
AUDIT AND BUDGET COMMITTEE MINUTES

**Coast Community College District
Audit and Budget Committee
August 22, 2023
Board Office Conference Room**

1. Call to Order

The meeting was called to order at 2:06 p.m.

2. Roll Call

Trustees Present: Trustee Mary Hornbuckle
Trustees Absent: Trustee Jim Moreno (via telephone)

In Attendance

Whitney Yamamura	Marlene Drinkwine
Christine Nguyen	Paul Wisner
Rich Pagel	Daniela Thompson
Janet Houlihan	Rachel Snell
Tanya Tran	Rupa Saran
Andreea Serban	Erik Frost Hollins

3. Opportunity for Public Comment

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

4. Approval of Minutes: Meeting of June 6, 2023

Deferred due to lack of quorum.

5. Internal Audit Quarterly Update

District Director of Internal Audit Rachell Snell provided the Internal Audit update.

Projects in progress included the Internal Audit Assessment of Anonymous Report of Concerns program, Review of BP/AP 3600 Auxiliary Organizations requirements for periodic review for compliance, GWC Review of Budget cycle and process for creating the college's budget, OCC Audit of Radiologic Technology operations, OCC Audit of Recovery Kitchen operations, Districtwide review of Procurement Card assignments, limits, and reconciliations, External Audit Liaison, and Record Management.

Noted revisions to the Strategic Audit Plan included a self-assessment to determine whether Internal Audit's fraud, waste, and abuse Hotline program follows best practices, a review the Behavioral Assessment Team program, a review of Internal Audit-related Board Policies and Administrative Procedures, and a District wide review of facility use and fee waivers.

A full report of Internal Audit projects would be presented to the Board of Trustees at the September 6, 2023 Board meeting.

6. External Audit Progress Report

Vice Chancellor Marlene Drinkwine provided an update on the status of the external audit. Ongoing work was being conducted by the district auditors Crowe LLP. The District was also in the process of selecting a new external auditor. There were five respondents to the request for proposals on June 29, and a selection committee was formed. Interviews and reference checks were being conducted. A meeting of the Audit and Budget Committee would be held on September 12, 2023 to review and approve the staff recommendation prior to bringing it to the Board for approval.

7. Final Budget FY 2023-2024

Vice Chancellor Marlene Drinkwine provided a summary presentation of the FY 2023-2024 Final Budget. The presentation included a recap of the 2022-2023 budget closing, review of 2023-2024 state budget highlights, and key components of the proposed 2023-2024 budget.

Areas of note within the final budget included an explanation of assumptions, student centered funding formula calculation components, categorical programs, unrestricted general fund multi-year projections, reserve projections and enrollment impact considerations.

A District wide 3-year fiscal stabilization plan was being developed that would ensure sufficient reserves were maintained. A communication strategy for the plan would be implemented to ensure collaboration and dissemination of information.

The final budget would be presented to the Board of Trustees at the September 6, 2023 Board meeting for approval and adoption.

8. The Harbour

Orange Coast College Vice President of Administration Richard Pagel provided an update on The Harbour student housing. On May 17, 2023 students voiced concerns to the Board of Trustees. Meetings were held with managing partner, the Scion Group, and the following issues were addressed:

1. Rate Increase - Current fees remained in line with market conditions and debt coverage requirements.

2. International Students - There were no complaints documented from international students. Alternative accommodations were available in the event fees were unaffordable.
3. Move-In Procedures - Some units were not ready for move-in on schedule due to renovations. This was an exception and would be monitored in the future.
4. Cleanliness - Homeless individuals had trespassed onto the property and caused an incident that was promptly remedied by maintenance staff.

Overall, the Scion Group has been a good partner and fulfilled all obligations to the district. The annual credit rating process had begun for the evaluation of the revenue bonds specific to The Harbour.

9. Future Agenda Items

Internal Audit
External Audit
Budget

10. Next Meeting Date

The next meetings were scheduled as follows:

Special Meeting - Tuesday, September 12, 2023 at 2:00 p.m.

Regular Meeting - Tuesday, November 7, 2023 at 2:00 p.m.

11. Adjourn

The meeting was adjourned at 2:58 p.m.



Secretary of the Board
Erik Frost Hollins