

CONSENT AGENDA NO.

Approval of Minutes of the October 2, 2012 Audit Committee

It is recommended that the Board approve the minutes of the October 2, 2012 Board of Trustees Audit Committee.

Board Members and Officers Present:

*Ms. Charletta Rogers Compton
*Mr. Bob Ferguson (Chair)
Dr. Wright Lassiter (secretary and chancellor)
*Mr. JL Sonny Williams

*denotes actual voting committee members

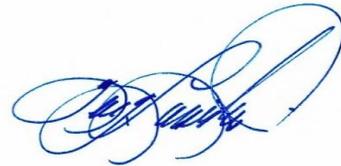
Members Absent:

Ms. Diana Flores
Mr. Wesley Jameson
Mr. Bill Metzger
Mr. Jerry Prater

Chair Ferguson convened the meeting at 1:05 p.m. Dr. Wright Lassiter certified the meeting notice had been posted.

**CERTIFICATION OF NOTICE POSTED
FOR THE OCTOBER 2, 2012
AUDIT COMMITTEE MEETING OF THE
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT
AND RICHLAND COLLEGIATE HIGH SCHOOL
BOARD OF TRUSTEES**

I, Wright L. Lassiter, Jr., Secretary of the Board of Trustees of the Dallas County Community College District, do certify that a copy of this notice was posted on the 28th day of September 2012, in a place convenient to the public in the District Office Administration Building, and a copy of this notice was provided on 28th day of September 2012, to John F. Warren, County Clerk of Dallas County, Texas, and the notice was posted on the bulletin board at the George Allen Sr. Courts Building, all as required by the Texas Government Code, §551.054.



Wright L. Lassiter, Jr., Secretary

Pre-Audit Presentation by McConnell & Jones, LLP

Godwin Okoye and Jonathan Ellis provided an overview of the planned work, milestones and timelines. Trustee Compton asked that the “IT General Controls” review include specific testing to track DCCCD assets.

Related to pricing, it was noted that production of separate college-based financial statements as required by the Southern Association of Colleges & Schools Commission on Colleges (SACSCOC) increased the annual external audit cost by about \$4,000. John Robertson will provide most recent reports to the trustees, as requested by Trustee Compton.

3rd Quarter Report from Internal Audit

Executive Director of Internal Audit Rafael Godinez presented the quarterly report as documented in his June 7 memo.

In extended discussion:

1. Trustee Williams requested information regarding the process for assignment and use of District credit cards, including the number of cards per DCCCD location and a 3-month summary of costs incurred.
2. Trustee Compton requested clarification on the appropriate disposition of surplus assets, and current DCCCD external contracts for disposition (i.e. auction or other).
3. Trustees Compton and Williams asked additional questions related to criminal prosecution in matters of alleged theft.

4th Quarter Report from Internal Audit

Executive Director of Internal Audit Rafael Godinez presented the quarterly report as documented in his September 5 memo. There was continued discussion on the topic of alleged theft and computer access policy violations.

Annual Internal Audit Plan for 2012-2013

The plan was presented as a part of the written agenda and there was no discussion.

List of Qualified Brokers/Dealers

As required by Board Policy CAK (Legal and Local), Trustee Williams moved and Trustee Compton seconded a motion to adopt the proposed list, including three new providers designed to increase diversification of the portfolio. Motion passed.

Report from Investment Officers on Training

The report was presented as a part of the written agenda and there was no

discussion.

Review of Investment Policy

As required by Board Policy CAK (Legal and Local), Trustee Compton moved and Trustee Williams seconded a motion to adopt the revised policy including 1) the addition of commercial paper as an authorized investment instrument, 2) revised ratings language, and 3) the addition of the Associate Vice Chancellor of Business Affairs to act as a qualified investment officer. Motion passed.

Review of Chancellor's Travel

The quarterly report of the chancellor's travel was presented as a part of the written agenda and there was no discussion.

Executive Session

As Executive Session was requested by Trustee Compton for the purpose of consulting with legal counsel on the audit report results. Chair Ferguson called for the session at 2:30 p.m. and the audit committee returned to the Board Room at 3:06 p.m.

Adjournment

Trustee Ferguson adjourned the audit committee meeting at 3:07 p.m.

Approved:

A handwritten signature in blue ink, appearing to read "Wright L. Lassiter, Jr.", is written over a horizontal line.

Wright L. Lassiter, Jr., Secretary