

PASADENA UNIFIED SCHOOL DISTRICT
CITIZEN'S OVERSIGHT COMMITTEE MEETING
WEDNESDAY, OCTOBER 18, 2017
6:30 P.M.
ROOM 236
381 SOUTH HUDSON AVENUE
PASADENA, CA

1 APPEARANCES:

2 CLIFTON CATES, III, CHAIR

3 QUINCY HOCUTT, VICE CHAIR

4

5 FRANCIS BOLAND

6 STEVEN COLE

7 GLENN DEVEER

8 CAMILLE DUDLEY

9 KIMBERLY KENNE, BOARD MEMBER - COC LIAISON

10 MIKE MOHIT

11 WILLIE ORDONEZ

12 MIKALA RAHN

13 GRETCHEN VANCE

14 DIANA VERDUGO

15 JAMES VITALE, VIA PHONE

16 JEN WANG

17

18 PUSD STAFF:

19 NELSON CAYABYAB, CHIEF FACILITIES OFFICER

20 MIGUEL PEREZ, CONSTRUCTION SPECIALIST

21

22 BRIAN MCDONALD, PUSD SUPERINTENDANT

23 CJ GAUNDER SINGH, NIGRO AND NIGRO

24

25

1 PASADENA, CALIFORNIA, WEDNESDAY, OCTOBER 19, 2017

2 6:42 P.M.

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4 MR. CATES: QUINCY HAS RETURNED WITHOUT CJ, SO AT 6:42
5 I'M GOING TO CALL THE MEETING TO ORDER.

6 THE FIRST ITEM OF BUSINESS, II ON THE AGENDA, IS
7 THE APPROVAL OF PRIOR MEETING MINUTES.

8 LET'S START WITH JULY 19TH. THESE WERE
9 DISTRIBUTED LONG AGO, AND EVERYONE HAS HAD AN AMPLE
10 OPPORTUNITY TO COMMENT.

11 MR. HOCUTT: THE MINUTES COMMITTEE HAS NOT RECEIVED
12 ANY COMMENTS BACK FROM JULY. SO ARE THERE ANY ADDITIONS,
13 SUBTRACTIONS, SUBMISSIONS THAT ANYONE WANTS TO MAKE?

14 MS. RAHN: JUST AS A COMMENT I WOULD LIKE TO SAY THESE
15 ARE NOT EASY MINUTES TO CREATE, AND QUINCY DOES A GREAT JOB
16 TRYING TO COMB THROUGH THAT AND JEN AND I WITH HIM, BUT IT
17 COULDN'T BE DONE WITHOUT HIM. SO I JUST WANT TO POINT OUT
18 HOW THOROUGH A JOB YOU DO. THEY'RE NOT EASY. IT'S
19 PAINFUL.

20 MR. CATES: WOULD ANYONE CARE TO MOVE THE APPROVAL OF
21 THE JULY 19 MINUTES?

22 MS. RAHN: I MOVE THE JULY MINUTES.

23 MR. CATES: SECOND?

24 MR. VITALE: I SECOND.

25 MS. DUDLEY: I SECOND.

1 MR. CATES: WE HAVE A SECOND AND THIRD, CAMILLE AND
2 JAMES.

3 ALL IN FAVOR BY A SHOW OF HANDS FOR APPROVAL OF
4 THE JULY 19TH MINUTES?

5 LET'S GET A COUNT. SIX.

6 MS. VANCE: I'M ABSTAINING BECAUSE I WASN'T HERE.

7 MR. CATES: SEVEN, EIGHT, NINE.

8 OPPOSED?

9 FRANCIS BOLAND.

10 ABSTAIN?

11 MS. VANCE: I ABSTAIN.

12 MR. CATES: THE JULY 19 MINUTES ARE APPROVED BY A VOTE
13 OF NINE TO ONE TO ONE.

14 MR. HOCUTT: THE AUGUST MINUTES THERE WERE A FEW
15 COMMENTS THAT WE RECEIVED. I HAVE TRIED TO INCORPORATE
16 THOSE, AND WHAT YOU HAVE IN FRONT OF YOU HAS THOSE NOTES
17 INCORPORATED IN IT.

