

**CITIZEN BOND OVERSIGHT COMMITTEE**  
**“Meeting Minutes of September 3, 2008”**

- Call to order by: John Moore (CBOC Chairman)
- Time called to order 6:30 PM
- The following were in attendance:

**3 Visitors**

Julio Hernandez (SGI)  
Mariana Solomon (SGI)  
Lance Jackson (SGI)

**13 CBOC Members**

John Moore (Chairman)  
Dave Hernandez  
John Sellarole  
Bud LoMonaco  
Bonnie Mace  
Bill Becker  
Sandra Duncan  
Barbara Boone  
Jon Reinke  
John Sellarole  
Bill Jakel  
Rowena Smith  
Rosa Solorzano

**4 District Member**

Alan Garofalo  
Karen Poon  
Dan Moser  
Bob Nuñez

- Meeting adjourned by: John Moore (CBOC Chairman)
- Time of adjournment: 9:40 PM

**Public Comments**

- There were no public comments made.

**Review and Approve Meeting Minutes of June 18, 2008**

- No proposed changes were made. The meeting minutes were accepted as is.

**Old Business**

- The purpose of the meeting was to clear any concerns and issues the committee may have regarding the use of the Measure G and E funds for district employee salaries.
- The committee suggested complying with the letter that enabled the motion to be passed for the allocation of funds of the new bond. SGI's purpose for attending was to facilitate communications concerning such funds.
- John Moore commented the purpose of the CBOC is to assist in the establishment of procedures to make sure that final decisions being made by the district and

acted on by the district are done in a legal, consistent, and easily justifiable to the public in a manner to keep the district out of trouble.

- The goal is to stick to a fairly strict standard to make sure all are behaving in an ethical way and still taking full advantage of all the benefits offered through the bond.
- The committee reviewed the list of staff positions proposed by business services to be funded by the Measure G Bond; going back 18 months.
  - *See September 3, 2008 CBOC Report*
- Discussed questionable positions, and decided what positions will be allowed to be paid through the Measure G Bond. Based on approved positions the appropriate FTE was allocated.
- Business Services submitted the following positions for approval:
  - Superintendent
  - Associate Sup't. Student Services & Facilities
  - Associate Sup't. Admin & Business
  - Associate Sup't. Instruction Services & HR
  - Senior Accountant
  - Internal Auditor (changed to outsourcing)
  - Purchasing Agent
  - Budget Specialist
  - Director of Facilities
  - Director of Fiscal Services
  - Assistant Director of Construction
  - Assistant Director of Maintenance & Operations
  - Administrative Secretary, Business
  - Coordinator of Communications
  - Buyer
  - Buyer
  - Administrative Secretary, Stud Serv & Facilities
  - Department Secretary, Facilities
  - Department Secretary, Confidential Sup't
  - Assistant Project Manager
  - Account Clerk II, A/P
  - Account Clerk II, A/P
  - Account Clerk II, A/P
  - Account Analyst, Internal Auditor
  - Account Analyst, Capital Projects

- The committee approved the following positions:
  - Associate Sup't. Student Services & Facilities
  - Associate Sup't. Admin & Business
  - Purchasing Agent
  - Budget Specialist
  - Director of Facilities
  - Director of Fiscal Services
  - Assistant Director of Construction
  - Assistant Director of Maintenance & Operations
  - Administrative Secretary, Business
  - Buyer
  - Buyer
  - Administrative Secretary, Stud Serv & Facilities
  - Department Secretary, Facilities
  - Assistant Project Manager
  - Account Analyst, Capital Projects
  
- The committee voted to revisit the following questionable positions pending further research:
  - Senior Accountant
  - Internal Auditor (changed to outsourcing)
  - Coordinator of Communications (Electronic Surveillance System)
  - Account Clerk II, A/P
  - Account Clerk II, A/P
  
