

**California Walnut Board /
California Walnut Commission**

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**CALIFORNIA WALNUT BOARD / CALIFORNIA WALNUT COMMISSION
AUDIT COMMITTEE MEETING MINUTES**

**Friday, September 16, 2011
Rancho Cordova, CA**

A joint meeting of the California Walnut Board and California Walnut Commission Audit Committees was held on Friday, September 16, 2011, at the Marriott Hotel in Rancho Cordova, CA. The meeting was called to order at 9:05 a.m. by CWB/CWC Treasurer Martin Mariani. Ms. Donoho called the roll and the following members were present:

CWB Audit Committee

Martin Mariani, Treasurer

Robert Lea

Donald Norene

Fred Spanfelner

CWC Audit Committee

Martin Mariani, Treasurer

William Crain

Pete Turner

CWC Committee member David Skinner was absent. Ms. Donoho informed the Treasurer that a quorum was present for both Committees. Also in attendance were Jeff Smutney, USDA; and CWB/CWC staff members Dennis Balint, Heather Donoho and Dana Steindorf.

The first order of business was the approval of the minutes from the last Joint Audit Committee meeting held on February 7, 2011. CWB Audit Committee member Mr. Norene made a motion to approve the minutes as mailed, Mr. Spanfelner seconded the motion and it carried unanimously. CWC Audit Committee member Mr. Crain made a motion to approve the minutes as mailed and Mr. Turner seconded the motion. The motion carried unanimously.

Mr. Mariani then asked Ms. Donoho to introduce the next agenda item, Review of Charter. Ms. Donoho stated that the highlighted items on the handout are those that need review, as they were not reviewed during February's meeting. Items one through four are not applicable at this time, while item five may be necessary as determined by the committee at the end of today's meeting.

Changes to items six and eight were recommended by absent committee member David Skinner prior to the meeting and are shown on the handout provided to the committee members. Mr. Skinner's recommended changes clarify and/or update language and are very minor. The committee discussed these sections and agreed to Mr. Skinner's changes with the exception of the word "deemed" and the phrase "based on the estimated fee involved" in item six. The committee agreed to drop these words.

CWB member Mr. Norene made a motion to approve the changes to the 2011/12 charter as discussed. Mr. Spanfelner seconded the motion and it carried unanimously. CWC member Mr. Crain made a motion to approve the changes to the 2011/12 charter as discussed. Mr. Turner seconded the motion and it carried unanimously.

Next, Ms. Donoho outlined the financial audit schedule for the 2010/11 audit. Gilbert staff members will be conducting the audit the weeks of November 7 and 14.

Next, Ms. Donoho reviewed the outside funding received by the CWB and CWC over the past six years. This information is being provided for informational purposes and shows a total of \$29,150,894 funding provided under MAP, QSP, TASC and AICR health studies grants.

Under other business, Ms. Donoho asked for the committee's support in approaching UC Davis regarding production research invoicing issues. This has been an ongoing issue for staff in attempting to receive timely and accurate invoices and statements from UC Davis. Mr. Smutney of USDA stated that other commodity groups have had similar problems, and he will provide staff with a list of those groups. The committee expressed its support for staff to do what is necessary to ensure we have all in order for our recordkeeping.

Mr. Mariani stated that no Executive Session was necessary. The time and place of other business will be left to the discretion of the Treasurer and staff. There being no other business, Mr. Mariani adjourned the meeting at 9:43 a.m.