

**LOS ANGELES COMMUNITY COLLEGE DISTRICT  
BOARD OF TRUSTEES  
FINANCE AND AUDIT COMMITTEE  
Los Angeles Pierce College  
Student Community Center/Great Hall – Building 1900  
6201 Winnetka Avenue  
Woodland Hills, CA 91371  
Wednesday, November 7, 2012  
11:00 a.m. – 12:00 p.m.**

Committee: Scott J. Svonkin, Chair; Miguel Santiago; and Steve Veres

Trustee Svonkin called the meeting to order at 11:05 a.m.

PUBLIC SPEAKERS

None.

REPORTS/RECOMMENDATIONS/ACTION

Trustee Svonkin announced that the tax initiative Proposition 30 passed and expressed his appreciation to all of the parties involved for their support and efforts in the passage of Proposition 30.

Trustee Veres announced that Proposition 39 passed and discussed the benefits related to the Los Angeles Community College District (LACCD) Facilities Planning and Development.

Ms. Jeanette Gordon announced that Chancellor Daniel J. LaVista was currently not present because he was attending a press conference with newly selected Chancellor Dr. Brice W. Harris, California Community Colleges Chancellor's Office, and that the Chancellor would be joining the Committee meeting shortly.

Board Travel Policy

A document entitled "DRAFT: September 19, 2012, Attendance at Conference – Board Members Agenda" was distributed which included the following:

Trustee Svonkin explained that in the past there has not been a Board Travel Policy that is balanced, fair, or holds the Board accountable for their own travel expenses. He indicated that the Board directed the staff to draft a Board Travel Policy.

Trustees Veres and Svonkin discussed the importance of incorporating various traveling components related to authorization and budget, individual Trustee travel and mileage allocation, procedure for traveling on non-District Funds, and provide a written activity report.

Ms. Camille Goulet inquired as to who will be the delegate of authority to sign off on the proposed language.

The Committee selected Trustee Svonkin, Chair of the Committee, as the delegated authority to sign off on the proposed language for the Board Travel Policy.

Trustee Veres requested that the budget allocation components be discussed separately.

Chancellor LaVista responded in the affirmative.

Motion by Trustee Santiago, Second by Trustee Veres, to recommend to the full Board the adoption of the Board Travel Policy with the aforementioned components, to be presented for action at the regularly scheduled Board meeting of December 2012.

*APPROVED: 3 Ayes*

- Disposition:**
- ***Trustee Veres requested that with respect to the Board Travel Policy that the budget allocation components be discussed separately.***
  - ***Trustee Svonkin requested that the Board Travel Policy be presented for action at the regularly scheduled Board meeting of December 2012.***

#### Districtwide Requests for Proposals

A document entitled "Finance and Audit Committee, November 7, 2012, Pierce College" was distributed.

Dr. Adriana Barrera gave an overview of today's presentation regarding future Districtwide bidding. She deferred to Mr. James Watson, Contract's Manager.

Mr. James Watson distributed and discussed a document entitled "Consolidated Categories of Possible Future Districtwide Bidding" with respect to the Request for Contract (RFC) process. He also discussed the Procurement Training seminar being conducted by Business Services, Contracts and Purchasing Section; Office of General Counsel; and the College Procurement Specialists.

Trustee Santiago discussed having an efficiency audit performed coupled with the RFC for Districtwide bidding.

Trustee Svonkin indicated that this has been discussed and will be presented at a future Committee meeting on how to plan the efficiency audit.

Chancellor LaVista suggested that the Committee forward any ideas to him and Trustee Svonkin regarding the goals of the efficiency audit.

Trustee Svonkin requested that the staff advise the Committee at the conclusion of a Districtwide bidding process if they were successful in generating savings.

- Disposition:**
- ***Trustee Svonkin requested that the goals of the efficiency audit be presented at a future Committee meeting.***
  - ***Trustee Svonkin requested that the staff advise the Committee at the conclusion of a Districtwide bidding if they were successful in generating savings.***

#### Update on Foundation Audits

Mr. Arnold Blanchard distributed and summarized a document entitled "Internal Audit Department (IAD), Presentation to the Finance and Audit Committee on External Auditors for Foundation Audits" with respect to all nine colleges' Foundations and the District Office related to the significant deficiencies in internal control and the control deficiencies in internal control. He indicated that there were no finance audit findings noted and no material weakness noticed in the internal controls of these foundations.

Trustee Svonkin requested that the Committee be provided with the "manager's cover letter" of the colleges' and District foundation audits

Mr. Blanchard indicated that he would provide the reports to the Committee members.

**Disposition:** • ***Trustee Svonkin requested that the Committee be provided with the “manager’s cover letter” of the colleges’ and District Foundation.***

#### Updates on Past Actions

Due to the lack of time, this item was not discussed.

**Disposition:** • ***Postponed until the next Committee meeting.***

#### First Quarter Financial Status Report and Status of Audits

A document entitled “Finance and Audit Committee Update on Past Actions, November 7, 2012” was distributed.

Ms. Gordon distributed and discussed a documents entitled “Finance and Audit Committee First Quarter Report, November 7, 2012” with respect to the impact of Proposition 30’s passage and the District Financial Forecast for 2011-12, 2012, 2012-13 to 2016-17 Unrestricted General Fund.

There was discussion on a way to demonstrate how the funds will be utilized to restore classes and increase access to all the parties that supported Proposition 30’s passage.

Ms. Gordon indicated that the Annual Financial Audit, the Bond Financial Audit, and the Bond Program Performance Audit were conducted by KPMG. She deferred to Ms. Tracy Hensley of KPMG.

Ms. Hensley gave an update of the Annual Financial Audit, the Bond Financial Audit, and the Bond Program Performance Audit. She indicated that they would present the final audits at the Committee meeting of December 12, 2012.

Ms. Gordon indicated that the “single audit and State compliance audit” were conducted by Vasquez & Company LLP. She introduced Mr. William Vasquez.

Mr. Vasquez distributed a document entitled “Los Angeles Community College District Status Report for the Finance and Audit Committee, November 7, 2012” and gave an update of the status of the “single audit and the State compliance audit.” He indicated that they would present the final audits at the Committee meeting of December 12, 2012.

**Disposition:** • ***KPMG and Vasquez & Company LLP will present the final audits to the Committee on December 12, 2012.***

#### FUTURE DISCUSSION/AGENDA ITEMS

Efficiency Audit

Retirement Incentives

Policy Framework for Naming Buildings

FUTURE FINANCE AND AUDIT COMMITTEE MEETING DATES

December 12, 2012  
January 16, 2013  
February 6, 2013  
March 6, 2013  
April 3, 2013  
May 1, 2013  
June 12, 2013

NEW BUSINESS

None.

SUMMARY – NEXT MEETING

None.

ADJOURNMENT

There being no objection, the meeting was adjourned at 12:10 p.m.