18 ARE THERE ANY CHANGES OR SUGGESTIONS OR
19 ADDITIONS?

20 MR. CATES: KIM.

21 MS. KENNE: I'M SORRY. I SEE THAT ONE THING I HAD I
22 SAW A TYPO AND THAT GOT CAUGHT.

23 ON PAGE 2 THERE WAS A STATEMENT WHICH IS THE TRUE
24 STATEMENT THAT WAS MADE, BUT I THINK THE FACT IS -- UNDER
25 SECTION III, THE LAST SENTENCE WHERE IT SAYS, "MR. CATES

1 EXPLAINED THE DISTRICT PAYS FOR THE AUDITS AND LAW
2 PROHIBITS THE USE OF TT FUNDS FOR SUCH ADMINISTRATIVE
3 EXPENSES." I DON'T THINK THAT IT DOES FOR THE AUDIT.

4 MR. CATES: KIM, I WILL CONFESS ERROR. THE LAW DOES
5 NOT PREVENT THE USE OF TT FUNDS FOR THE AUDIT. I WENT BACK
6 AND CHECKED, AND I WAS WRONG WHEN I SUGGESTED THAT.

7 MS. KENNE: SO PEOPLE WHO KNOW MINUTES BETTER THAN I,
8 DO YOU NOTE THAT? THIS IS REALLY WHAT WAS SAID, BUT DO WE
9 SAY --

10 MS. RAHN: A FOOTNOTE.

11 MR. HOCUTT: I THINK IF IT'S OKAY, WE CAN JUST ADD A
12 NOTE THAT THAT WAS NOT CORRECT.

13 MS. KENNE: AND ON PAGE 4, THE SIXTH BULLET DOWN, IT
14 SAYS, "ANYTHING OUTSIDE OF FUND 21 WILL HAVE BEEN REPORTED
15 AS BEING TAKEN OUT OF FUND 21." SO I WASN'T SURE IF THAT
16 WAS THE INTENT. SO IT SEEMS TO BE SAYING IF IT'S A NON-TT
17 EXPENSE, IT'S BEING PAID OUT OF TT, MEANING WITH TT, BUT I
18 DON'T KNOW IF THAT WAS THE INTENT OF WHAT THAT SENTENCE IS
19 SUPPOSED TO SAY.

20 MR. COLE: THE BULLET IS IN THE AUGUST NOTES?

21 MS. KENNE: AM I IN THE WRONG MINUTES?

22 MR HOCUTT: YES.

23 MS. KENNE: I APOLOGIZE.

24 MS. VANCE: SHE'S TALKING ABOUT SEPTEMBER.

25 MS. RAHN: THAT WAS JUST AUGUST.

1 MS. KENNE: NO, THE OTHER ONE WAS SEPTEMBER.

2 MS. RAHN: THEY WERE BOTH IN SEPTEMBER.

3 MR. CATES: EXCUSE ME, EVERYONE. PLEASE, AS I HAVE
4 SAID AT EVERY PRIOR MEETING BUT NOT AT THIS MEETING, WE
5 CAN'T TALK OVER EACH OTHER. THE REPORTER CAN'T GET IT, SO
6 PLEASE JUST ONE AT A TIME. EVERYONE WILL GET HIS OR HER
7 CHANCE TO SPEAK.

