

MINUTES

An Audit Committee meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on Tuesday, August 7, 2012, in the offices of the District auditors; Maze & Associates at 3478 Buskirk Avenue, Suite 215, Pleasant Hill, California.

TRUSTEES PRESENT Jim Pinckney, Chairperson
 Sharyn Rossi
 Dan Pellegrini
 Jose Saavedra

TRUSTEES ABSENT None

OTHERS PRESENT Vikki Rodriguez, Maze & Associates
 Craig Downs, General Manager
 Ray Waletzko, Administrative & Finance Manager

1. The Committee meeting was called to order at 10:00 a.m.
2. Roll call indicated that four trustees were present and none were absent.
3. PUBLIC INPUT ON NON AGENDA ITEMS

None.
4. APPROVAL OF MINUTES FROM COMMITTEE MEETING HELD ON NOVEMBER 2, 2011
- ** Motion was made by Trustee Pellegrini and seconded by Trustee Saavedra to approve minutes from Committee meeting held on November 2, 2011. 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 handed out reference material describing the background and audits participated on by the new Supervisor in Charge of the District audit, Jeffrey Petersen, and the Associate, Amber Coatney. It was noted that Mr. Petersen has served as an associate on an audit for the District about 4 or 5 years prior and he comes with extensive auditing experience.
6. MEET WITH DISTRICT AUDITORS TO REVIEW FISCAL YEAR 11/12 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 11/12. Ms. Rodriguez noted that they pay special attention to high risk areas such as check writing fraud, cash transactions and revenue deposits. She also note they would be reviewing areas such as payroll processing, bank reconciliations, information

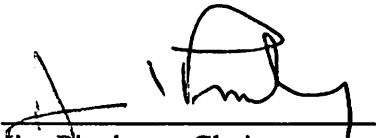
systems security and compensated vacation balances. Ms Rodriguez explained that audit standards require open communication and she asked all present if they were aware of any fraud or areas that they felt needed closer observation.

There was much discussion about areas that our District may want to pay close attention due to the incident of fraud at the San Mateo Mosquito Abatement District. Ms Rodriguez noted that it is difficult to detect fraud when two employees are involved; but that they would pay special attention that appropriate checks and balances are in place and are being followed. There was discussion about background checks for management employees and General Manager Downs assured the committee that all future management hires would have criminal background checks. Ms. Rodriguez noted some of the procedures that would be followed and items employees would have to prepare. The audit confirmations and letters have been prepared and the auditors will conduct their field work at the District September 12th - 14th and District staff will be available throughout the process. There was discussion about a "whistle blower policy and staff noted that they would report back to the committee at the October committee meeting.

7. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:58 A.M.

I certify the above minutes were approved as read or corrected at a meeting of the Audit Committee held on October 15, 2012.



Jim Pinckney, Chairperson
Audit Committee

AYES:

NOES:

ABSENT:

ABSTAIN