

MINUTES

An Audit Committee meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on Tuesday, September 16, 2014, in the offices of the District auditors; Maze & Associates at 3478 Buskirk Avenue, Suite 215, Pleasant Hill, California.

TRUSTEES PRESENT Randall Diamond, Chairperson
 Perry Carlston
 Dan Pellegrini

TRUSTEES ABSENT Chris Cowen
 Sharyn Rossi

OTHERS PRESENT Vikki Rodriguez, Maze & Associates
 Ray Waletzko, Assistant Manager

1. The Committee meeting was called to order at 10:01 a.m.

2. Roll call indicated that three trustees were present and two were absent.

3. PUBLIC INPUT ON NON AGENDA ITEMS

None.

4. APPROVAL OF MINUTES FROM COMMITTEE MEETING HELD ON OCTOBER 21, 2013

** Motion was made by Trustee Carlston and seconded by Trustee Pellegrini to approve minutes from Committee meeting held on October 21, 2013. Motion passed

5. REVIEW AUDIT TEAM CONDUCTING DISTRICT FIELD WORK - Ms. Vikki Rodriguez of Maze & Associates informed the committee that per the conditions of our audit contract she will remain the Engagement Partner on our Audit. Ms. Rodriguez then discussed the backgrounds of the Supervisor in Charge of the District audit, Matt Bucci, and the Associate, Ian Petrovsky. Ms Rodriguez elaborated on the auditors experience and backgrounds.


6. MEET WITH DISTRICT AUDITORS TO REVIEW FISCAL YEAR 13/14 ANNUAL AUDIT PROCESS - Ms. Rodriguez discussed the audit planning meeting agenda that detailed the steps their firm would follow in auditing the District financial statements for fiscal year 13/14. Ms. Rodriguez noted that they pay special attention to high risk areas such as check writing fraud, cash transactions and revenue deposits. She also noted they would be reviewing areas such as payroll processing, bank reconciliations, information systems security and compensated vacation balances. Ms Rodriguez explained that audit standards require open communication and she asked all present if they were aware of any fraud or areas that they felt needed closer observation.

Ms. Rodriguez stated that Maze is charged with communicating with the parties responsible for financial governance; in this case the District Audit Committee. She explained how they cannot audit every transaction but rather they have requirements to test a pre-determined sampling size based on the total for the year. There was some discussion about areas that may have contributed to the fraud that occurred at the San Mateo Mosquito Abatement District and how our District can avoid these problems. She noted that it is difficult to detect fraud when two employees are involved; but that they pay special attention that appropriate checks and balances are in place and are being followed.

The audit confirmations and letters have been sent out to appropriate parties and the auditors will conduct their field work at the District September 22nd - 24th, 2014, and District staff will be available throughout the process. There was discussion about the auditors testing the District information system application controls and the credentials of the staff members responsible for such items. Assistant Manager Waletzko showed the committee members one of the extensive IT surveys that Maze staff has already sent as part of their audit and it was explained that security of the District general ledger software is a high priority

7. ADJOURNMENT - There being no further business the meeting was adjourned at 10:47 A.M.

I certify the above minutes were approved as read or corrected at a meeting of the Audit Committee held on October 27, 2014.


Randall Diamond, Chairperson
Audit Committee

AYES:

NOES:

ABSENT:

ABSTAIN