

Suchevits Ms. Karen Waltz and Mr. Daniel Weaver  
 Members Absent Mr. Kenneth Laslavic

Presenters: Mr. David Martin, CFMs. Linda da Silva, Associate Vice Chancellor of Facilities; Mr. Brandon Harrison, Partner -Vavrinek, Trine, Day & Co., LLP. (VTD)

1. Call to order and Roll Call: Mr. Rafael Musni, Chair called the meeting to order at 9:36 AM.
2. Review and approve minutes from the September 22, 2016 CBOC Meeting
  - a. Minutes to the September 22, 2016 were reviewed.
  - b. CBOC member Christine Hanson commented that Item 1A should note that she arrived to the meeting by 9:30 AM at the time that she thought the meeting was going to occur and that the members of the public arrived at 9:30 AM as well.
  - c. CBOC member Christine Hanson commented under Item IV.o regarding the Facilities Master Plan review, she does not recall a discussion about closing programs.
  - d. CBOC member Christine Hanson commented under Item V.c., in reference to the sentence that ends “the ad hoc committee to create a more comprehensive report”, she recalls saying instead “we did not write this report” instead of the comment that the numbers “do not seem to reflect”, she recalls saying “include what has been spent”.
  - e. CBOC member Christine Hanson commented under Item VI, regarding the discussion of bylaws, she believed there would be a discussion of the bylaws at the last meeting as an agenda item and that is not reflected in the notes.
  - f. CBOC Chair Rafael Musni concluded that the committee will further review the meeting minutes

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Mr. Rafael Musni Mr. Todd A.

- iii. Brandon Harrison informed the committee that VTD's Financial Statement Audit Report issued an unmodified audit opinion of the financial statements for the Bond Funds ending June 30, 2016. Brandon Harrison noted that the Balance Sheet for the Bond Funds shows a majority of the assets as Bonds and Investments which is investment for the County Treasury with approximately \$52 million outstanding fund balance with the two bond elections as of June 30, 2016.
- iv. Brandon Harrison noted that under the Statement of Revenues, Expenditures, and Changes in Fund Balance, approximately \$4 million was spent on bond projects and expenditures. He explained that for the financial audit VTD looked at the internal controls over District Bond Funds, reconciliation over cash and review procedures of expenditures and any receipts, mostly incoming interest revenues and ensuring that it is allocated to the Bond Fund.
- v. Brandon Harrison identified the \$728K under Other Operating Expenses included expenses for professional services fees including creditors services such as the relocation costs for relocation for the Child Development Center. Brandon Harrison clarified that Legal Services are separate expenditures totaling \$1.5 million. He noted that the relocation costs for the Child Development Center are separate expenditures totaling \$728K.

- xiii. Brandon Harrison explained the objectives of the performance audit and the procedures performed. Selected representative sample of actual expenditures were tested to ensure they are in line with the bond. As stated before, 81 percent of all expenditures were tested. Salary transactions paid out of the bond were tested to make sure those expenditures were in compliance. Bidding procedures were assessed for compliance with Public Contract Code. Change orders were tested to verify they received board approval and in compliance with the District's policies and procedures. The 2005 election and 2001 election funds and approved projects were verified to be in separate files. The rest of the results and graphs represent actual expenditures to original project budgets to amended project budgets and expenditure expenditures.
- xiv. CBOC member Todd Suchevids inquired about the Meyers Nave change orders being almost a 100 percent increase of the contract amount. David Martin clarified that those are legal costs. Linda da Silva added that Meyers Nave's initial engagement was to assess the potential of pursuing legal claims; the Board awarded contract augmentations at milestones associated with pursuit of legal claims.
- xv. CBOC member Daniel Weaver inquired if the 2015 annual report has been mailed out to the voters. Linda da Silva replied that the report covering five years was finalized at the last meeting on September 22nd and determined to

