



§§551.001 through 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of Board Relations. Per Texas Government Code §551.1282, this meeting is being broadcast over the Internet in the manner prescribed by Texas Government Code, §551.128. In accordance with Texas Government Code §551.127 one or more members of the Board of Trustees may participate in the meeting via videoconference in accordance with the provisions thereof.

NOTICE OF AN AUDIT COMMITTEE MEETING OF THE BOARD OF TRUSTEES FOR DALLAS COLLEGE AND RICHLAND COLLEGIATE HIGH SCHOOL

Tuesday, September 12, 2023 | 9:30 AM

Administrative Office

1601 Botham Jean Blvd., Room #036, Dallas, Texas 75215

www.dallascollege.edu/boardmeetingslive

Persons who address the Board are reminded that the Board may not take formal action on matters that are not part of the meeting agenda and may not discuss or deliberate on any topic that is not specifically named in the agenda. For any non-agenda topic introduced during this meeting, there are three (3) permissible responses: 1) to provide a factual answer to a question; 2) to cite specific Board Policy relevant to a topic; or 3) the topic may, at a later date, be placed on a Board Agenda for a subsequent meeting.

Speakers shall direct their presentations to the Board Chair, or the Board, as a whole.

Audit Committee Meeting Agenda

1. Roll Call - Announcement of a Quorum

Committee Members: Diana Flores (Committee Chair), Charletta Compton (Member), Paul Mayer (Member)

2. Certification of Notice Posted for the Meeting

3. Citizens Desiring to Address the Board

4. Committee Presentation

- 4.1. Internal Audit Quarterly Report - 4th Quarter
 - a. Fiscal Year 2024 Internal Audit Engagement PlanPresenter: Lori Cox

5. Items for Review

- 5.1. Committee Notes
 - a. Audit Committee Notes for August 8, 2023
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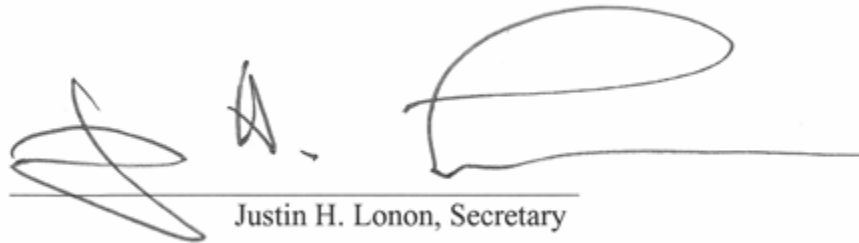
6. Executive Session (If Required)

- 6.1. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers - Section 551.071
- 6.2. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignments, Duties, Discipline, or Dismissal of Officers or Employees- Section 551.074
- 6.3. Deliberate Regarding Real Property Since Open Deliberation would have a Detrimental Effect Upon Negotiations with a Third Person - Section 551.072
- 6.4. Deliberate Regarding Security Devices or Security Audits Sections 551.076 and 551.089

7. Adjournment

*CERTIFICATION OF NOTICE POSTED FOR THE SEPTEMBER 12, 2023 AUDIT COMMITTEE MEETING
OF DALLAS COLLEGE AND RICHLAND COLLEGIATE HIGH SCHOOL BOARD OF TRUSTEES*

I, Justin H. Lonon, Secretary of the Board of Trustees of Dallas College, do certify that a copy of the notice for this meeting was posted on the 8th day of September 2023 in compliance with the applicable provisions of the Texas Open Meetings Act.



Justin H. Lonon, Secretary

ITEM FOR REVIEW NO. 5.1.a.

Audit Committee Notes for August 8, 2023

The Audit Committee Meeting of the Board of Trustees of Dallas College was held Tuesday, August 8, 2023, beginning at 9:06 a.m. at the administrative office in room 036 and was broadcasted via the streaming link www.dallascollege.edu/boardmeetingslive. This meeting was convened by Committee Chair Diana Flores.

