MEASURE C
CITIZENS’ BOND OVERSIGHT COMMITTEE MEETING
MINUTES
SEPTEMBER 21, 2010

Members Present: James Sandstrom – Chair, Representative, Senior Citizens’ Organization
Carol Johnson – Vice Chair, Member at Large
David Bergman – Representative, Business Organization
Dudley Andersen – Member at Large

The following staff and others were present:

Staff: Charles Allen  Tom Armstrong
       Art Heinrich  Letha Jeanpierre
       Kevin McElroy  Hector Quinonez
       Linda Thor  Tonette Torres

Gilbane/MAAS: Mike Chegini  Rafael Cuadros
               Joel Heyne  Casey Michaelis

Prior to the CBOC meeting, members and others convened for a walking tour of selected Foothill College Measure C projects.

Call To Order
CBOC Chair Sandstrom welcomed all members to the meeting and called the meeting to order at 6 p.m.

1. Approval of the Agenda
M/S/C:  Andersen/Johnson
Action: Approved the agenda for meeting with change of moving item #12 to #2

2. Approval of Minutes
M/S/C:  Bergman/Johnson
Action: Approved the minutes from the June 15, 2010 meeting

3. Measure C Performance Audit Update
Hector Quinonez explained the agreed upon procedures for audits in the past, and introduced Tina Trice from Perry-Smith, LLP to explain the differences between the types of audits and what the upcoming report will expect to include. Tina Trice explained the California Senate bill that is expected to pass through the Senate that will create consistency in auditing standards.
Tina Trice handed out three items explaining the agreed upon procedures for audits, what Perry-Smith did and what the conclusions were, and a compilation report of the findings. The example of the upcoming report shows what internal controls will be included and how the CBOC report will differ from the District’s report, including a description of legislative history and an explanation of performance audit language. Tina Trice explained that a full set of financial statements will be included in the report and that it will be more comprehensive than previous reports. Jim Sandstrom

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asked what percentage of expenditures would be reviewed in comparison to last year. Tina Trice replied that there is some latitude in the amount of items looked at due to the history with the district. Hector Quinonez explained that the audit schedule will remain the same as the District’s audit and the report will be ready in December before the next CBOC meeting.

4. **Input from Public on Items not on Agenda**
   None

5. **Correspondence Received by Members**
   None

6. **New Membership Solicitation/Appointment Process**
   Kevin McElroy noted the attached memo about the process for finding new members, which will be three members starting in January 2011. Members were encouraged by Jim Sandstrom to forward any new member recommendations to Kevin McElroy.

7. **Nomination of Annual Report Subcommittee**
   Jim Sandstrom explained the process for the report and noted that in the past, Ann Kennedy would work on this item, and this year he agreed to again be on the subcommittee. Dudley Andersen and David Bergman volunteered to join Jim Sandstrom on the subcommittee.
   **M/S/C:** Sandstrom/Johnson
   **Action:** Approved subcommittee of Jim Sandstrom, Dudley Andersen and David Bergman

8. **Program/Project Management Review**
   Charles Allen summarized the findings of the report and the planned actions as shown in the attachment that highlights the status of projects and what action is needed to move them from “yellow” to “green” and if they are on schedule. Charles Allen was asked what the expected completion date is for the “red” items. Charles Allen replied that it is expected by the end of December, barring any unforeseen challenges. Jim Sandstrom suggested that once projects are completed, that an internal team not related to the projects be brought in to assess if the goal was actually met.

9. **Bond List Revisions**
   Charles Allen summarized the most recent Bond Project List revisions in June, July and August of 2010 and noted that some projects have been consolidated to correct deficiencies in construction management and moved some savings, along with distributed $2.7 million of interest earned.

10. **Projects Financial Update**
    Charles Allen presented the Capital Projects Update and the CBOC Quarterly Summary Report and noted being close to the $100 million spent and there was not much change from the last report. Jim Sandstrom noted that the number of projects in “red” went from four to two and commended the staff for their progress. Charles Allen noted that the parking garage project at De Anza remains a high priority.

11. **Construction Project Photo Highlights**
    Slideshow of projects was presented.

12. **Program Overhead Rates for 2010/11**
    Charles Allen explained that overall we have come under the budget with spending but elected to keep overhead rates the same and put the savings toward possible changes at the end of projects.

13. **Adjournment**
    The meeting was adjourned at 7:00 p.m.

    The next meeting is scheduled for Tuesday, December 14, 2010 at Foothill College at 5 p.m.