

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
FINANCE AND AUDIT COMMITTEE
East Los Angeles College
Administrative Building – G1 – 301A/B
1301 Avenida Cesar Chavez
Monterey Park, CA 91754
Wednesday, April 3, 2013
12:00 p.m. – 1:00 p.m.**

Committee: Scott J. Svonkin, Chair; Miguel Santiago; Steve Veres

Trustee Svonkin called the meeting to order at 12:03 p.m.

PUBLIC SPEAKERS

None.

REPORTS/RECOMMENDATIONS/ACTION

2013 Measure J Bond Issuance

A document entitled “Review of the General Obligation Bond Program” was distributed.

With respect to the negotiated sale versus competitive sale, Trustee Svonkin requested that Mr. David Brodsky state *for the record* if either he or his firm is compensated based on the type of bond sale.

For the record, Mr. Brodsky responded that neither he nor his firm are compensated based on the type of bond sale.

Ms. Jeanette Gordon indicated that Mr. Brodsky prepared a historical review of the bond program for the last ten years. She deferred to Mr. Brodsky.

Mr. Brodsky indicated that the draft report entitled “Review of the Los Angeles Community College District’s General Obligation Bond Program” was provided electronically to the Committee members. He discussed the document with respect to the goals of the project and the outline of the draft report related to the history of the bond program for the last ten years.

With respect to recent controversies regarding General Obligation (GO) Bond Structure, School GO Bonds, and Capital Appreciation Bonds, Trustee Svonkin noted *for the record* that the Los Angeles Community College District (LACCD) has never engaged in these types of bonds.

With respect to the Tax Rate Management, Trustee Svonkin requested that Mr. Brodsky state *for the record* the potential year the Los Angeles Community College District must address the tax rate.

For the record, Mr. Brodsky responded that this is expected to occur by 2014-2015.

Chancellor LaVista recommended that a calendar be prepared enumerating the key activities for the next six months to one year regarding the process of the issuance of bonds.

Trustee Svonkin recommended that the Committee appoint a group of experts who would review and provide recommendations with respect to the process of obtaining bonds.

Disposition: • ***Chancellor Daniel LaVista recommended that a calendar be prepared enumerating the key activities for the next six months to one year regarding the process of the bond issuance.***

- ***Trustee Svonkin recommended that the Committee appoint a group of experts who would review and provide recommendations with respect to the process of obtaining bonds.***

Update on Efficiency Audit Request for Proposal (RFP) for Procurement and Accounts Payable

Ms. Gordon indicated that the Committee was presented with the following two options for the efficiency audit: overall organizational audit or procurement and accounts payable audits. The Committee agreed on the procurement and accounts payable audits. She distributed and discussed a document entitled "Request for Proposals (RFP) Efficiency Audit Services for Procurement and Accounts Payable" with respect to the timeline and the requirements of the (RFP). She deferred to Dr. Adriana Barrera.

Dr. Barrera discussed the efficiency audit goals with respect to the invoicing process, payment process, and duplication of efforts.

There was discussion regarding the service fees compensation related to found savings from the efficiency audit.

Trustee Svonkin requested that staff determine the best method to compensate the awarded firm for its services with found savings.

Disposition: • ***Trustee Svonkin requested that staff determine the best method to compensate the awarded firm for its services with found savings.***

FUTURE DISCUSSION/AGENDA ITEMS

Proposed Parking Fee Increase
Retirement Incentives
Policy Framework for Naming Buildings

FUTURE FINANCE AND AUDIT COMMITTEE MEETING DATES

May 1, 2013
June 12, 2013

NEW BUSINESS

None.

ADJOURNMENT

There being no objection, the meeting was adjourned at 1:00 p.m.