

MINUTES OF THE CBOC MEETING:

October 28, 2009
135 Van Ness Avenue, Room 210

Facilitator: Jim Quadra

Committee Members Present: Patricia Crawford Monica Pressley
Walter Haub Jim Quadra, Chair
Brian Liles Mike Theriault
Nan McGuire

Committee Members Not Present: Lourdes Garcia Craig Issod

Interested Parties Present: David Goldin Leonard Tom
Bruce Hart Tom Brewer
Richard Pio Roda Alex Li

Minutes prepared by: Susan Ortega-Resurreccion

1. Jim Quadra presided over the meeting.

2. Roll call.

3. Approval of Minutes of July 22, 2009 meeting.

Minutes of July 22, 2009 meeting was unanimously approved by members present at the meeting with correction on page 2, 1st paragraph, 2nd line corrected to “He indicated that much of the construction activities in San Francisco are of SFUSD projects.”

4. VTD – Follow up discussion on thresholds of upcoming audit.

David introduced Tom Brewer to the CBOC members and in turn have the new members introduced themselves to Tom. Tom reported on the past Bond Program audit procedure practices. He indicated that transactions over \$100K are looked at to ensure that the expenditure is accordance with the Bond Program ballot measure plus 50 transactions are selected on transactions below \$100K. Overall 70% of dollar amount expenditures including salaries are reviewed. Past problem was reaching the 70% threshold and efficiency issue on looking into documents. He presented a suggestion of sample protocols by sorting by vendor and select vendor with \$100K and over expenditure plus 1 random transaction to complete the internal control compliance for every vendor. In addition, take the largest transaction from every vendor. Invoices and expenditures are reviewed based upon the purpose in comparison with the Bond Program ballot measure and approvals are complete. Questions were raised on work completed in comparison with purpose of the work similarly to City College current issues. Tom’s response is to hire a Construction Audit team as his team does not have the construction expertise.

A question was raised on the use of the school site under construction. Richard responded that the members do not have obligations to follow thru on the use of the site, only the correct use of the bond funds. Monica questioned if the procedures audit intent is to track that existing procedures are followed or if the procedures are followed with the Bond intent. Tom replied that Prop 39 ballot measure required a financial and performance audit, although the State Controller does not have a performance audit guidelines in place. Performance audit are in accordance with the ballot measure. Tom cited one of his clients was audited by the State Controller and was criticized for lack of a performance audit. Jim perceived that Tom’s proposal is to increase audit efficiency without decreasing the quality of the audit. Richard mentioned that members’ recommendations will be appreciated. David called on Tom to submit his presentation in writing for distribution to the members and approval on the next meeting.

5. Public Comment - None.

6. Program Status Reports from:

Chair, Vice Chair Comments - None.

Greening Program Status: Green schoolyard report by Nan McGuire

Nan reported that Charles Drew ES Principal has agreed to meet with the Bond Greening staff. Nan commended on the pre-develop process initiated by Leonard on the 2003 Bond and continued into the 2006 Bond.

Community Outreach – see item #9 (Follow up discussion on CBOC website).

David Goldin – Program status

David reported on the successful opening of school. The Superintendent recognized the wonderful work of the Bond Program during the first board meeting of the school year. Pat Crawford, Nan McGuire and Jim Quadra were reappointed by the Board of Education for another year. 4-5 projects are of concern due to academic need is in doubt. He mentioned that he has copies of the 10-year capital plan which will affect the Bond Program possibly looking at another bond in 2011 for about \$500M to finish the remaining school sites. The City and the Board of Education are aware of this plan.

Leonard asked if there are any questions with regards to the July financial report. Question on the unforeseen conditions at West Portal were raised. David replied to Mike that he will look back at the report and get back to him. Also questioned was the change order on Marina. David and Leonard mentioned this was one of the tough projects. Leonard briefly reported on the July financial report. He mentioned that budget revisions were done due to savings from low bids. Architects are hired to do assessment, evaluate the assessment then calculate the constructions costs and then negotiate their contract. Pat suggested that bathroom signage should be corrected from savings from construction costs. Nan questioned completion at Rosa Parks and SF Community. Leonard responded that this is for non-greening projects. Question came up on the contingency. Leonard replied that this will change from month to month based on the savings accumulated.

7. Committee Elections.

Question was raised on who is interested on the Chair and Vice Chair positions for elections for the next meeting. Mike Theriault volunteers to be Vice Chair.

8. Follow up discussion on greening at Charles Drew – see item #6. Greening Program Status (above).

9. Follow up discussion on CBOC website.

Leonard asked if there are any comments on the website. He mentioned that it is almost ready. A section is formatted for the members' bio-data. Bio-data forms will be emailed to the members for completion.

10. End of summer report – see item #6. David Goldin Program Status (above).

11. Proposed Schedule and Agenda for Next Meeting.

Proposed next meeting in November, before Thanksgiving (look into 2nd or 3rd Wednesday of the month).

- 1) Vote on audit procedure change.
- 2) Election of the Vice Chair.

12. Adjournment.

Meeting was adjourned at 8:00PM.