

**Citizens' Oversight Committee
Minutes**

November 29, 2005, 3:00 p.m.
AC 108, Kentfield Campus

Approved

Committee Members Present:

**Dr. William Levinson, Chair
Richard Biegel
Klif Knoles**

**Ross Millerick, Co-Chair
Roberta Michels
Joan Capurro**

**Nancy McCarthy
Ted Bright
Bill Scott**

Committee Members Absent:

**Dr. Lawrence Witter
R.J. de Recat**

Perry Newman

Julie Grantz

Others in Attendance:

**Dr. Frances White
Dave Kirn
David Casnocha**

**Bob Thompson
Elizabeth Tucker
Tina Treis (via conference call)**

**Don Flowers
Al Harrison**

1. Welcome

Dr. White welcomed two new board members, Klif Knoles with the Marin Builders Association, and Joan Capurro with the Bank of Marin. Dr. Levinson informed the new members that, as per the COM Board approved COC by-laws, they would serve either a one- or two-year term. Following a random coin toss, Klif Knoles drew a one-year term and Joan Capurro drew a two-year term.

2. Open Meeting

Following a roll call, Dr. Levinson declared a quorum and the meeting open. M/s (Scott/Michels) to approve the meeting agenda. The motion passed unanimously.

3. Comments from the Audience on Items not on the Agenda

None.

4. Minutes

M/s (Bright/Scott) to approve the minutes of the September 13, 2005 meeting. The motion passed unanimously.

5. Website

Dr. Levinson updated the Committee on the progress with the website (COC agendas, minutes, and key reports are now available for public review) and thanked Dr. White for making the website easily accessible.

6. Terms

Mr. David Casnocha, COM's Bond Counsel, attended the meeting and referred to his 7/15/2005 letter (copy included in meeting packet) to clarify understanding of the issues broached. Essentially, he indicated that we should stay with the COM Board approved COC by-laws, which call for one and two year terms.

Following a one-year term on the committee, a member may request to continue and serve an additional two-year term. A member may serve a maximum of four consecutive years on the committee, and, following a one-year absence, may be reappointed for another one- or two-year term (with a maximum of four consecutive years again).

The Committee requested Dr. White to work with counsel to clarify the terms starting dates for those members appointed after the initiation of the Committee and to clarify how and when the one year committee members would submit their request to continue for an additional year or not seek reappointment.

7. Presentation

Ms. Tina Treis, COM's auditor with Perry-Smith, LLP, joined the meeting via conference call. Using an outline she had previously provided, Ms. Treis presented an overview to further understanding of the committee's issues and concerns regarding both the performance and fiscal audit processes.

8. Audit Cycle Issues

Al Harrison gave the committee the following estimates:

The audit for the 2004-2005 fiscal year was projected to cost approximately \$4,000. This figure is low due to the district's only having expended \$1 million out of a possible \$7.5 million initial bond budget during the fiscal year.

Thereafter, as the rate of expenditure increases, the cost of the annual audits would increase to an estimated \$8 - \$10 thousand, plus an additional \$2 - \$2.5 thousand for expenses.

Rather than recommend to the BOT more than one audit per year, it was suggested that one performance and one financial audit be done, and at the half way mark, i.e., 6 months later, an interim report be prepared to clarify information COC may need.

Within a calendar year half of the sampling would be performed in the first six months, and the remaining half in the second six month period. Financially, this would split the audit costs by invoicing half the full year cost in two six months installments. Ms. Treis estimated that an interim report would not cost more than approximately an additional \$3 thousand annually.

There was discussion regarding costs of two performance audits. Counsel, David Cosnocha, will provide a final interpretation of an existing State Attorney General opinion as to whether or not the cost of the audits could be borne by the Bond Fund.

The committee requested that counsel's opinion be sent to the members as soon as it was received by the college.

M/s (McCarthy/Millerick) to approve the motion to recommend two audits, including half of the estimated 37 samplings, one in each half of the current fiscal year, for the following periods:

July 1, 2005 – December 31, 2005, and
January 1, 2006 – June 30, 2006

Mr. Scott moved to accept the motion to recommend two performance audits and two fiscal audits for the current year, as amended. The motion carried with a roll call vote, as follows:
Abstention – Knoles
No – Cappuro, Biegel
Yes – Levinson, Millerick, Michels, McCarthy, Bright, Scott

9. Fiscal Reporting Workshop

Al Harrison will present a workshop on the College's new Bond Fiscal Accounting program, PARAGON, at the next meeting of the Committee, on Tuesday, February 28, 2006.

10. Meeting Dates

The following schedule was agreed for 2006 COC committee meeting dates:
February 28, 2006
May 30, 2006
September 19, 2006
November 28, 2006

11. N/A

12. Information Items

None

13. Next Meeting Agenda

- a. Review counsel's evaluation of the AG's opinion on the Bond Fund's paying for the Prop 39 audits
- b. Review term renewal process
- c. Review fiscal report of bond expenditures to date (may be included in fiscal workshop presentation)
- d. PARAGON Workshop (90 minutes)
- e. Review 2004-2005 audit as presented to COM board in January 2006

14. Adjourn 5:00 p.m.