
AUDIT AND BUDGET COMMITTEE MINUTES

**Coast Community College District
Audit and Budget Committee
February 25, 2025
Chancellor's Conference Room**

1. Call to Order

The meeting was called to order at 2:00 p.m.

2. Roll Call

Trustees Present: Trustee Elizabeth Dorn Parker
Trustee Jim Moreno

In Attendance

Marlene Drinkwine, Vice Chancellor of Finance and Administrative Services
Daniela Thompson, Executive Director of Fiscal Services
Christine Nguyen, Vice President of Administrative Services, CCC
Rich Pagel, Vice President of Administrative Services, OCC
Rick Hicks, Acting Vice President of Administrative Services, GWC
Stephanie Martinez, Director of Business Services, GWC
Rachel Kubic, Director of Business Services, OCC
Rachel Snell, Director of Internal Audit
Steve Kim, District Controller
Araceli Alvarez, District Budget Director
Debbie Franklin, Accounting Analyst
Julie Clevenger, Director of Chancellor's Office Operations
Ricky Goetz, Board Secretary

3. Opportunity for Public Comment

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

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

On a motion by Trustee Moreno, seconded by Trustee Dorn Parker, the Committee voted to appoint Trustee Moreno as Chair and Trustee Dorn Parker as Vice Chair for 2025.

Motion carried with the following vote:

Aye: Trustees Dorn Parker and Moreno
No: None
Abstain: None
Absent: None

5. Approval of Minutes: November 12, 2024

On a motion by Trustee Moreno, seconded by Trustee Dorn Parker, the Committee voted to approve the minutes of the November 12, 2024 meeting.

Motion carried with the following vote:

Aye: Trustees Dorn Parker and Moreno
No: None
Abstain: None
Absent: None

6. Internal Audit Quarterly Report

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

Projects completed included Anonymous Reporting/Hotline Updates: Implement recommendations related to Hotline Reporting. This includes updates to the Swap Meet Concern Reporting Phone Line; GWC Cosmetology Self-Reported Follow Up: Follow up on recommendations from prior audit work; Review Internal Audit Department Practices: Internal Audit Administration Manual, New Hire Orientation, and Operations Manual; Audit Standards 2024 Transition: Teammate Workpaper Consultation with Vendor complete (Report review in progress); and Swap Meet Operations (Cancelled: Exit report in process).

Projects in progress included OCC Veteran's Resource Center: Intake Process and Grants/Budget/Funding; External Audit Liaison: Ongoing; Audit Standards 2024 Transition to 2024 Standards—Review of Engagement processes with Chancellor and Senior Management; Review Board Policies and Administrative Procedures 6400 Audits; GWC Esthetics Selected Operational Processes; Follow Ups: Self-Reported Status of Recommendations; Speaker: Association of Local Government Auditors Los Angeles Regional Conference March 13; Speaker: Western Association of College and University Business Officers May 4-8; and Board Member Training: New Audit Standards.

Continuing services included Retirement Board Member, CDMA Professional Development Subcommittee Chair, and District Consultation Council BP/AP Subcommittee Advisory Member.

A full report of Internal Audit projects would be presented to the Board of Trustees at the March 19, 2025 Board meeting.

7. State and District Budget Updates

Vice Chancellor Marlene Drinkwine presented the Governor's January Proposal of the 2025-26 State Budget and the 2024-25 Second Quarter Budget Update. Discussion topics included Governor's January Proposal for the 2025-26 State Budget, the District Budget 2nd Quarter Update and Revised SCFF Projections, Fiscal Stability Plan, Multi-year Projections, Considerations and Concerns, and Next Steps.

Presentation Highlights:

- No state budget deficit. Proposal reflects \$16.9 billion in total reserves at the end of 2025-26
- Proposed COLA of 2.43% and Statewide growth of .50%
- 2024-25 Fall enrollment is trending greater than projected
- 2024-25 SCFF revenues expected to remain at Hold Harmless
- Based on the original 2024-25 enrollment targets, 2025-26 would be at the Funding Floor and SCFF revenues would not receive the COLA
- Proposed fiscal stability plan to eliminate projected deficit spending and ensure the unrestricted general fund reserve level requirement is met
- Districtwide actions include a hiring freeze, improved efficiencies and business process, instructional productivity, and revenue enhancement
- Tentative Budget to be based primarily on the Governor's January Proposal with changes to the COLA from the May Revise
- Adopted Budget to be based on the May Revise

8. Future Agenda Items

No new items.

9. Next Meeting Date

The next meeting was scheduled for Wednesday, June 11, 2025 at 2:00 p.m.

10. Adjournment

The meeting was adjourned at 3:05 p.m.



Richard Goetz
Secretary of the Board