



Marne Foster
President

John Lee Evans
Vice President

Richard Barrera
Trustee

Kevin Beiser
Trustee

Michael McQuary
Trustee

AUDIT AND FINANCE COMMITTEE
Education Center Conference Room 2249
November 30, 2015
MINUTES

Members Present: McAllister, Wright, Beiser

Members Absent: Harvey, Foster

Staff Present: Cashmon, Salkeld, Macalos, Foster, DeGuzman, Almaraz, Marten, Matt Nethaway and Arthur Ngo w/
Crowe Horwath

Public Present: Sally Smith

1. Meeting called to order (McAllister)	McAllister called meeting to order at 4:07 p.m. with members Harvey and Foster absent.
2. Public Comment	Sally Smith requested an update on the Food Services Audit and an Internal Audit/Hotline report at the next meeting. Additionally she raised concern that the Rentals Department was not providing receipts for district facility rentals. ACTION: Jenny Salkeld will follow-up and report back to the committee at a future meeting.
3. Approval of Minutes (McAllister)	MOTION: Approve minutes for March 25, 2015, May 28, 2015, and revised September 30, 2015, regular meetings; approved unanimously with Harvey and Foster absent.
4. Committee Member Appointment/ Reappointment (McAllister)	MOTION: Approve recommendation for reappointment of Colleen Harvey and Bill Wright, and appointment of Michael McQuary to fill Kevin Beiser’s vacancy; no action taken. McAllister made a motion to recommend to the Board of Education the reappointment of Wright and Harvey, and appointment of McQuary to replace Beiser. Members McAllister and Wright voted yes, Trustee Beiser abstained from the vote, and member Harvey and Trustee Foster were absent from the meeting. Pursuant to Education Code Section 35164 and Board Bylaw 1023,..... "except as provided by law all matters pending before the Board shall be decided by a majority vote of the full membership constituting the Board," therefore no action was taken on the motion.
5. Review of the 2014-15 Draft External Audit Report (Crowe Horwath – External Auditors)	The external auditors presented the draft external audit report for review. The district received an unmodified opinion and found no material weaknesses in internal control. There were 3 total findings; 2 repeat findings from the prior year and 1 new finding. There were no federal findings. Out of six prior year (FY 2013-14) findings, four have been fully

	<p>addressed and solutions implemented.</p> <p>The auditors did find a significant deficiency regarding the restatement of accreted and accrued interest on the general obligation bonds. This deficiency resulted in an understatement on the government wide financial statements of over \$104 million, however this deficiency does not impact the general fund and will be corrected as of June 30, 2015.</p> <p>ACTION: Make revisions to draft letter of recommendation to the board for presentation at the December 8, 2015, Board of Education meeting.</p>
6. Report on October 2015 ASB Trainings (Salkeld/Cashmon)	The ASB training introductory video was viewed by the committee. Staff will post the training video on the student resource page.
7. Roundtable	McAllister requested that the items mentioned during Public Comment be added to the next agenda for discussion.
Adjournment	5:33 p.m.

A regular meeting of the Audit and Finance Committee will be scheduled for January/February 2016.

MAH