Board Members and Officers Present

- Mr. Cliff Boyd
- * Ms. Charletta Compton
- * Ms. Diana Flores (Committee Chair)
- Dr. Catalina Garcia
- Dr. Justin H. Lonon (Secretary and Chancellor)
- * Mr. Paul Mayer
- Mr. Philip Ritter

Members Absent

Ms. Monica Lira Bravo

* *Denotes a committee member*

- 1. Roll Call - Announcement of a Quorum** confirmed by Trustee Flores.
- 2. Certification of Notice Posted for the Meeting** confirmed by Chancellor Justin Lonon.
- 3. Citizens Desiring to Address the Board**
None.
- 4. Committee Presentations**
 1. Audit Plan for the Year Ended August 31, 2023
Presented by: Chuck Kozlik, Audit Partner McConnell Jones (MJ)

Kozlik gave a brief overview of his experience and an overview of his agenda for the presentation.

Engagement Scope and Objective

The objective of the presentation was to express opinions on the College's basic financial statements. The plan was to apply certain limited audit procedures to the College's required supplementary information (RSI) as well as to perform annual attestation procedures to determine the College's compliance with the Texas Public Funds Act. Kozlik stated that a report on financial controls, called a Yellow Book, would be issued and a single audit in accordance with Uniform Guidance would be performed.

Audit Approach

The approach is risk based and will focus more on areas of greatest risks by analyzing audit risks, setting materiality thresholds based on audit risk analysis, and developing audit programs that allocate a larger portion of audit resources to high-risk areas. The audit also determined the effectiveness and adequacy of the College's internal controls for ensuring proper financial accountability, efficient operations, and compliance. The audit included the following stages: Planning, Preliminary, Final, and Reporting.

Kozlik presented the engagement milestone and timelines from April 2023 through December 2023, which included a presentation of draft reports to the Audit Committee and Board of Trustees on December 5, 2023.

He described the responsibility of the auditor being issuance of opinion of the basic financial statement, obtaining an understanding of the internal controls, reporting on significant deficiencies in internal controls including instance of non-compliance and fraud.

Kozlik described the responsibility of management as presenting the basic financial statements, accompanying notes, preparation of required supplementary information, supplementary information, and all representations contained therein. It is also management's responsibility to ensure access to all information of which management is aware that is relevant to the fair presentation of the basic financial statements, ensure compliance with applicable laws and regulations, contracts and agreements, correct material misstatements and inform MJ about all known or suspected fraud.

Trustee Compton inquired more about GASB 94 regarding Public Private Partnerships and what the audit would include. Kozlik shared that MJ will review that the new standards are followed and implemented properly at the College, if applicable. Wendland shared that the College does not

currently have Public Private Partnership arrangements. Discussion ensued.

Trustee Ritter inquired of the current risks facing Higher Education, specifically Dallas College. Kozlik shared that the ERP system implementation is a risk, along with enrollment challenges, increases in cost/inflation, and new standards. Discussion ensued.

Discussion also included an inquiry from Trustee Ritter as to whether the external auditors verified enrollment numbers. Kozlik responded that MJ does not verify the exact enrollment number but relies on the internal numbers that translate to the revenue that is reported in the financial statements. Further, Mr. Kozlik shared that MJ would review analytics to determine whether the enrollment numbers are close or not. Discussion ensued.

Trustee Boyd shared with the Board and senior leadership to communicate any concerns in the Internal Audit Department's Risk Assessment Questionnaire. This will allow Internal Audit to build an audit plan that addresses certain risks and areas of concern that may need deeper analysis. Discussion ensued.

5. Items for Review

1. Committee Notes

- a. Audit Committee Notes for June 6, 2023
No comments or edits were made.

6. Executive Session

There was no executive session.

7. Adjournment

The meeting adjourned at 9:34 a.m.

Captioned video and transcripts for Dallas College Board Meetings are available at our website, www.dallascollege.edu/boardmeetingslive, under the Archived Videos section.