

Citizen's Oversight Committee

APPROVED MINUTES

July 10, 2002 - 6 p.m. DEC Board 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, and Sandy Cotter.

Visitors: None

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

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 still will have adequate community group representation, so Ms. Maloney's vacancy will not be filled. Dr. Hunter also noted that Chris Lowe had a scheduled conflict and would not be able to attend the meeting tonight.

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

2. Selection of Committee Chairperson:

After some discussion, the motion to nominate Darrell Essex as chairperson was seconded and passed. Dr. Hunter then turned the meeting over to Mr. Essex.

3. Discussion and Review of Audit Firms:

Dr. Hunter clarified that the Oversight Committee is regulated by the Brown Act, agenda items may be forwarded for inclusion on the published agenda, and that meeting minutes will be taken and distributed. The committee will select a chairperson and meet approximately four times a year. Dr. Fleeman directed the committee's attention to the folders before them, containing an agenda and a copy of the resolution passed by the Board of Trustees authorizing the formation of the Oversight Committee. He began his presentation by explaining the background of the recent Proposition 39 Bond, and

regulations that call for a Citizen's Oversight Committee, comprised of a minimum of seven members, serving 2-year terms. No compensation is allowed for committee service. Appointed by the NOCCCD Board of Trustees, 5 members of the committee must each represent a taxpayer, student, support group, senior and business group. No staff or individuals in a financial relationship with the District may serve. The committee meetings will follow Robert's Rules of Order, and will be open to the public, with agendas and minutes to be posted to the District website.

The general responsibilities of the committee include insuring that an annual fiscal audit, annual program audit, and compliance with the original approved plan is accomplished. The committee will report to the Board of Trustees, and communicate with the general public on projects and funding. The committee will also ensure that construction, purchases of property, equipment and furnishings are within the project guidelines. Dr. Fleeman emphasized that no additional permanent staff or salaries are may be paid from bond funds, and that general fund monies have been set aside for support of the committee's responsibilities, such as audits. Activities of the committee will include receiving and reviewing the audits, touring facilities and grounds, reviewing scheduled maintenance plans and cost-saving measures, and reporting on activities and capital outlay projects.

4. General Obligation Bond:

Dr. Fleeman then gave a brief overview of the \$239 million bond, including the process used in funding the bond, and the bond projects list that was approved by voters. Questions were raised on matching funds and acquiring additional State resources, and Dr. Fleeman reassured the committee that the District is committed to getting the most out of the funding, and where applicable, will seek funds from State resources to augment the bond funds.

5. Approved Projects List:

Dr. Fleeman reviewed the projects listed for each site, and stated that work has already begun on several projects. Firms in the North Orange County area have been utilized, and established procedures for obtaining contractors are being followed. He also explained that time lines and allocated funds were adjustable; if one project comes in under its allocation, the remaining funds can be reallocated to another project on the approved list. There is no "use it or lose it" principle, however we are regulated in how funds are expended per IRS guidelines. Dr. Hunter suggested that the committee might benefit from reviewing the District Master Plan, which was drafted in 1999. He stated that the Master Plan was used in determining the projects included in the bond and is documentation of the thorough planning used to ascertain future needs. Dr. Fleeman briefly discussed the plan to acquire the Hetebrink home for Fullerton College, remodel the DEC for classrooms, and purchase property to add an additional entrance to Cypress College off Lincoln Avenue. He confirmed that the District is likely to pursue the sale of

the Yorba Linda and La Habra sites, once those programs and services have relocated to Anaheim.

6. Management Team:

Dr. Fleeman explained that the management team will include District Finance and Facilities staff, a Project Manager and Construction Manager for each campus, campus staff and support staff such as attorneys, architects and engineers. He explained that the District is serving as the general contractor on all projects, thereby removing an additional layer of personnel cost.

7. Open Items:

Some discussion followed on the scheduling and logistics of the next meetings, and how reports and information will be distributed. It was agreed that the next Oversight Committee Meeting will be held Wednesday, October 9th at 6:00 p.m. at the Anaheim Campus Board Room. At that meeting the committee will select a chairperson, discuss selection of auditing firms, and tour the Anaheim Campus. The District Business Office will prepare proposal information of several audit firms for review at that meeting.

Meeting adjourned at 7:35 p.m.

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