

**MINUTES OF THE BOARD OF REGENTS
FINANCE COMMITTEE MEETING
GALVESTON COMMUNITY COLLEGE DISTRICT
4015 Avenue Q
Galveston, Texas 77550
Room M-202 – Moody Hall
November 13, 2013
4:30 p.m.**

At the Board of Regents Finance Committee Meeting of the Galveston Community College District, duly held on Wednesday, November 13, 2013, in Room M-202 of Moody Hall, commencing at 4:30 p.m., the following Finance Committee members were present: Mr. Armin Cantini, Chairperson, Mr. Carl E. Kelly, Mr. Fred D. Raschke, and Mr. Carroll Sunseri. Mr. George F. Black, Board Chairperson, also attended the meeting.

Staff present included Dr. W. Myles Shelton, President, Ms. Carla Biggers, Mr. M. Jeff Engbrock. Also present were Ms. Leslie Berardo and Mr. Arif Wakani with Carr, Riggs & Ingram, LLC (formerly Gainer Donnelly).

- I. CALL TO ORDER:** Chairperson Armin Cantini opened the meeting at 4:30 p.m. in Room M-202 of Moody Hall and determined a quorum was present.
- II. CERTIFICATION OF POSTING NOTICE OF FINANCE COMMITTEE MEETING:** Dr. Shelton confirmed that the notice of the Finance Committee meeting had been properly posted on November 8, 2013.
- III. CONSIDER APPROVAL OF MINUTES FROM NOVEMBER 14, 2012 MEETING:** A reading of the minutes for the November 14, 2012 meeting was waived. Mr. Sunseri moved to approve the minutes as presented; Mr. Kelly seconded. The motion passed unanimously.
- IV. REVIEW AND DISCUSS FINANCIAL STATEMENTS AND SINGLE AUDIT REPORTS FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012, AND MANAGEMENT LETTER:** Ms. Leslie Berardo, the College's auditor, opened by informing the Regents that as of October 1, 2013, Gainer Donnelly had merged with Carr, Riggs & Ingram (CRI), LLC, and provided information about the firm and resources acquired with the merger. Ms. Berardo provided copies of and reviewed the required communications and findings of the audit. She noted several changes with the adoption of Statement of Governmental Accounting Standards Board (GASB Statement) No. 63 that were applied to the report. Ms. Berardo explained three adjusting journal entries that were made after the close of the fiscal year. The preliminary draft of the Financial Statements and Single Audit Reports for the Years Ended August 31, 2013 and 2012, which included the Management's Discussion and Analysis, was presented to the Finance Committee. The College's net position (net assets) as of August 31, 2013, was \$28,464,349, an increase of \$1,189,992. Ms. Berardo reported that the firm has issued an unmodified (unqualified) audit opinion for both the financial statements and the federal awards. The College is compliant and that there were no findings related to internal controls over financial reporting; therefore, no Management Letter was issued. Ms. Berardo took this opportunity to compliment staff who assisted with the audit, in particular, Mr. Ron Crumedy, Mr. Jeff Engbrock, Mr. Bill Vaughan, and the TRIO grant staff.

- V. ADJOURNMENT TO CLOSED/EXECUTIVE SESSION IN ROOM M-202:**
Mr. Cantini noted that the Finance Committee, as authorized by Government Code, Section 551.074, Personnel Matters, reserves the right to enter into a closed/executive session under the provision of the Act. The Board adjourned to the closed/executive session in Room M-202 at 4:46 p.m.
- VI. RECONVENE FINANCE COMMITTEE MEETING (OPEN MEETING) IN ROOM M-202:** Chairperson Cantini reconvened the Finance Committee Meeting (Open Meeting) at 4:54 p.m. in Room M-202.
- VII. DETERMINE RECOMMENDATION TO BOARD OF REGENTS REGARDING FINANCIAL STATEMENTS AND SINGLE AUDIT REPORTS FOR THE YEARS ENDED AUGUST 31, 2013 AND 2012, AND MANAGEMENT LETTER:**
Mr. Cantini reiterated the positive comments by the auditors relating to staff and asked for a motion to recommend to the Board the acceptance of the report. Mr. Sunseri moved that Mr. Cantini, as Chairperson of the Finance Committee, report to the Board the Committee's acceptance of the Financial Statements and Single Audit Reports for the Years Ended August 31, 2013 and 2012; Mr. Raschke seconded. The motion passed unanimously.
- VIII. ADJOURNMENT:** There being no further business to come before the Finance Committee, the meeting adjourned at 4:56 p.m.

Carla D. Biggers, Clerk

APPROVED AS CORRECT:

Armin Cantini, Chairperson