

CONSENT AGENDA NO. 3

Approval of Minutes of the December 15, 2006 Audit Committee Meeting

It is recommended that the Board approve the minutes of the December 15, 2006 Board of Trustees Audit Committee Meeting.

**DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL  
BOARD OF TRUSTEES  
AUDIT COMMITTEE MEETING MINUTES  
DECEMBER 15, 2006**

**Attendees:** Mrs. Kitty Boyle (Audit Committee member), Ms. Charletta Compton (Audit Committee Chair), Mr. Bob Ferguson (Audit Committee member), Mr. Jerry Prater (Board Chair, arrived at 12:25 PM), and Mr. JL Sonny Williams (Trustee)

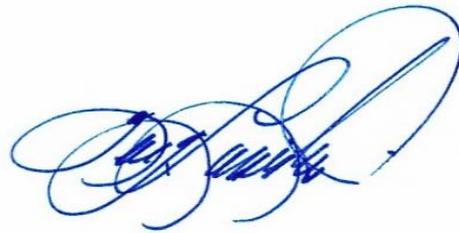
**Staff:** Dr. Wright Lassiter, Mr. Ed DesPlas, Mrs. Kathryn Tucker, and Mr. Robert Young

**Guests:** Mr. Ben Kohnle and Mr. Jim Forson (Grant Thornton LLP)

Committee Chair Compton convened the meeting at 12:15 PM. Dr. Wright Lassiter certified to the posting of the meeting notice.

**CERTIFICATION OF POSTING OF NOTICE DECEMBER 15, 2006  
AUDIT COMMITTEE MEETING OF THE DALLAS COUNTY  
COMMUNITY COLLEGE DISTRICT 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 12<sup>th</sup> day of December, 2006 in a place convenient to the public in the R.L. Thornton, Jr. Administration Building, and a copy of this notice was provided on the 12<sup>th</sup> day of December, 2006 to Cynthia Figueroa Calhoun, County Clerk of Dallas County, Texas, and the notice was posted on the bulletin board at the Frank Crowley Courts Building, all as required by the Texas Government Code, §551.054.



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Wright L. Lassiter, Jr., Secretary

**Presentation of Letter from Independent Auditors to the Audit Committee of the Board of Trustees**

Mr. Ben Kohnle presented the Letter from Independent Auditors.

**Presentation of *Financial Statements and Office of Management and Budget Circular A-133 Supplemental Financial and Compliance Report Together with Reports of Independent Auditors, August 31, 2006 and 2005*, and Management Letter to the Board of Trustees**

Vice Chancellor Ed DesPlas presented the *Financial Statements and Office of Management and Budget Circular A-133 Supplemental Financial and Compliance Report Together with Reports of Independent Auditors, August 31, 2006 and 2005*, and Management Letter to the Board of Trustees.

**Review of Chancellor's Travel**

The committee received the chancellor's travel report.

**Other Notes from the Meeting**

Responding to a question from Mr. Prater, Mr. Kohnle advised Trustees that the auditors evaluate risk before commencing each audit and will, therefore, be spending more time in future audits looking at controls and transactions related to the bond program. Mr. Kohnle added that Trustees are always invited to contact him or his associates at Grant Thornton if they have questions or concerns.

Responding to a question from Mr. Williams, Mr. Kohnle advised Trustees that the normal conduct of the audit includes weekly meetings with administration. In this audit, Ed DesPlas, Kim Green, Robb Dean and Pat Disbrow participated in the weekly meetings. Internal Audit Director Rafael Godinez is also an integral participant in each audit, including the one just finished.

Responding to a question from Ms. Compton, Dr. Lassiter advised Trustees that the transition in management of the District's business operations has gone smoothly and is complete. Recently appointed Vice Chancellor of Business Affairs Ed DesPlas keeps the chancellor informed on a regular basis.

Responding to a question from Mr. Ferguson, Dr. Lassiter advised Trustees that when restricted funds are not managed in strict accordance with the grantor's requirements, the report normally originates with the District's internal audit department – earlier than if the District relied on the independent auditors for this information.

Responding to a question from Mr. Ferguson concerning potential impact the declining state population may have on enrollment, Mr. DesPlas advised the

Coordinating Board's plan for higher education, *Closing the Gaps*, targets the portion of the population that is unlikely to go to college unless there are interventions.

Responding to a question from Mr. Ferguson about job needs of the future, Dr. Lassiter said that he will provide information to the Board at a later date.

Responding to a question from Mr. Williams, Mrs. Green advised this is the second of a five year engagement with Grant Thornton that is based on 600 hours per audit, approximately six to eight weeks on site, but may require more time and if so, the District pays for the additional hours. The chancellor will provide information on payments for the first two years of the engagement. Mr. Williams expressed the view that, after the firm's initial learning curve with the District, hours above 600 should be at Grant Thornton's expense (not billable to DCCCD).

Mrs. Boyle moved and Mr. Ferguson seconded a motion to present the annual audit of financial statements to the Board of Trustees.

### **Adjournment**

Committee Chair Compton adjourned the meeting at 1:12 PM.

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