8 GO AHEAD, PLEASE.

9 MS. KENNE: I APOLOGIZE. I WAS TALKING ABOUT
10 SEPTEMBER MINUTES.

11 MS. RAHN: ON BOTH COMMENTS?

12 MS. KENNE: ON BOTH.

13 MS. RAHN: I MOVE THE AUGUST MINUTES.

14 MS. WANG: I SECOND.

15 MR. CATES: ALL THOSE IN FAVOR OF THE APPROVAL OF THE
16 AUGUST MINUTES BY A SHOW OF HANDS PLEASE.

17 ONE, TWO, THREE, FOUR, FIVE, SIX, SEVEN, EIGHT.

18 MS. RAHN: DID JAMES VOTE?

19 MR. VITALE: INCLUDE MY HAND.

20 MR. CATES: THANK YOU. NINE.

21 OPPOSED? ONE.

22 THAT'S FRANCIS.

23 GRETCHEN?

24 MS. VANCE: ABSTAIN.

25 MR. CATES: ABSTAIN, GRETCHEN AND STEVE. THE AUGUST

1 MINUTES ARE APPROVED BY A VOTE OF NINE TO ONE TO TWO.

2 SEPTEMBER MINUTES?

3 MR. HOCUTT: SO THE SEPTEMBER MINUTES ARE OUT, AND
4 THEY'RE PROBABLY LONGER THAN ANY OTHER MINUTES. I DID NOT
5 RECEIVE ANY COMMENTS BACK.

6 ARE THERE ANY TO BE MADE AT THIS TIME?

7 MR. CATES: I WILL OFFER ONE. I DID NOT HAVE A
8 SUFFICIENT OPPORTUNITY TO REVIEW THESE LENGTHY AND DETAILED
9 MINUTES. FOR THAT I APOLOGIZE. THERE WERE A FEW OTHER
10 THINGS I WAS DOING IN THE MEANTIME.

11 MS. RAHN: MAYBE WE SHOULD SPEND THE TIME TO READ
12 THEM. LIKE MEANING NOW.

13 MR. CATES: WELL, I THINK THAT WOULD BE NOT THE BEST
14 USE OF TIME.

15 LET ME ASK THIS: HOW MANY PEOPLE HAVE ACTUALLY
16 REVIEWED THE SEPTEMBER MINUTES BESIDES QUINCY?

17 MS. RAHN: JEN AND I.

18 MS. WANG: I REVIEWED THE TRANSCRIPT, 125 PAGES, AND I
19 WAS VERY UPSET AFTER I READ THAT. IT'S MY PERSONAL
20 FEELING. SORRY.

21 MR. CATES: GOOD.

22 IS THE SENSE OF THE GROUP THAT WE CAN PROCEED TO
23 VOTE ON THE APPROVAL OR DISAPPROVAL OF THESE MINUTES NOW OR
24 THAT WE NEED MORE TIME TO DO IT?

25 MR. COLE: I WOULD PREFER TO WAIT.

1 MS. VANCE: SAME.

2 MR. CATES: BY SHOW OF HANDS WHO WOULD PREFER TO WAIT?
3 ONE, TWO, THREE, FOUR, FIVE, SIX, SEVEN.

4 WHO WOULD PREFER TO GO NOW? ONE, TWO, THREE,
5 FOUR, FIVE.

6 MR. BOLAND: I'LL GO EITHER WAY. WHATEVER IS EASIER
7 FOR EVERYONE. I READ THEM, AND I READ THE TRANSCRIPT.
8 IT'S UP TO YOU GUYS.

9 MR. CATES: I THINK IN THIS SENSE THAT WE SHOULD DEFER
10 TO THE PEOPLE ON THE MINUTES COMMITTEE WHO HAVE DONE THE
11 WORK.

12 MS. RAHN: WE SENT THEM FORWARD. SO, I MEAN, IN SOME
13 WAYS WHEN WE SEND THEM FORWARD, WE'RE READY FOR THEM TO BE
14 VOTED ON OR ELSE THERE'S NO NEED FOR A COMMITTEE.