- The committee voted to exclude the following positions:
  - Superintendent
  - Associate Sup't. Instruction Services & HR
  - Department Secretary, Confidential Sup't
  - Account Clerk II, A/P

- FTE allocations submitted vs. approved:

Position Title	FTE Allocation Submitted	Approved FTE	Retro-Active Approval Only	COMMENTS
Associate Sup't. Student Services & Facilities	0.50	<b>0.85</b>		Increased from .50 to .85
Associate Sup't. Admin & Business	0.25	0.25		
Senior Accountant	0.25	<b>PENDING</b>		Position Approved but pending further analysis from Jerry Kurr and FTE Approval from John Moore
Internal Auditor (changed to outsourcing)	1.00	<b>PENDING</b>	<b>0.90</b>	Internal position removed - approved for retro active transaction only of .90 <b>(NEED Specifications of FTE Allocation for Out-Sourced Auditor)</b>
Purchasing Agent	0.25	0.25		
Budget Specialist	0.25	0.25		
Director of Facilities	1.00	1.00		
Director of Fiscal Services	0.25	0.25		
Assistant Director of Construction	1.00	1.00		
Assistant Director of Maintenance & Operations	0.10	0.10		
Administrative Secretary, Business	0.15	0.15		
Coordinator of Communications (Electronic Surveillance System)	1.00	<b>PENDING</b>		Position Approved but pending further analysis from Jerry Kurr and FTE Approval from John Moore
Buyer	0.25	0.25		
Buyer	0.25	0.25		
Administrative Secretary, Stud Serv & Facilities	0.50	<b>0.85</b>		
Department Secretary, Facilities	0.50	<b>1.00</b>		
Assistant Project Manager	1.00	1.00		
Account Clerk II, A/P	0.40	<b>PENDING</b>		Position Approved but pending further analysis from Jerry Kurr and FTE Approval from John Moore
Account Clerk II, A/P	0.40	<b>PENDING</b>		Position Approved but pending further analysis from Jerry Kurr and FTE Approval from John Moore
Account Analyst, Internal Auditor	1.00		<b>0.90</b>	Approved for retro active transaction only of .90
Account Analyst, Capital Projects	0.90	0.90		

## Overview of Measure G Projects

- None: discussion was strictly regarding salaries

## New Business

- The CBOC Chair explained the purpose of the CBOC committee as being tasked to question whether the bond language is being followed in accordance to what projects are being done with bond money.
- The post of the CBOC is not to set policy to the board of trustees, but to act as good faith advisors; to provide information and details the board does not have time to study. In addition the CBOC is responsible to compare what work is being done verses what the bond language states, and report it back to the board in detail.
- In comments regarding the Measure E progress and process of the current development of project lists for all campuses it was stated, that upon determining that projects are consistent with bond language; projects are then compared against the Academic Master Plan and any inconsistencies will be questioned by the CBOC.
- Items presented to the CBOC are open for discussion from everyone in attendance, but only factual items that the CBOC can agree on are taken to the board. Everyone in attendance to this meeting is entitled to speak and comment, but only committee members can vote.
- John Moore opened for discussion the Total School Solutions recommendations for CBOC:
  - The CBOC is to review spending from all fund sources.
    - Historically, the committee reviewed bond spending only from Measure G excluding all other funding sources.
  - The CBOC is to issue an Annual Report that stipulates detailed bond information for all campuses
    - This report has not been done previously but will be done now
    - Requested volunteers to create a sub-committee for the annual CBOC report. An additional meeting will be held in October to review the report.
    - The members of the sub-committee include:
      - John Sellarole
      - Bonnie Mace
      - Bill Becker
      - Bill Jakel

