SAN JOAQUIN DELTA
COMMUNITY COLLEGE DISTRICT

MINUTES OF THE CITIZENS’ OVERSIGHT
SPECIAL COMMITTEE MEETING
Thursday, September 18, 2008

The special meeting of the Measure L Bond Citizens’ Oversight Committee of the San Joaquin Delta Community College District was held on Thursday, September 18, 2008, at 5:30 p.m. in the Board Room, Administration 103, 5151 Pacific Ave., Stockton, California.

Members Present: Janet Lilly, Scott Malm, Perfecto Munoz, Dan Schroeder

I. Called to Order

The Board meeting was called to order by Chairperson Dan Schroeder at 5:35 p.m.

II. Communications

A. Public Comments

There were no public comments

III. Welcome, Introductions, and Announcements

Vice President of Business Services Jon C. Stephens welcomed and introduced members of the State Controller’s Office, who are on campus performing an audit on the Measure L Bond funds and a portion of the funds that are coming through the State portion of the construction funding. The following representatives from the State Controller’s Office were introduced:

- Andrew M. Finalyson, Chief/Operations Bureau
- Danny Pascua, CPA, Audit Manager/Division of Audits
- Jessica Encarnacion, Auditor/Division of Audits
- Sharon Highsmith, Auditor/Division of Audits

Others also in attendance:

- Dr. Raúl Rodríguez, Superintendent/President
- Raquel Puentes-Griffith, Budget Manager
- Lee Belarmino, Vice President of Information
IV. Unfinished Business

There was no unfinished business.

V. New Business

A. Meeting with the State Controller’s Office Representatives

Mr. Finlayson noted that they will be testing the expenditures and the intent of the ballot language and the projects that we pursued. It was originally their request to meet individually with each Citizens’ Oversight Committee member and talk about roles of Committee members. The Committee responded that they preferred to meet in public with the Controller’s representatives for these discussions. Therefore, this special meeting was called in order to introduce the State Controller’s staff and have them describe what their audit entails: scope, timeline, and what their intentions are with respect to specific questions they might want to ask of the Citizens’ Oversight Committee members.

Mr. Finlayson commented that his group has been asked to determine if Delta College is complying with the general provisions of the issuance and sales of bonds, if there is adequate managing/monitoring of the program and revenues and expenditures relating to Measure L and Prop 1D, and any other state funding that comes about, and that the revenues and expenditures related to these funds are properly recorded and accounted for in accordance with applicable regulations. This audit is being done under the authority of Government Code Section 12410 which basically states that the State Controller’s Office has authority to superintend the fiscal concerns of the State and to audit disbursement of state funds. The audit criteria being used during the audit is:

- California Education Code on Bonds of School Districts
- California Public Contracts Code on Contracts Awarded by School
- Government Auditing Standards, issued by the Comptroller General of the United States

The general protocol for audits requires confidentiality while an audit is being conducted and until the final report is issued. Therefore, the auditors respectfully requested that any questions they have for the Committee is done outside a public forum and in private. Historically, each member is
questioned separately.

When asked what exactly what it is the auditors are looking for, it was answered that they looking to understand what the roles and responsibilities of the Committee are, if specific steps and procedures are being followed to comply with regulations. Questions can be provided prior to meeting. It was asked if the Committee members would be obligated under any code to meet with the auditors off the record. It was felt that, short of a subpoena, the members would not be obligated to meet with the auditors.

It was questioned how often these audits are performed, and why now? Dr. Stephens answered that this was not a routine or random audit, but requested by Senator Machado’s office. The State Controller’s Office was responding to that request. The letter from the Controller’s Office, as well as a response letter from Dr. Stephens, was provided to the Committee members.

It was the consensus of the Committee to request the questions be provided before hand to go ahead with the understanding of Committee members that they would not have to answer any questions if they do not feel like it. Another special meeting of the Citizens’ Oversight Committee will be scheduled in a week (September 22, 2008, at 6 p.m. in the Board Room) to meet again with the auditors. In the interim, the auditors will double-check with their legal advisors to see if they can go ahead with having these questions answered in an open forum. If the legal opinion is such that meetings have to be confidential, each individual member can elect to meet one-on-one, or even in groups of two.

A motion was made by Scott Malm that in the event that the State Controller’s Office indicates it will not allow the audit interviews in a public meeting, Chair Dan Schroeder has the authority to cancel the special meeting. The motion was seconded by Perfecto Munoz, and carried unanimously.

V. Committee Member Comments

There were no Committee Member comments.

VI. Other Business/Comments

- Vice President Stephens announced that there were 16 applications received for the open seats on the Citizens’ Oversight Committee. He and Dr. Rodriguez are going through the applications. A Board of Trustee member will also be appointed to this interview panel, and it is
hoped that the new members will be seated at the next Committee meeting.

It was the consensus of the Committee to adjourn the meeting at 6:40 p.m.

Respectfully submitted,

Jon C. Stephens  
Vice President of Business Services  

Meeting adjourned.