15 MR. HOCUTT: AND WE DO EXPECT FEEDBACK. YOU'VE
16 OBVIOUSLY GOT SOME COMMENTS. SO OBVIOUSLY SOMETHING NEEDS
17 TO BE CHANGED. SO I WOULD NOT BE UPSET WITH WAITING UNTIL
18 WE GET THE COMMENTS BACK OR CAN WE MAKE A NOTE OF THEM NOW?

19 MS. RAHN: WE COULD AMEND THEM.

20 MS. KENNE: I WILL EMAIL YOU. I THOUGHT THERE WAS
21 MORE VOTES.

22 MS. RAHN: WHAT WAS THE COUNT?

23 MR. CATES: THE COUNT WAS SEVEN TO FIVE. SEVEN IN
24 FAVOR OF PROCEEDING.

25 MR. BOLAND: ANYWAY IS FINE WITH ME.

1 MS. RAHN: SO SIX-SIX.

2 MS. VANCE: I DON'T CARE. I JUST DIDN'T HAVE TIME TO
3 READ THEM.

4 MR. HOCUTT: TO BE HONEST, SO IF WE WANT TO WAIT AND
5 GET SOME INPUT, IT WOULD PROBABLY BE BETTER.

6 MS. RAHN: HERE'S MY ONLY ISSUE. WHEN WE DON'T HAVE
7 PEOPLE AT THE MEETINGS OR ARE AT THE MEETING AND WE'RE
8 TRYING TO CONTINUE THE WORK THAT WE'RE DOING, WHEN YOU
9 DON'T -- THE WHOLE POINT OF THE MINUTES IS WE'RE ALMOST
10 BETTER OFF STOPPING AND READING THE MINUTES BECAUSE THEN
11 THAT CONTINUES THE WORK FROM LAST MEETING TO THIS MEETING,
12 AND IF WE DON'T DO THAT WORK, THEN WE DON'T HAVE THAT
13 CONTINUUM. THAT'S MY ONLY ISSUE WITH, YOU KNOW, GO READ BY
14 YOURSELF, READ THE MINUTES, AND THAT GETS EVERYBODY UP TO
15 SPEED TO THEN DO THIS MEETING WITH WHATEVER WE KNEW LAST
16 MEETING.

17 MS. VANCE: EXCEPT THAT WE HAVE THE AUDITOR TIME.

18 MR. CATES: EXCEPT THAT KEEPS US HERE UNTIL 11:00 P.M.

19 MS. RAHN: DOESN'T HAVE TO.

20 MR. BOLAND: I DON'T KNOW ABOUT READING THE MINUTES.
21 CLIFF IS RIGHT ABOUT THAT. IT TAKES A LONG TIME TO READ
22 THEM. IF PEOPLE WANT TO READ THEM AT THEIR LEISURE AND
23 THEN VOTE ON THEM, I'M COOL WITH THAT. IF YOU DON'T THINK
24 YOU CAN MAKE AN INFORMED DECISION GOING FORWARD, JUST SAY
25 SO. YOU KNOW WHAT I MEAN?

1 MR. CATES: WE NEED A DECISION.

2 MR. DEVEER: WE GOT THESE MINUTES. WE WERE ALL
3 EMAILED THESE THINGS ON TUESDAY. IT WOULD SEEM THAT ALL OF
4 US SITTING HERE ON THE COMMISSION HAVE A RESPONSIBILITY TO
5 READ THE MINUTES. I MEAN --

6 MS. VANCE: I DON'T KNOW ABOUT YOU, BUT I WORK DURING
7 THE WEEK SO I SPEND MY WEEKENDS CATCHING UP ON THIS STUFF.

8 MR. DEVEER: ME TOO.

9 MR. BOLAND: YOU THINK NOBODY ELSE WORKS?

10 MS. VANCE: NO. I'M JUST SAYING I SPEND THE WEEKENDS
11 READING THIS STUFF. I DON'T MIND READING THEM RIGHT NOW.
12 I'M FINE WITH THAT.

