



Michael McQuary    Richard Barrera    Kevin Beiser    John Lee Evans    Sharon Whitehurst-Payne  
President            Vice President    Trustee            Trustee            Trustee

AUDIT AND FINANCE COMMITTEE  
Education Center Conference Room 2249  
January 25, 2017  
MINUTES

Members Present: McAllister, Harvey, Ambrosio, McQuary, Whitehurst-Payne  
Staff Present: Cashmon, Macalos, Lukat, Koch  
Public Present: Sally Smith

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| 1. Meeting called to order (McAllister)      | McAllister called meeting to order at 4:01 p.m. with all members present.  |
| 2. Public Comment                            | <p>Sally Smith commented on the budget cuts. Suggested adding to the Internal Audit department and eliminating the Quality Assurance department or move QA staff to IA.</p> <p><b>ACTION:</b> Discuss staffing of Internal Audit at next meeting.</p> <p><b>ACTION:</b> Introduction of new Controller, Candi Lukat.</p>   |
| 3. Approval of Minutes (McAllister)          | <b>MOTION:</b> Approve minutes for November 28, 2016, regular meeting. Approval of minutes moved by Harvey, seconded by McQuary; approved unanimously, with Ambrosio abstaining.   |
| 4. Ongoing Audits Update (Koch/Lukat)        | Finance staff provided information on ongoing audits in process. No completed audits to report at this time.   |
| 5. Internal Audit Quarterly Report (Cashmon) | <p>Staff advised during the last quarter there were six internal audit reports completed, 34 new hotline complaints, and 16 closed cases. A majority of calls are related to time and attendance accounting. There have been no complaints within the last two years that have risen to the level of referring to the DA for prosecution.</p> <p>Hotline calls are prioritized by the contractor who follows general guidelines about the reports and determines if there is enough information to pursue the complaint.</p> <p>Member of the public, Sally Smith commented that Internal Audit is a crucial service that should not be cut.</p> <p>The maximum staffing level for Internal Audit is five.</p> <p><b>ACTION:</b> Invite Dan Stoneman to March Audit Committee Meeting to discuss efforts to maintain the Districts cyber security.</p> |

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| 6. Roundtable | Ambrosio congratulated Dan McAllister and Sharon Whitehurst-Payne on their re-elections.<br><br>McAllister thanked staff for doing a great job. |
| Adjournment   | 4:44 p.m.   |

A regular meeting of the Audit and Finance Committee will be scheduled on January 25, 2017.

MAH