

**Los Angeles Community College District**  
**Board Committee Minutes: Budget & Finance Committee**

November 28, 2018  
3:00 p.m. – 4:15 p.m.

**Committee Members:**

Andra Hoffman, Chair  
Ernest H. Moreno, Vice Chair  
David Vela, Member

Trustee Hoffman called the meeting to order at 3:06 p.m.

**Roll Call**

On roll call the following members were present: Trustee Hoffman, Trustee Vela, and Trustee Svonkin (Board Alternate). Absent: Trustee Moreno

**Public Speakers**

None

**Recommendation Items**

**2017-18 Annual Financial Audit**

Ms. Jeanette L. Gordon, LACCD Controller, welcomed and introduced Ms. Tracy Hensley, Engagement Partner at KPMG, who will be presenting on the 2017-18 LACCD Annual Financial Audit. Ms. Hensley introduced members of the audit team (KPMG and Vasquez & Company, LLP) and referenced a handout entitled "LACCD Budget and Finance Committee Nov. 28, 2018". She gave an overview of the scope, required communications, and key benchmarks and explained key metrics of the audit before deferring to Ms. Brianne Wiese, Managing Engagement Director at KPMG. Ms. Wiese reviewed the areas of audit emphasis and results of audits for the "Financial Statement Audit of the LACCD as of and for the years ended June 30, 2018 and 2017" and "Statements of Bond Expenditures of Propositions A, AA, Measure J and Measure CC Bond Funds for the year ended June 30, 2018." Additionally, it was noted that public institutions are now required to report the liability for other post-employment benefits (OPEB) which impacts debt covenants and financial ratios for many government entities placing many in similar financial positions.

Ms. Elisa Stilwell, Engagement Partner, Vasquez & Company, LLP, gave a presentation entitled "LACCD Presentation to the Budget and Finance Committee" which gives an overview of the audit of federal and state awards focusing on compliance and internal controls.

A question and answer session was conducted regarding the information and presentation. Discussion included the impact of the Supplemental Retirement Plan (SRP) on LACCD's current financial position, internal control over access to SAP applications, and areas within the report related to the student financial aid cluster. In response to Trustee Vela's inquiry on cost analysis of the SRP, Dr. Miller responded that the savings were significant. With regard to internal control over access to SAP applications, this is an ongoing effort that is being addressed with the appropriate stakeholders throughout the LACCD. In consideration of time, items related to the student financial aid cluster will be addressed by the Committee of the Whole.

Motion by Trustee Svonkin, seconded by Trustee Hoffman, to recommend to the full Board the following 2017-18 Annual Financial Audit Statements:

- LOS ANGELES COMMUNITY COLLEGE DISTRICT Basic Financial Statements and Supplemental Information June 30, 2018 and 2017 (With Independent Auditors' Report Thereon)
- LOS ANGELES COMMUNITY COLLEGE DISTRICT PROPOSITION A BOND CONSTRUCTION PROGRAM Statement of Expenditures of Bond Proceeds and Unaudited Supplementary Schedule Year Ended June 30, 2018 (With Independent Auditors' Report Thereon)
- LOS ANGELES COMMUNITY COLLEGE DISTRICT PROPOSITION AA BOND CONSTRUCTION PROGRAM Statement of Expenditures of Bond Proceeds and Unaudited Supplementary Schedule Year Ended June 30, 2018 (With Independent Auditors' Report Thereon)
- LOS ANGELES COMMUNITY COLLEGE DISTRICT MEASURE J BOND CONSTRUCTION PROGRAM Statement of Expenditures of Bond Proceeds and Unaudited Supplementary Schedule Year Ended June 30, 2018 (With Independent Auditors' Report Thereon)
- LOS ANGELES COMMUNITY COLLEGE DISTRICT MEASURE CC BOND CONSTRUCTION PROGRAM Statement of Expenditures of Bond Proceeds and Unaudited Supplementary Schedule Year ended June 30, 2018 (With Independent Auditors' Report Thereon)

***APPROVED: 3 Ayes (Svonkin, Hoffman, Vela)***

## **INFORMATION ITEMS**

Enrollment Update

This item was tabled due to time constraints.

#### 2018-19 First Quarter 311Q Report

Jeanette Gordon stated that the "2018-19 First Quarter 311Q Report" will be ratified at the December 12, 2019 Board of Trustees meeting.

#### Status/Completion of HR Ad-Hoc Committee on Human Resources Assessment

Ms. Karen Martin, Personnel Commission Director, gave an update on the status of the HR Ad-Hoc Committee on Human Resources. She reported that the committee continues to discuss what additional steps need to be prepared. Discussion ensued and the question remained as to the role of the Ad-Hoc Committee, its post assessment duties, and the next steps before a recommendation from the Budget & Finance Committee is made to the full Board. Trustee Hoffman expressed her concern of not having an HR professional on the Ad-Hoc Committee for consultation for the implementation of the recommendations.

#### Cost of Live Scan for Student Workers

Trustee Hoffman inquired as to the cost to the LACCD for a live scan service for processing student worker assignments. She noted that many districts do not have this requirement for all segments of unclassified services. Given the framework of guided pathways and the encouragement of students to gain knowledge through work experience, our goal is to advocate for formerly incarcerated students/individuals seeking employment with the LACCD.

Additionally, she requested to review the board rule/policy as it relates to this item. The Budget and Finance Committee will be furnished with a report on the requested information for further review.

### **FUTURE DISCUSSION/AGENDA ITEMS**

#### Expenditure Data and Cost Per FTES

### **FUTURE MEETING DATES**

None

### **ADJOURNMENT**

There being no objection, the meeting was adjourned at 4:34 p.m.