

San Mateo County Community College District
Bond Oversight Committee
January 23, 2003

Members Present: Hien Kieu, Ronald Fick, Jim Wyatt, Coleman Campbell, Marta Bookbinder, Stanley Gross, and Ruth Nagler

Others Present: Barbara Christensen, Jose Nuñez, Linda da Silva, Jim Keller, Lynn Pontacq, Amital Ermias, Terri Montgomery (Independent Auditor), Don Bourne (Swinerton), and Carol Regan

The meeting was called to order and roll taken by Chairman Jim Wyatt at 4:32. The minutes of the October 21, 2002 meeting were approved as amended (Agenda Item 2). There were no remarks from the public.

The Financial and Performance Audits of the Bond Fund were received by the District Office on January 22, 2003; the Board of Trustees received the audits at their meeting on the same date. The Board of Trustees referred the Audits to the Bond Oversight Committee for their review and comments. The Audits will be presented to the Board of Trustees by Terri Montgomery at the February 26, 2003 meeting. Bond Oversight Committee Chairman Jim Wyatt and Member Stanley Gross will present the Committee's Community Report.

Terri Montgomery presented the Audits to the Committee Members (Agenda Item 3). The Financial Audit consisted of:

- An Independent Auditor's Report stating that the financial statements present fairly the financial position of the bond fund;
- A Balance Sheet reflecting activity through 06/30/02;
- A Statement of Revenues, Expenditures, and Charges that affected the bond fund through 06/30/02; and
- Notes to the Financial Statement; Summary of Significant Accounting Policies, Investments, Accounts Receivable, Interfund Transactions, Accounts Payable, Fund Balances, General Long-Term Debt, Commitments and Contingencies, and New Accounting Pronouncements.

The Performance Audit was presented to the committee by Terri Montgomery. In this audit, 15% of the expenditures were sampled in order to determine if they were allowable per the bond language. The Audit itself consisted of:

- An Independent Accountants' Report on Applying Agreed-Upon Procedures, Financial Summary, Agreed Upon Procedures Performed, and Results of Procedures; and
- A Bond Expenditures Spreadsheet that correlated the sampled expenditures with the Item Number from the Facilities Project.

Ms. Montgomery stated that the audits went well; some suggestions were forwarded to the District's Finance Department. She stated that these suggestions concerned accounting

procedures that involved the methodology of tracking bond projects funded from multiple sources.

Chairman Jim Wyatt distributed a Proposed Draft of the Bond Oversight Committee's Report to the Community to all members. With the assistance of Barbara Christensen, Chairman Wyatt reviewed this draft and suggested that the format be used to submit the Committee's Community Report to the public (Agenda Item 4). Ronald Fick stated that, at a minimum, the Report needs to show the scope of the audits and their results. Marta Bookbinder expressed the need to use language familiar to all constituencies. Member Stanley Gross and Chairman Jim Wyatt were appointed by the Committee to review and approve the Final Report. They will work with Barbara Christensen to ensure that all timelines are met.

Lynn Pontacq distributed the Quarterly Report on Expenditures for the Second Quarter, ending December 31, 2002 as well as a Total Expenditure Report through December 31, 2002 (Agenda Item 5).

Amital Ermias demonstrated access to the Facilities Website and its link to the newly constructed Bond Oversight Committee page with explanation by Jose Nuñez (Agenda Item 6). The Bond Oversight Committee web page is being constructed to allow the community access to the Committee's Agendas, Minutes, Financial Reports, Other Reports, and the Committee's own Community Report. Marta Bookbinder suggested that the Committee's Membership be listed on the page.

Before adjourning, the Committee agreed that all future agendas will include the following items: introductions; a call for public comments; and Committee Member comments.

The Committee agreed that the next meeting should be scheduled for late April. Carol Regan will be sending an availability questionnaire to each member and will notify them of the next meeting date when a consensus has been reached.

The meeting was adjourned at 5:37.