
AUDIT AND BUDGET COMMITTEE MINUTES

Coast Community College District

Special Meeting of the Audit and Budget Committee

January 7, 2021

Zoom Telephonic Conference Meeting

1. Call to Order

The meeting was called to order at 12:00 p.m.

2. Roll Call

Trustees Present: Trustee Jim Moreno and Trustee Mary Hornbuckle

Trustees Absent: None

In Attendance – Dr. John Weispfenning, Chancellor; Dr. Andreea Serban, Vice Chancellor of Educational Services and Technology; Dr. Marco Baeza, Vice Chancellor Human Resources; Dr. Andrew Dunn, Vice Chancellor of Finance and Administrative Services; Tim McGrath, President GWC; Dr. Angelica Suarez, President OCC; Rachel Snell, District Director of Internal Audit; Julie Clevenger, Director Chancellor's Office Operations and Projects, Dana Swart, Paul Wisner, GWC Director of Business Services; Dr. Rich Pagel, OCC Vice President Administrative Services; Dana Swart, District Controller; Daniela Thompson, Executive Director Fiscal Affairs; Christine Nguyen, CCC Vice President, Administrative Services; Tanya Tran, District Budget Manager; Rachel Kubik, OCC Director of Business Services; Miguel Beltran, Internal Audit Specialist; Colleen Goeser, Crowe LLP; Jeff Jensen, Crowe LLP; Jennifer Richards, Crowe LLP; Casey Elliott, Townsend Public Affairs; Mary Grady Administrative Assistant, Board of Trustees; Jane Burton, Manager/Board Secretary

3. Opportunity for Public Comment

There were no requests to address the Audit and Budget Committee during Public Comment.

4. Selection of Chair and Vice Chair of the Audit and Budget Committee

On a motion by Trustee Moreno, seconded by Trustee Hornbuckle, the Committee voted to appoint Trustee Hornbuckle as Chair of the Committee and Trustee Moreno as Vice Chair.

Motion carried with the following vote:

Aye: Trustee Hornbuckle and Trustee Moreno
No: None
Absent: None

5. Approval of Minutes: Meeting of November 5, 2020

On a motion by Trustee Moreno, seconded by Trustee Hornbuckle, the Committee voted to approve the minutes of the Special Meeting of November 5, 2020.

Motion carried with the following vote:

Aye:	Trustee Hornbuckle and Trustee Moreno
No:	None
Absent:	None

6. Review, Discuss, and Possible Action Regarding Internal Audit Quarterly Update

Ms. Rachel Snell, District Director of Internal Audit, provided an internal audit quarterly update for the committee.

In addition to the written report, the following information was reported:

- The AP 3600 follow up audit for the foundations was complete and would be presented to the full Board of Trustees in February 2021.
- The Enterprise Corp. report would be complete in February 2021 and presented to the Board in March 2021.
- Reopening both swap meets at 50% capacity by June 2021 was being discussed.
- Prior to reopening the Golden West College swap meet could be faced with an additional cost for fencing due to the new Covid-19 related egress and ingress requirements, a requirement that could possibly affect both swap meets. Seating areas would need to be removed also.
- The second part at the OCC Children's Center audit had already begun with the main focus on the budget.
- The MAKERSPXCE project at OCC would begin January 2021.

7. Review, Discuss, and Possible Action Regarding External Audit Quarterly Update

Mr. Jeff Jensen from Crowe, LLP provided a brief status update for the Committee. After many delays, the CARES ACT guidelines were finally issued by the federal government December 22, 2020. Crowe, LLP was actively working with Coast District staff to complete the audit, and was in the process of wrapping up the Enterprise Corp. audit as well. The Covid-19 pandemic had caused many additional and unanticipated areas of concern for the audit.

Ms. Jennifer Richards from Crowe, LLP provided an update regarding the foundations and explained the final reconciliations for the financials were to be issued at the same time as the district reports. All reports were expected to hold to the original timelines.

The Enterprise Corp. trademark payment and revenue deferrals would require action by the Enterprise Board, District Foundation and CCCD Board of Directors. The topic would be brought to the Enterprise Corp. Board meeting January 28, 2021, and could possibly be on the CCCD Board of Trustees' agenda by February 2021.

The final audit report for CCCD would be brought directly to the full Board of Trustees in February 2021, without prior review from the Audit and Budget Committee. There were no findings with respect to the audit.

8. Review, Discuss, and Possible Action Regarding Operational Budget Updates for District and Each Campus (expenses and offsets related to COVID-19)

Vice Chancellor Dunn referred the Committee to the written operational budget report prepared by Daniela Thompson, Executive Director Fiscal Affairs, in conjunction with the individual college fiscal leadership teams. The report outlined operational expenses and offsets related to COVID-19.

Dr. Dunn presented a multi-year budget projection to the Committee in PowerPoint format. Pending factors expected to impact the projections included the Governor's budget proposal, federal funding, state and local funding and the P-1 report.

The unrestricted general fund budget fiscal year reserve was projected to fall to 8.3% by year end, entering the moderate risk category. Over 90% of the overall budget was allocated to salary and employee expenses. Potential non-salary accounts and aggressive cost savings areas were identified for 2021-2022.

9. State Chancellor's Office Update

Casey Elliott, State Capitol Director from Townsend Public Affairs, provided an update from the State Chancellor's Office. The Governor's state budget proposal release date was anticipated for the following day. The revenue from the state budget surplus would be identified in the report and priorities would start to be set.

The expected priorities:

- Covid-19 relief
- Business relief
- Funding to get the students back to classrooms
- Policy priorities for a budget intensive year

10. Future Meeting Date

The next meeting date for the Audit and Budget Committee was scheduled for Tuesday, February 9, 2021 at 2:00 p.m.

11. Future Agenda Items

- (a) Internal Audit Update
- (b) External Audit Update - Crowe LLP
- (c) Budget Update

12. Adjourn

The meeting adjourned at 3:15 p.m.



Jane Burton
Secretary of the Board