- Rosa Solorzano
  - John Moore to chair
  - Sandra Duncan will be available to assist in with editing and proficiency if needed.
- John Moore to publish the report for the Measure G on October 15, 2008.
- Rosa Solorzano questioned as to why the district needs a consultant to tell them what to do and how to spend the bond money.
  - In response John Moore, stated he would consider SGI consultants and that SGI is paid a great deal of money to tell the district how to spend the bond money. He noted that SGI is paid from the Measure G Bond and that the district has a history of that, which has precedence and legal justification to do as such; yet it is something that is debatable by the committee and should be.
- Lance Jackson of SGI commented that SGI reports to the CBOC as well as the district about the progress of the overall status of the program based on scope, schedule, and budget.
  - The auditor certifies that all the things that SGI reports regularly throughout the year are in fact true.
  - So, if SGI reports a certain amount of expenditures and the auditors, which are an independent set of eyes, search the books and do in fact agree with SGI; it would be in a sense a stamp of assurance.
  - From a performance perspective, the auditors are looking at how SGI is implementing the plan and are doing it according to the best practices.
- The committee agreed that an annual audit is in accordance with the requirement of having the district audited every year, but questioned the secondary audit that the district opted to charge to the Measure G Bond, for the amount of \$78,000.
  - Previously, all audits have been paid for out of the general fund.
  - In response to the additional audit in question, the Superintendent Bob Nuñez, stated that it was necessary, and was used in order to qualify SGI for management of the new Measure E bond.
- The Measure G Committee voted by majority consensus to include in the report to the Board of Trustees pending legal opinion that the CBOC recommends that the \$78,000 expense should be paid for by the district's General Funds.
- Measure G was analyzed regarding salary expenditures and the following comments were made:
  - Measure G funds are \$3.2 million dollars out of balance due to salaries.
  - The committee voted in June, to approve the use of bond funds to pay salaries where appropriate.
  - The ongoing dispute was the original amount presented of \$2.8 million changed to \$3.2 million dollars, where the CBOC questions the change

- based on having voted that \$400,000 was inappropriate during the same meeting in June. The amount was reduced from \$2.8 million to \$2.4 million.
  - To date the amount has increased from \$2.4 million, which was approved by the committee, to the \$3.2 million dollars in question
- The committee questioned SGI as to where the numbers and the final amount totaling \$3.2 million dollars came from. SGI commented that the information came from district's QSS download.
- Superintendent Bob Nuñez stated he was going to have a conversation with SGI about how information is presented to CBOC, so that the district would have some knowledge ahead of time and would know what the impact would be. He also stated that to his understanding the numbers provided did not come from the district.
  - Review of salaries presented in June by CFO Jerry Kurr was questioned
  - Karen Poon in attendance for Jerry Kurr disagreed with the information provided because of the cut-off dates
  - Cut-off information and total number for the data was questioned
- A member from the committee read a statement from the Attorney General which stated the opinion suggests that the cost of the annual performance and any financial audits made be paid from the Bond dollars.
- John Moore stated that if there are errors in presentations he provides the board he would be the one accountable for it. He wants to establish a reason for the error regarding the salaries. And stated that the fair thing to do is work with SGI, because SGI stated they are downloading information from the district.
- John Moore commented he would like to have a meeting before the next CBOC meeting to resolve the 5 pending positions for the FTE allocations.
- Bob Nuñez went on record to state that the information he receives from his staff does not agree with the numbers from SGI, and that they are not in fact over budget even if the \$3.2 million dollars is included. A member of the committee commented that she was under the impression that the CBOC gets their numbers from the district going through SGI.
- Review and discussion of reimbursements to Measure G from State grant applications due to modernization, emergency repair projects, OPSC, Williams settlements and city funds.
- Measure G meeting was adjourned and Measure E meeting was called order.

- Question was raised regarding Measure A and G for those projects which may be currently budgeted by Measure A or G but that may have to be completed and/or closed out using Measure E funds.
  - Will the project be budgeted into Measure E?
  - Is 90% of Measure G reflected in Measure E?
  - The comment was made that if the need of using Measure E funds to complete partially done projects was in deed what had to happen, the dollars will be separated as the projects not completed from G continue through E.



Additional Items
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- There were no additional items.