

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
FACILITIES MASTER PLANNING & OVERSIGHT COMMITTEE
Educational Services Center
Board Room – First Floor
770 Wilshire Boulevard
Los Angeles, CA 90017
January 23, 2019
3:00 p.m. – 4:15 p.m.**

Committee Members present on roll call: Ernest H. Moreno, Chair; Scott J. Svonkin, Vice Chair; and Steven F. Veres, Member

Trustee Moreno, Chair called the meeting to order at 3:02 p.m.

PUBLIC SPEAKERS

None

RECOMMENDATION ITEMS

Los Angeles Trade-Technical College – Resolution to Change Building Names

Mr. Laurence B. Frank, President at Los Angeles Trade Technical College (LATTC) introduced the following members of the LATTC team: Pamela Sandford, Vice President of Administrative Services; Tim Slade, Work Environment Committee Representative; David Ysais, Public Information Officer; and Patrick Weed, Webmaster.

Mr. Frank referenced a handout entitled “Los Angeles Trade Technical College – Resolution to Change Building Names” and explained that the College has nine educational pathways on its campus. Through shared governance processes, the College is recommending that the naming of the buildings reflect the school of that pathway and/or the building’s use, respectively.

A question and answer session was conducted on the information presented.

Motion by Trustee Veres, seconded by Trustee Svonkin, to recommend to the full Board approval of the “Los Angeles Trade Technical College – Resolution to Change Building Names”.

Approved: 3 Ayes (Veres, Svonkin, Moreno)

LACCD Proposition A/AA and Measure J/CC Performance Audit FY 2017-18

Mr. David Salazar, Chief Facilities Officer, introduced Tracy Hensley, Partner at KPMG, who gave an overview of the scope of engagement and objectives of the

“LACCD Proposition A/AA and Measure J/CC Performance Audit for FY 2017-18”. Ms. Hensley deferred to Erika Alvord, Managing Director at KPMG, presenting on details of the performance audit. Ms. Alvord referenced a handout entitled “Los Angeles Community College District – Facilities Management and Planning Oversight Committee – January 23, 2019” and reviewed the summary of the report noting KPMG did not identify any significant internal control deficiency within the context of the audit, however one significant audit observation was identified. She also reported KPMG did not identify any significant charges to the program that did not conform to the requirements of Proposition A, Proposition AA, Measure J and Measure CC. However, based on the audit scope this year, there are observations identified with opportunities for improvements.

A robust discussion ensued relating to the summary of observations and management responses in the areas related to the scope of the performance audit which include the Program Management Office (PMO) transition, cost estimating, and procurement.

Discussion highlights:

Trustee Svonkin inquired as to the background, details, and clarification relating to observation one which references discrepancies between the contractual deliverables amongst LACCD and the Program Manager, Jacobs. He also inquired as to the board action and dollar amount of the Program Manager’s contract. KPMG explained that there are differences between the District RFP (Exhibit D) and Jacobs Technical Proposal (Exhibit H) that should be addressed. Their recommendation is for both parties, LACCD and Jacobs, to meet and confer on the deliverables. Chancellor Rodriguez noted that the base contract award was \$81 million, with approximately \$5 million for reimbursables, which total an estimated \$86 million.

Mr. David Salazar offered clarification to Trustee Svonkin’s inquiry relating to Exhibits D and H, stating both of those exhibits are part of the whole contract that Jacobs agreed to include all the deliverables contained in each exhibit. That’s what was negotiated with \$81 for the base contract and approximately \$5 million for reimbursable.

Trustee Svonkin inquired as to available data on the current spend of the Program Manager’s contract, the status of recommendations from the audit, and clarification on validating that the forecasting projections are accurate.

In response, Mr. Salazar noted that spending is higher than anticipated. Chancellor Rodriguez added that he and Mr. Salazar have met with Jacobs leadership to go over some concerns and areas of mutual interest; a subsequent meeting is scheduled for the beginning of February. He also noted that the fourth year of the Jacobs contract calls for true up. It was anticipated for a higher spend at the

beginning of the contract, given the transition period, with leveling out over the subsequent years.

The Program Manager validated the observations listed in the performance audit noting both parties, Jacobs and LACCD, are meeting to resolve. The Program Manager also noted that, based on the current forecast, they are ahead of their projects in accordance with their performance requirement.

Trustee Veres requested to agendaize addressing the observations of the performance audit, with information on forecasts and the spend plan. Trustee Svonkin requested the FMPOC be presented with a corrective action plan that includes a projected timeline for completion.

Trustee Veres left at 4:03 p.m.

Trustee Svonkin requested to assign follow up on the items discussed to the bond monitor as to address in a timely fashion. Mr. Jeffrey Prieto, LACCD General Counsel, clarified for the record, that it is appropriate to assign follow-up respectively to the Chancellor because the bond monitor has a specific line of authority.

Motion by Trustee Svonkin, seconded by Trustee Moreno, to recommend to the full Board approval of the "Performance Audit of Los Angeles Community College District Proposition A, Proposition AA, Measure J, and Measure CC Bond Programs Fiscal Year Ended June 30, 2018" as presented by KPMG.

Approved: Two Ayes (Svonkin, Moreno)

Absent: Veres

INFORMATIONAL ITEMS

Active Construction Project Status Report (for receive and file only)

A handout entitled "BUILD-LACCD BOND PROGRAM Active Construction Project Status Report" dated December 11, 2018 was distributed for information.

Summary – Next Meeting

The next meeting is scheduled for February 20, 2019.

ADJOURNMENT

There being no objection, the meeting was adjourned at 4:19 p.m.