

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
FINANCE AND AUDIT COMMITTEE
West Los Angeles College
Fine Arts (FA) Room 103
9000 Overland Avenue
Culver City, CA 90230
Wednesday, January 11, 2012
10:30 a.m. – 12:30 p.m.**

Committee: Scott J. Svonkin, Chair; and Nancy Pearlman. Absent: Steve Veres (arrived at 11:35 a.m.)

Trustee Svonkin called the meeting to order at 10:37 a.m.

PUBLIC SPEAKERS

None.

REPORTS/RECOMMENDATIONS

Annual Bond Audit Presentation

A document entitled “Los Angeles Community College District Presentation to the Finance and Audit Committee and Board of Trustees, January 11, 2012” was distributed.

Mr. Mark Tillotson discussed the document with respect to the bond audits.

Trustee Svonkin expressed his concern that the reconciliation of the furniture, fixtures, and equipment purchased with bond proceeds has not been completed and he inquired as to when this will be completed.

Ms. Jeanette Gordon responded that the project will be completed in one year.

Trustee Svonkin stated that the Committee’s recommendation to the full Board is to approve the Bond Financial Audit Report for the fiscal year that ended June 30, 2011 for Propositions A, AA, and Measure J bond programs, but if there are additional findings, KPMG needs to present a final report to the Committee.

Disposition

Trustee Svonkin requested that Build—LACCD explain at the next Committee meeting as to why it will take one year to reconcile furniture, fixtures, and equipment purchased with the bond proceeds.

Green Policy Discussion

Dr. Adriana Barrera distributed and discussed a draft entitled “Chancellor’s Directive, January 4, 2013” with respect to buying green/buying local. She deferred to Mr. James Watson, Contracts Manager.

Mr. Watson discussed the draft Directive with respect to buying green/sustainable products and buying locally.

Trustee Svonkin approved the draft Directive and requested that staff present a Green Policy Resolution to the Committee for recommendation to the full Board. He requested that staff use a tracking mechanism to follow the progress of buying green/buying local for one year in order to evaluate the LACCD’s progress in buying green/buying local.

(Trustee Veres arrived at 11:35 a.m.)

District Food Program – Request for Proposal Process

Trustee Svonkin discussed the *2006 Duffy Group Food Feasibility Study* that was provided to the Committee with respect to food services at the colleges stating that the colleges could potentially generate \$2 million in revenue. Trustee Svonkin's goal is to make an effort to have a Districtwide buying strength policy for food services that can be customized to the colleges' specific needs in order to generate more revenue.

Chancellor LaVista recommended that the College Presidents make a presentation at the next Committee meeting regarding their food service plans and the financial implication of the food service plans.

Five-Year Analysis of Legal Cost

Mr. Camille Goulet distributed and discussed a document entitled "Revised Summary of Litigation Fees, Costs & Settlements" with respect to the five-year analysis of litigation fees, costs, settlements, and the evaluation process of the law firms that provide legal services to the District on an as-needed basis.

Trustee Svonkin requested that Ms. Goulet report to the Committee the in-house cost, settlement fees, and litigation fees presented in a graphic chart. He recommended that there be an ongoing evaluation of the outside firms as opposed to a three-year evaluation.

For the record, Trustee Svonkin stated that the Committee is committed to reducing the \$5 million legal fees. He requested that this item be brought back to the Committee for further discussion.

Chancellor LaVista responded that he will work with the General Counsel and report back to the Committee.

Discussion of Request for Proposal Process to Retain a Firm to Review Previous Bond Sales and Best Practices

Trustee Svonkin requested that staff provide a proposal to retain an independent firm to evaluate the previous bond sales. He requested that this item be brought back to the Committee for further discussion.

Review List of Contracts/Services Fiscal Year 2010-2011 Highest to Lowest

No discussion.

Discuss Timeline and Process for Request for Proposal for New Financial Advisor Firm

No discussion.

Budget Update – To be Provided if Governor's Budget is Released on Time

Chancellor LaVista indicated that he will report to the Committee regarding the Governor's budget at the next meeting.

Miscellaneous

None.

NEW BUSINESS

None.

ADJOURNMENT

There being no objection, the meeting was adjourned at 12:21 p.m.