

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Doug Treadway

DATE: December 13, 2006

SUBJECT Consideration of a Solicitation of Proposals for Independent Auditing Services

Pursuant to Education Code Section 84040, the Board of Trustees must contract for an annual independent audit of the financial records of the District. The District's current auditors Gilbert Associates, Inc., have audited the District's books for the past eight years. Earlier this evening, the Audit Committee reviewed a draft of the audit report for the fiscal year ending June 30, 2006, prepared by Gilbert Associates, Inc. In January the Board of Trustees will accept the final audit report.

Gilbert Associates, Inc. is a highly qualified audit firm and has done an exemplary job for the District. Although the Board of Trustees does not have a formal policy regarding the rotation of audit firms, staff believes that a best business practice is the periodic rotation of audit firms. Staff recommends that the Board of Trustees authorize the solicitation of proposals for auditing services for fiscal years 2006-07, 2007-08 and 2008-09. Furthermore, staff requests direction from the Board of Trustees as to how they or the Audit Committee would like to be involved in the selection process.

RECOMMENDATION:

The President/Superintendent recommends that the Board of Trustees authorize the solicitation of proposals for independent auditing services; and further provide direction to staff on how they wish to be involved in the selection process.