

**LOS ANGELES COMMUNITY COLLEGE DISTRICT  
BOARD OF TRUSTEES  
BUDGET AND FINANCE COMMITTEE  
Educational Services Center  
Board Room – First Floor  
770 Wilshire Boulevard  
Los Angeles, CA 90017  
Wednesday, August 7, 2013  
2:00 p.m. – 3:00 p.m.**

Committee: Scott J. Svonkin, Chair; Ernest H. Moreno; Mike Eng

Trustee Svonkin called the meeting to order at 2:00 p.m.

PUBLIC SPEAKERS

None.

REPORTS/RECOMMENDATIONS/ACTION

Trustee Svonkin requested an overview of the highlights related to new expenditures for new positions, accreditation expenses, and changes to the budget planning process for the new Fiscal Year 2013-14 versus last Fiscal Year 2012-13 budget and to note if the funds are included in the current budget.

Dr. Adriana D. Barrera responded that the colleges are offering additional classes and that the second post subsidy is available for the colleges to be able to meet their faculty obligation numbers. She deferred to Ms. Jeanette Gordon.

Ms. Gordon and Mr. Vinh Nguyen gave an overview of the highlights of the current budget related to 2013-14 Enrollment Growth Target/Funding, funding for accreditation activities, funding for five new positions, and the Reserve Policy.

Trustee Svonkin requested that requests for budget augmentations for Los Angeles Mission College and Los Angeles Valley College accreditation activities expenses be included in the current budget and that there be a presentation regarding the accreditation activities for the use of the funds to be conducted at the next Institutional Effectiveness Committee meeting.

Dr. Barrera discussed the five new positions and indicated that the funds are included in the current budget.

**Disposition:** • ***Trustee Svonkin requested that the budget augmentations for Los Angeles Mission College and Los Angeles Valley College accreditation activities expenses be included in the current budget and that there be a presentation regarding the accreditation activities for the use of the funds to be conducted at the next Institutional Effectiveness Committee meeting.***

There being no objection, Trustee Svonkin took out of order B. 2013-14 Proposed Final Budget – Notice.

2013-14 Proposed Final Budget – Notice

A document entitled “Notice of 2013-14 Proposed Final Budget” was distributed.

In order to validate the expenditures in response to the ACCJC recommendations Trustee Eng requested an analysis of the budget augmentations use of funds and to share best practices amongst the colleges.

Dr. Barrera responded that the Presidents Council is developing a framework to include ongoing expenses that should be institutionalized in the budget in order to address accreditation issues.

Motion by Trustee Eng, second by Trustee Svonkin, that the minimum floor Redevelopment Agency (RDA) amount that has been represented by the California Department of Finance, approved by the State Chancellor's Office, and verified by the Governor's Office be included in the final 2013-14 budget.

*APPROVED: 3 Ayes*

Trustee Svonkin requested that the 2013-14 Proposed Final Budget item be brought back to the Committee for further discussion.

Motion by Trustee Svonkin, second by Trustee Moreno, that the requests for budget augmentations to address accreditation recommendations for Los Angeles Mission College and Los Angeles Valley College be presented at the Institutional Effectiveness Committee meeting for review.

*APPROVED: 3 Ayes*

Trustee Svonkin stated that he would not support the budget augmentations accreditation funds to be drawn from the contingency reserve.

***Disposition:*** • ***In order to validate the expenditures in response to the ACCJC recommendations Trustee Eng requested an analysis of the budget augmentations use of funds and to share best practices amongst the colleges.***

#### Budget Allocation/Growth Proposal Update

Trustee Svonkin indicated that this item is postponed until the next Committee meeting due to time constraints.

***Disposition:*** • ***Postponed until the next Committee meeting.***

#### Unissued Bonds: Authorizing Resolution Requirement (Board Item)

A memorandum entitled "KNN Public Finance, Update to the Measure J Plan of Finance and the 2013-14 Tax Rate Setting Process for Unissued Bonds" was distributed.

Trustee Svonkin indicated that a copy of the resolution will be provided to the County in order to notify them of the District's intent to issue bonds.

Ms. Gordon and Mr. David Brodsley, Consultant, KNN, Public Finance, A Division of Zions First National Bank, discussed the document with respect to the "Resolution Authorizing Debt Service Estimate."

Motion by Trustee Moreno, seconded by Trustees Eng, to recommend to the full Board the adoption of the "Adopt a Resolution Authorize Debt Service Estimate," which is being presented for action at today's Board meeting.

*APPROVED: 3 Ayes*

***Disposition:*** • ***Trustee Svonkin requested that a schedule be prepared with the key activities for the process of the bond issuance.***

### Efficiency Audit for Procurement/Accounts Payable Update

A memorandum entitled "Recommendation on Efficiency Audit Services for Procurement and Accounts Payable (RFP No. 13-5)" was distributed.

Ms. Gordon discussed the process and the results of the Efficiency Audit for Procurement/Accounts Payable Request for Proposal (RFP). Ms. Gordon indicated that the RFP responses did not meet the Board's criterion which resulted in no interviews being held. She recommended that the Committee change the RFP to one specialized audit rather than an overall efficiency audit.

Trustee Svonkin requested that a new RFP be reissued to include interviews as part of the evaluations process and that staff restructure the RFP in order to obtain better results.

Without objections, so ordered.

*APPROVED: 3 Ayes*

**Disposition:** • ***Trustee Svonkin requested that a new RFP be reissued to include interviews as part of the evaluation process and that staff restructure the RFP in order to obtain successful results.***

### FUTURE DISCUSSION/AGENDA ITEMS

Retirement Incentives

### FUTURE BUDGET AND FINANCE COMMITTEE MEETING DATES

None.

### NEW BUSINESS

Trustee Svonkin requested that the following items be presented at future Committee meetings: Update on Overpayments, Calendar for Audits – 2013-2014, Update on Cost Savings from Master Agreements (Chancellor's Directive #142), and Schedule for Districtwide Bids on Major Items.

### SUMMARY – NEXT MEETING

Trustee Svonkin requested that the following items be placed on the agenda for the Budget and Finance Committee meeting of August 21, 2013: Funding for Enrollment/Growth Target, Funding for Accreditation and District Office Key Positions, and Reserves

### ADJOURNMENT

There being no objection, the meeting was adjourned at 3:10 p.m.