

Minutes

District Citizens Oversight Committee
Friday, December 16, 2005
12 Noon to 2 PM

Board Room
770 Wilshire Blvd.
Los Angeles, CA 90017

In Attendance:

Marianne Brown, Labor Representative; Raymond Cheng, East Los Angeles College; Alan Ehrlich, Foundation Representative; Jim Lynch, West Los Angeles College; Steve Manning, Los Angeles Valley College; David Rattray, Business Representative; Shana Won, Los Angeles City College; Chancellor Darroch "Rocky" Young; Camille Goulet, General Counsel, LACCD; Larry Eisenberg, Executive Director of Facilities and Planning, LACCD; Fred Gans, DMJM/JGM; David Herbst, MWW.

Welcome and Introductions:

Committee Chair Jim Lynch called the meeting to order at 12:10. Committee members introduced themselves and Trustee Mona Field welcomed and thanked the members for their participation in overseeing the bond program.

Bond Program Status Reports:

Fred Gans of DMJM/JGM gave a bond program status report. He showed a college-by-college PowerPoint presentation of projects in various states of design, construction and/or completion. Of the 442 proposed projects at the nine campuses, 92 are completed, 40 are under construction and 118 are in the Design phase.

Bond Program Performance Audit:

Representatives from Moss-Adams LLP, Eric Tostenrude, Shirley Komoto and Alexia Nalewaik, presented a Bond Program Performance Audit for the fiscal year ending June 30, 2005. Proposition 39 requires both financial and performance audits of all bond programs. The performance audit is to assure that A and AA funds are properly used.

The audit concluded that the LACCD bond program is very well managed, with solid controls. There is significant Board involvement, an effective District Citizens' Oversight Committee; good shared governance at the college level; well-supported payment procedures and good standardized contracts developed by legal counsel.

Opportunities for improvement include defining responsibilities and accountability for the reengineering processes; auditing and strengthening safety practices; instituting an independent review of DMJM/JGM's invoices; monitoring project scheduling and

reporting as construction increases; and placing additional focus on earned-value analysis of all projects.

Larry Eisenberg said that management has concurred with all elements of the audit

David Rattray commended the District for receiving such a positive audit.

The committee requested a list of projects included to date compared to those projects that have been suspended in the rebaselining process.

Bond Program Financial Audit:

Tracy Hensley from KPMG presented the bond programs' financial audit. The report was "unqualified," which means, "It's as good as it gets." She reported a marked improvement between KPMG, DMJM and the District Office.

Future Agenda Items:

Committee members would like to learn more about the student internships related to the bond program; issues around escalating construction costs; ways in which the members of the DCOC can assist with moving projects more quickly through the DSA; and discussion about LEED and what compromises a LEED projects.

Public Speakers:

Jim Kenney, an English Teacher from East Los Angeles College presented pictures to the committee of his classroom, in a state of disrepair. He spoke of the urgent need to upgrade classrooms on the campuses and not overlook them in focusing on parking structures and art galleries.

Calendar for Next DCOC Meetings:

February 10, 2006 and May 5, 2005

Adjournment

Following the meeting, several DCOC members attended a tour of the furniture showroom across the street from the district offices. The space holds a sample of the sustainable classroom and office furniture available to the colleges through the bond program.