



LOS ANGELES COMMUNITY COLLEGE DISTRICT

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MEMO

Date: November 20, 2015

To: Facilities Master Planning and Oversight Committee:
Ernie Moreno, chair; Scott Svonkin and Sydney Kamlager

From: Thomas L. Hall, acting chief facilities executive

RE: December 2, 2015 Facilities Master Planning and Oversight Committee

Please find attached supporting documentation for the Facilities Master Planning and Oversight meeting to be held on December 2, 2015.

The only item scheduled is KPMG's report on the results of the fiscal year 2014-14 bond program performance audit for Propositions A and AA, and Measure J. Per your discretion, I would ask you to consider a vote to recommend that the full board approve the acceptance of the audit report, scheduled for FPD2 on the upcoming December 9 board report.

I will be joined by staff at the meeting to discuss the item on the agenda. Please feel free to call me at (213) 891-2119 if you have any questions.

C: Dr. Francisco Rodriguez, chancellor
Dr. Adriana Barrera, deputy chancellor
Dr. Linda D. Rose, president, Southwest College
Bill Sewell, interim director, LACCD bond Program Management Office

TLH/drm

KPMG Engagement Team

- Tracy Hensley – Engagement Partner
- Erika Alvord– Director, Performance Audit

Scope and Objective of Audits

- Performance Audit of Proposition A, AA and J Bond Funds for the year ended June 30, 2015:
 - Performance Audits seek to assess the effectiveness, economy and efficiency of the bond program

Timing of Testwork and Reporting

- Fieldwork began on July 1, 2015
- Fieldwork completion and draft report on November 18, 2014
- Issue final report approximately December 3, 2014

Areas of Audit Emphasis

- Project budgets, including the process for estimating costs to complete
- Bond expenditures
- Project schedules, including the process for estimating substantial completion
- Centrally managed projects (so called “40 J accounts”)

Results of Audits

- Schedule management process – improve Dashboard reporting, improve variance tracking & reporting, standardize activity codes (Medium)
- Budgets – need to finalize low priority re-baselines (Low)
- Expenditures – need to facilitate better compliance with contract requirements (Low)