donations as options to meet projected costs.

Assunto reviewed the Foothill and District reports and responded to questions. Klingensmith reviewed the De Anza report and responded to questions. It was noted that 2003-04 is expected to be a busy time as many projects move from the design phase to construction. Hay asked whether De Anza has addressed concerns about the tennis courts being too close to parking. Brandy responded that a recommendation is going back to College Council, although neither of the options is good. Grimm distributed a Measure E progress report. He also asked what was the reason for the increase in unallocated interest income. Brandy responded that it is a function of cash flow.

4. STATUS REPORT OF 2001-02 AUDIT FINDINGS

Coursey presented the status report. Hay asked why the "General Ledger" finding has not been implemented. District staff explained that the finding refers to no segregation of duties regarding access to the system and software for the bookstores, but a solution

would require the creation of new position, and the District believes that any unauthorized entry to the ledger would not occur under the current set-up.

5. BUDGET UPDATE

Brandy briefly reviewed the budget and governor's May Revise. Grimm distributed a report showing the calculation of expenses per FTES over the past decade, pointing out that the District is doing an increasingly efficient job in recent years.

6. NEXT MEETING

The next meeting was scheduled for Monday, July 14, 2003 at 4:30 p.m. in the District Board Room.

CALENDAR OF PENDING ITEMS

Measure E Projects Report (*Weber*) July 14, 2003

jo
Approved 7/21/03