



Richard Barrera  
President

John Lee Evans  
Vice President

Scott Barnett  
Trustee

Kevin Beiser  
Trustee

Shelia Jackson  
Trustee

AUDIT AND FINANCE COMMITTEE  
Education Center Conference Room 2226  
June 8, 2011  
MINUTES

Members Present: McAllister, Wright, Stein

Members Absent: Barnett, Barrera

Staff Present: Schoenke, Little, Carr, Duran, Macalos, DeGuzman, Christy White, Heather Daud

Public: Emily Alpert w/ Voice of San Diego, Sally Smith

1. Meeting called to order (McAllister)	Chair McAllister called the meeting to order at 10:03 a.m.
2. PUBLIC COMMENT	Sally Smith concerned about fundraising groups such as ASB's, Foundations and Booster Clubs being in compliance with Title 9.
3. Approval of Minutes: Regular Meeting, March 9, 2011; Special Meeting, May 26, 2011 (EXHIBIT) (McAllister)	<b>MOTION:</b> Approve minutes of Regular Meeting, March 9, 2011 and Special Meeting, May 26, 2011; approved unanimously with members Barnett and Barrera absent.
4. 2010-11 External Audit Status Report (EXHIBITS) (Christy White)	<p>Christy White presented the Preliminary Audit Findings for the 2010-11 fiscal year. Similar findings with ASB audits as in the past. Should provide a one page "to-do" sheet as a courtesy to all boosters and foundations to ensure compliance.</p> <p><b>ACTION:</b> Explore ASB fund oversight at a future meeting.</p> <p><b>ACTION:</b> Provide External Audit update at next meeting.</p> <p>McAllister would like to know the cost implications of an electronic inventory system.</p> <p>What can the committee do to help with accountability.</p> <p><b>ACTION:</b> Invite Lamont Jackson, Chief HRO to a future meeting to discuss accountability.</p> <p><b>ACTION:</b> Send a letter to all vendors advising that with any purchase there must be a purchase order or they will not get paid.</p>
5. 2011-12 Budget Status Update (Little)	Little advised we are still banking on tax extensions at the state level. Best case scenario with tax extensions, 2011-12 budget will be balanced and 2012-13 budget will have a \$25M shortfall. Worst case scenario without the tax extension is \$100M shortfall for 2012-13. Any restorations need to be covered dollar for dollar or offset by savings.

	The first reading of the 2011-12 budget to the Board is June 14, 2011. The committee continues to support keeping the 2% minimum reserve with a raise to 5% when possible. .
6. Finance Department Reorganization (EXHIBIT) (Little)	Little provided a draft of the organizational chart for the Finance Division. The Benefits Department will report to the Chief Financial Officer as opposed to Human Resources.
7. Hotline Update (EXHIBIT) (Duran)	Of 150 total audits there are 110 open cases, 48 have been closed, and 18 reports came in between 5/1/11 and 6/8/11. A majority of reports are for theft of time or fraud.  Currently working on bereavement leave audit.
8. Roundtable	McAllister reminded the committee about the County's fraud seminar on July 8, 2011. The flyer will be resent to the committee members and staff for reference.
Adjourn	11:19 a.m.

The next meeting of the Audit and Finance Committee will be held Wednesday, September 21, 2011, 2:00 p.m., room 2226.

MAH