- Rafael Musni commented that CBOC member Kenneth Laslavic (absent) be asked if he is interested to be a part of the Task Force.
- iii. CBOC member Christine Hanson commented that ad hoc committees are legal under Proposition 39. Linda da Silva replied that while Proposition 39 allows ad hoc committees, the bylaws say the committee shall not establish subcommittees for any purpose. CBOC member Christine Hanson commented on the need to change the bylaws to more reflect the wording in Prop 39.
  - iv. CBOC member Daniel Weaver commented that there is no need to do anything and people who want to meet can schedule time to discuss it.
  - v. CBOC member Faruq Ahmad commented that there should be further discussion regarding modifications to the bylaws. CBOC member Todd Suchevids noted that the committee does not have the authority to modify the bylaws as the Board of Trustees is the only group who can approve or make changes but the committee can suggest rewording. He recalled that Ron Gerhard was going to speak with bond counsel about the requested changes. CBOC member Christine Hanson clarified that the committee did not request changes but instead had outlined the Prop 39 language removed from the previous bylaws.
  - vi. CBOC chair Rafael Musni would like to further discuss the altered bylaws. CBOC member Daniel Weaver suggested to put this forth as an agenda item for the next meeting. CBOC member Karen Waltz inquired what are the proposed changes to the bylaws. CBOC member Christine Hanson replied there were quite a few things that were taken out of the previous bylaws that are under Prop 39. Linda da Silva suggested to put on the agenda a discussion on bylaws for the next meeting and preparations she will work with Bond Counsel David Casnocha to compare and contrast the current and previous bylaws which they have already done with what the committee had previously requested.
  - vii. CBOC member Faruq Ahmad inquired what is the timeline for preparation of the annual report. Linda da Silva replied that she would want to meet in the next few months with a Task Force to provide a first draft for review at the April meeting, then about three months to refine it further in time for the July meeting and it Fall of 2017. CBOC member Faruq Ahmad inquired of the committee if there were any thoughts as to what the schedule should be for the annual report and pointed out that a set schedule would be preferable - with a report out in September or in time for the fall quarter that coincides with the academic year making it easier to get out to the public and showing the committee is vital and doing its job.
  - viii. CBOC member Daniel Weaver commented to be aware of the possibility of jokes being made about the 2015 Annual Report showing up in 2017 and to have a good explanation for it. CBOC chair Rafael Musni quipped that he plans on telling people he just arrived on the scene. CBOC member Daniel Weaver continued that the college should explain what happened with an outline of events. CBOC member Karen Waltz commented that was addressed in the past to add a footnote to direct interested citizens to the website to address the public's questions or concerns.
  - ix. Linda da Silva proposed the suggested schedule for this year to be the standard schedule. She explained that the typical cycle for writing the report is after the board has approved the bond financial and performance audit and then it is filed with the State. The bond audit is brought to committee in January at its first meeting and a Task Force is put together to assist with the first and the second yearly meeting in April the whole committee will review and comment

the first draft report; after further refinement, the second draft will be brought to the third meeting in July and if approved will get in front of our governing Board of Trustees as a courtesy; the annual report ~~is to be~~ in early fall in September. This schedule is standard and done in many other Districts. follows the timelines of what's possible with the number of CBOC meetings when material reports that the annual report is based ~~on~~ available. CBOC member Daniel Weaver moved to adopt the proposed schedule for this year in getting out last year's report seconded by CBOC member Faruq Ahmad. CBOC chair Rafael Musni acknowledged the motion.

- x. CBOC member Christine Hanson noted that she is ~~large~~ member and not a student as indicated on the name plate ~~and~~ wondered if the District can reach out to Associated Students so that there ~~is~~ student representation. Linda da Silva acknowledged that the name plate will be corrected
- xi. Linda da Silva noted that there are currently seven members ~~on~~ the committee - the six members present today and Kenneth Laslavic. The vacant positions are the college support organization (foundation) member, senior citizen's organization member and student representation. Linda da Silva is conducting a membership drive to fill those slots per the bylaws. CBOC member Faruq Ahmad suggested to increase PR to raise the visibility and perhaps outreach through the Mayor's ~~Office~~. Linda da Silva encouraged the committee members to outreach to other channels as well, such as friends, colleagues and neighbors who might be interested.
- xii. CBOC chair Rafael Musni inquired if current members ~~can~~ go back for additional terms. Linda da Silva responded that members can serve three consecutive two year terms.
- xiii. CBOC member Christine Hanson inquired where to direct people interested in serving. Linda da Silva replied ~~that~~ in the coming weeks a membership drive page n the wesie iceling ana(p)-4 epliati  
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