

Citizen's Oversight Committee

APPROVED MINUTES

October 9, 2002 - 6 p.m. Anaheim Campus Chancellor's Conference Room

Committee Members Present: Darrell Essex, George Tsuda, Mary Bouas, Rowland Hill, Stephanie Jones and Mike Schafer.

Absent: Ray Estrella, Mary Maloney and Chris Lowe

District Staff: Jerome Hunter, Rod Fleeman, Gary McGuire, Fred Williams, Ron Beeler and Sandy Cotter.

Visitors: None

Dr. Hunter called the meeting to order and announced that Committee Member Mary Maloney will be resigning due to health reasons. Dr. Hunter and Dr. Fleeman observed that the committee would continue to have adequate community group representation without Ms. Maloney, so the vacancy will not be filled immediately. Dr. Hunter also noted that Chris Lowe had a schedule conflict and would not be able to attend the meeting tonight.

1. Selection of Committee Chairperson:

Dr. Hunter requested that the agenda items be taken out of order to allow for the selection of the committee chair before proceeding to business items. After some discussion, a motion to nominate Darrell Essex as chairperson was seconded and passed. Dr. Hunter then turned the meeting over to Mr. Essex.

2. Approval of the July 10, 2002 Meeting Minutes:

The minutes of the July 10, 2002 meeting were MSU to approve.

3. Discussion and Review of Audit Firms:

Fred Williams distributed a report with information on the four audit firms that submitted proposals: Macias, Gini and Company; Vicenti, Lloyd and Stutzman; Nigro, Nigro and White; and PriceWaterhouse Coopers. The report summarized the fees for both Financial and Performance Audits, hourly rates for staff and any additional costs, and the proposed scope of the project. Mr. Williams noted that three firms were very similar in scope and cost, were experienced in education,

and had worked with the District in previous financial audits. He also discussed the option of selecting a two month audit for the 01-02 fiscal year, which would put the committee's work on track for the 02-03 fiscal year schedule, versus doing a 14-month audit at the close of the 02-03 year. Concerns were discussed as to the public perceptions of choosing a firm that already has a relationship with the District, and whether it would be advisable to change audit firms each year. When asked for a recommendation, Mr. Williams recommended choosing a two-month 01-02 audit and then waiting for the 02-03 fiscal year closing for the next cycle. A motion to select Vicente, Lloyd and Stutzman as the audit firm was passed with 6-1 vote.

4. Other:

The 2003 Oversight Committee meeting dates were agreed upon: January 15, April 9, July 9 and October 8, 2003. Dr. Hunter distributed copies of the Prop 39 Oversight Committee language and the proposed Citizen's Oversight Committee Board Policy which is being considered by the Board of Trustees for approval at the October 22, 2002 meeting. Mr. Essex asked that the committee be kept aware of new information as it pertains to school bonds and their oversight, and that a standing agenda item be added under the heading of "Bond Update", allowing for updates on projects and expenditures. A brief recap of the expenditures to date included the Anaheim Campus building purchase and remodel/upgrade, the DEC renovation for Fullerton College growth/swing space, the Cypress College Tennis Courts reconstruct, and the Cypress Theatre remodel/upgrade. New proposed construction includes the new parking structure and classroom/office building at Fullerton College and a Child Care Center and SCE building at Cypress College. Dr. Fleeman reminded the committee that there is a 5-year limit on expending bond funds; so many projects are already well under way. He also clarified that bond funding for the Fullerton College Library Learning Resource Center is intended to enhance the state funding, which is primarily for the building construction. Mr. Essex also requested that press releases be issued to announce the upcoming meeting schedule and the selection of the audit firm for the bond projects.

5. Tour of Anaheim Campus:

The meeting was adjourned at 6:45 p.m. to tour the Anaheim Campus facility.

Respectfully submitted,
Sandy Cotter
Executive Secretary, Chancellor's Office

