



MINUTES

Committee: FOUNDATION AUDIT AND FINANCE COMMITTEE

Date: March 19, 2015

Time: 11:00 Noon

Location: Juniper Hall ST-541

Present:

Audit & Finance committee:

- R. Ely
- S. Foley
- R. Lane

Staff:

- A. Arnold, Executive Director
- C. Du, Assistant

Guests: Susan Caron, Hensiek and Caron.

Meeting Convened: The Foundation Audit and Finance Committee meeting was called to order at 11:11 a.m. by board Co-Chair, Sean Foley.

Public Comment: No public comment.

ITEMS

Item IV: Election of Chairperson
<p>Key Consideration</p> <ul style="list-style-type: none"> • Randall Ely states that the board creates the committee and the committee elects its chair. • The committee discusses who should be the chairman of the committee.
Action Taken: Rod Lane is elected Chairman of the Audit and Finance Committee.

Item V: Review and approval of audit report and management letter for FYE 6/30/2014
<p>Key Consideration</p> <ul style="list-style-type: none"> • Susan Caron states that the audit went well. Stanislawski had all the records. There was one adjustment made for the California Community Colleges Foundation. • Susan Caron reviews the audit with the committee. <ul style="list-style-type: none"> ○ Statement of Financial Position. <ul style="list-style-type: none"> ▪ The foundation has a few receivables of \$2348, prepaids of \$14,600



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- (insurance and amounts for the annual dinner), beneficial interest in pooled income fund of \$210,758, and other investments totaling \$2,058,642.
 - There were not too many liabilities. It was the large accounts payable to the college.
 - For net assets, there was the \$5,239,487 to the college.
- Statement of Activities.
 - There was a prior readjustment. The prior auditors did not book prepaid insurance so that was booked.
 - The prior auditors also did not account for the endowment correctly so the endowment was restated. The \$179,787 will not change unless someone gives the foundation an donation or Osher decides to unrestrict it, which will not happen. The amount is a note on page 9.
 - Susan Caron explains the California Community Colleges Foundation endowment the committee.
 - Susan Caron explains the \$101,000 in temporary restricted funds of which there is a list of the restricted funds on page 10.
- Statement of Cash Flows.
 - Operating activities went down \$10,000.
 - Cash went up by \$1,597,097 which was probably between cash and investments.
- Statement of Functional Activities.
 - There was \$182,832 in scholarships.
- Susan Caron explains the California Community Colleges Foundation endowment the committee.
- Susan Caron explains the management letter.
 - There needs to be more approvals.
 - There are controls in place that are not useful.
 - The policies and procedures manual needs a lot of work to make it work for the foundation.
- Rod Lane asks how the policy manual can be rectified.
- Abby Arnold states that she can make the changes or Susan can make the changes.
- Sean Foley asks for an estimate of Susan Caron's consulting services.
- Susan Caron states that it would be \$500-1000 for 8 hours of work.
- Rod Lane states that Abby Arnold should do a draft of the manual first before the consulting happens.
- Sean Foley suggest approving up to 8 hours of consulting.

Actions Taken:

- 1) Rod Lane makes a motion to approve the audit report as submitted and recommend it to the board. It is moved by Sean Foley and seconded by Randall Ely. The motion is passed.
- 2) Rod Lane makes a motion to ask the board to consider approving up to 8 hours of consulting totaling \$1000 to redo the policy and procedures manual. For the interim, all amounts below \$2500 that are in the budget do not need executive committee approval. The board will look at a list of outgoing checks monthly. It is moved by Sean Foley and seconded by Randall Ely. The motion is passed.



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Item VI: Report on budget development for FY 2015-2016

Key Consideration

- This item is deferred to the next Audit and Finance Committee meeting.

Action Taken: No action required.
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New Business

- Next meeting scheduled for Thursday, April 16, 2015, at 11:30 a.m. in the President's Conference room in Juniper Hall.

Actions Taken: No action required.

Meeting Adjourned: A motion to adjourn the meeting was made by Rod Lane, moved by Sean Foley and seconded by Randall Ely. The meeting adjourned at 12:03 p.m.