

MINUTES OF THE CBOC MEETING:

October 9, 2006
135 Van Ness Avenue, Room 209

Facilitator: Jim Quadra

Committee Members Present: Craig Issod Christine Leishman
Nan McGuire Tom Moore
Jim Quadra

Committee Members Not Present: Patricia Crawford Jim Dierke

Interested Parties Present: Joe Grazioli Miguel Marquez
Leonard Tom Leonard Danna

Minutes prepared by: Susan Ortega-Resurreccion

1. **Jim Quadra presided over the meeting.**
2. **Roll call.**
3. **Minutes of September 18, 2006 meeting was unanimously approved.**

4. **Public Comments:**
NONE.

5. **Report of Auditors.**

Copies of the FY05 audits were distributed to the CBOC members. Lenny Danna, the auditor from VTD was introduced to the CBOC members. Lenny Danna reported that financial audit for the Bond for FY 06 was not done yet as the District's financial statement has to be completed and filed with the State. He expected to complete the audit in December. One of the members asked why the audits couldn't be done in parallel as they are separate funds. There were no significant adjustments needed for the FY 04-05 audit. In previous years, the District was constantly late in closing the books. The FY 06 audit is preceded very quickly. No audit adjustments were needed for the Bond Program in FY 05.

Question arises on the validity of the Bond expenditures. Lenny pointed out that they review the validity of the expenditure based on the Bond language. The audit is operating on the guidelines of the Bond language. Prop 39 requires a performance audit which determines if all Bond expenditures were appropriately made on projects approved by voters.

Craig Issod asked about the selection of auditors. The Board of Education approved the selection of VTD. Tom Moore asked how sampling thresholds were determined. Lenny was not able to present a specific threshold for the FY audit because background material had not yet been reviewed.

Craig Issod asked about the appropriate use of Bond funds, specifically regarding the Rosa Parks/JBBP merger. Lenny felt that this is more a legal issue than an audit issue. Miguel informed the CBOC members that another law firm will be reviewing this issue. Auditors will not see these costs until FY 07. CBOC members were concerned that auditors may not catch this as this will show as expenditures for Rosa Parks. One of the members suggested that in the future if any merger or school closure arise and it involves a Bond project, that they be notified ahead prior to any decision. Miguel informed that there is "7-11 Committee" that will oversee the District's surplus property and that if they want to maintain this it has to be ADA compliant.

6. Discussion on how CBOC reports to the Board of Education.

Miguel distributed a copy of the WAD Memo on Political Activities of District Officers and Employees to the CBOC members. He informed the members that they can endorse a measure in an individual capacity and identify yourself as a CBOC member with an asterisk, for identification purposes only. The CBOC cannot formally endorse the Bond measure.

The resolution was reviewed and revised by the members. Jim asked Miguel on the procedure of presenting the resolution to the Board. Miguel suggested an agenda item to the Board and submits the resolution. One member suggested that Jim Quadra should be available to answer questions. Miguel suggested putting this resolution on the next Board meeting on October 24, 2006. At the suggestion of one of the members, Miguel read aloud the revised resolution to all the members. All members approved the revisions. Miguel will finalize the resolution and Jim Quadra and another member will signed off.

7. Proposed Agenda for next meeting

1. What CBOC would like to see tested and the threshold in the next audit.
2. Follow up discussion on Rosa Parks/JBBP merger.

Next meeting will be on November 6, 2006 at 12:00PM at Jim Quadra's Office, 180 Montgomery Street, Suite 1240, San Francisco, CA 94104.

Meeting was adjourned.