MEASURE D CITIZEN’S OVERSIGHT COMMITTEE
February 9, 2012
Minutes

The meeting of the Measure D Citizens’ Oversight Committee was held at, 6500 Soquel Drive, room 804, Aptos, CA on Thursday, February 9, 2012 at 9:00 am.

Present: Michael Bethke, Kathy Blackwood, Blaine Brokaw, Oleksii Chuiko, Bob Dills, John Fry

Staff: Paul Anderson, Brian King, Victoria Lewis, Joe Nugent

Absent: Sharon Gray

Michael called the meeting to order at 9:07.

I. **Introductions.**

II. **Agenda Modifications:** None.

III. **Comments from the Public:** None.

IV. **Minutes:**
The minutes of October 6, 2011 were approved (Blackwood/Fry) with one abstention.

VI. **2010-11 Audit**
Terri Montgomery, Vavrinek, Trine, Day & Co. reviewed the 2010-11 bond audit. The audit presents fairly and is a clean audit. She reviewed the independent auditors report on internal control over financial reporting and compliance (pg. 11) and noted that the audit is in accordance with government auditing standards and has no material weaknesses, it is a clean opinion. On pg. 14 she noted that there are no findings (pg. 14).

Terri noted that changes to Proposition 39 which governs audits include:
- The due date to present the audit to the committee is now March 31st. We are within the timeframe.
- The format and wording have changed.

The Performance Audit states that the expenditures are in line with what the voters approved. Terri noted that the sample used was 66% of total expenditures with a cross section of transaction sizes, larger and smaller items with the intention of being unpredictable. The audit looked for unusual descriptions. There were no recommendations or findings.
The chair, Michael Bethke, asked how the Measure D audit compares to other community college bond audits. Terri noted that the samples range from 25-70%; a 66% sample is on the high end of what would be tested. Cabrillo is in similar shape, not below or above other Districts. She noted that the audit only verifies numbers; the audits don’t look at efficiency of how funds are allocated or spent; doing that would be difficult and a major expense.

The committee discussed that an audit is not the best way to determine efficiencies but it needs to be done. Design build was a pilot project. Has anything developed beyond the pilot? Kathy noted that San Mateo is doing it and is very pleased; it eliminated the tendency to sue between architect and builder and gives more nimbleness to make changes.

The committee recommended the audit be presented to the board.

VIII. 2010-11 Annual Report
The committee reviewed the draft annual report draft and comments submitted by John. Victoria noted that the mediation settled and was finalized in August in 2011 and asked whether to include that in the report. There was discussion about the purpose of the annual report, the audience and recommended language edits. It was agreed that the second bullet under Overcoming Challenges should read: The COC also encourages District personnel to continue to evaluate college projects using the industry best practices in construction and design-bid cost alignment to ensure maximum utilization of Measure D bond funds.

The committee agreed to include the language from the audit report about the claim settlement and make note that the financial summary is based on audited numbers. It was also suggested that the summary of expenditures be stated at the top then the schedules. The committee moved (Blackwood/Dills) to forward the 2010-11 annual report with corrections as suggested to the board.

IX. Project Status Updates:
- Arts Education Classrooms: Acoustic issues are on the remediation list.
- Health & Wellness Buildings: Substantially complete. Minor equipment to be purchased.
- 300 Building renovation: Substantially complete,
- Watsonville Green Technology Center: Substantially complete and looks magnificent. Equipment has been ordered. There will be a grand opening in fall, 2012.
- Campus-wide signage is being updated with recent moves.
- Stadium restrooms project has been submitted to DSA.
- 800 building renovation is going well. This project is funded by the Title III STEM grant and augmented with bond funds.

X. Recruitment for new positions terms begin September 2012:
Recruitment will take place during the summer for the Business Representative, the Taxpayer Association Representative and two At Large Representatives. Bob Dills and Kathy Blackwood expressed an interest in serving a second term. Michael Bethke,
Committee Chair, noted that Cabrillo’s staff has been incredible to work with and that serving on the committee has been one of the best professional experiences he’s had in a long time. He will miss serving on the committee and wished everyone all the best. John Fry, Committee Vice-Chair, also noted that it has been very enjoyable work to be on the committee. He thanked everyone for being open and listening to suggestions, said he felt that we’ve all come out better for that and thanked staff for the conversation.

XI. Next meeting: Thursday, October 11, 2012 at 9:00 am in SAC 225.

The meeting adjourned at 10:20 am.