13 MR. CATES: LET'S HAVE A DECISION. WILL ANYONE MOVE
14 THAT THE MINUTES AS WRITTEN BE APPROVED?

15 MR. DEVEER: I'LL MOVE IT.

16 MR. CATES: SECOND?

17 MS. RAHN: I WILL MOVE IT WITH THE TWO KIM COMMENTS.
18 SHE HAD TWO.

19 MR. DEVEER: THAT'S FINE

20 MS. KENNE: THAT'S OKAY.

21 MR. CATES: WHAT ARE THOSE COMMENTS?

22 MS. KENNE: THE ONE WAS THE NOTE ABOUT THE AUDIT, AND
23 THEN THE BULLET ON PAGE 4, THE SIXTH BULLET DOWN. SO IT
24 SAYS, "OUTSIDE OF FUND 21," WHICH I TOOK TO MEAN ANYTHING
25 THAT'S NOT A TT EXPENSE WOULD BE REPORTED AS TAKEN OUT OF

1 FUND 21 WHICH MEANS BEING PAID FROM. SO IT SAYS THINGS
2 THAT AREN'T TT WOULD BE PAID WITH TT, AND I DON'T THINK
3 THAT'S THE INTENT OF THAT SENTENCE, BUT IT WAS A LITTLE
4 CONFUSING. I DID READ THE TRANSCRIPT WHICH DIDN'T ACTUALLY
5 HELP ME.

6 MR. CATES: HOW WOULD YOU REWRITE IT?

7 MS. KENNE: THIS WAS NELSON'S STATEMENT. I'M ASSUMING
8 THE SECOND ONE MEANS IT WOULD BE PAID FOR BY OTHER FUNDS
9 THAN FUND 21.

10 MR. CAYABYAB: ACTUALLY IT'S 21.1

11 MS. VANCE: THAT WAS GOING TO BE MY CORRECTION. IT
12 CAN'T REALLY BE CALLED 21. IT NEEDS TO BE 21.1.

13 RIGHT, NELSON?

14 MR. CAYABYAB: THAT'S CORRECT.

15 MS. VANCE: SO I MOVE THAT WE ALSO MAKE THAT CHANGE
16 THAT ANYWHERE THERE'S A REFERENCE TO 21 THAT IT WOULD BE
17 CORRECTED TO READ 21.1.

18 MR. HOCUTT: EASY TO DO.

19 MR. CATES: SO WE'VE HAD A MOTION AND A SECOND.

20 ALL THOSE IN FAVOR OF THE APPROVAL OF THE
21 SEPTEMBER MINUTES WITH THE TWO CHANGES JUST MENTIONED,
22 PLEASE RAISE YOUR HANDS.

23 ONE, TWO, THREE, FOUR, FIVE, SIX, SEVEN, EIGHT.

24 ALL THOSE OPPOSED? ONE, TWO.

25 MR. VITALE: ME.

1 MR. CATES: THREE. WE GOT YOU.

2 ABSTAIN?

3 OKAY. BY A VOTE OF EIGHT TO THREE TO ONE, THE
4 SEPTEMBER MINUTES WITH THE TWO CORRECTIONS ARE APPROVED.

5 ITEM III, PUBLIC COMMENT.

6 WE HAVE THREE MEMBERS OF THE PUBLIC IN THE
7 AUDIENCE. ANY COMMENT?

8 HEARING NONE WE WILL PROCEED WITH OUR BUSINESS.

9 ITEM IV.

10 MS. RAHN: WILLIE HAS A PUBLIC COMMENT.

11 MR. CATES: WELL, YOU'RE A MEMBER OF THE COMMITTEE.

12 MR. ORDONEZ: I WANT TO MAKE SOME QUALIFICATION.

13 MR. CATES: ALL RIGHT. GO AHEAD, PLEASE.

14 MR. ORDONEZ: GOOD EVENING. ALLOW ME TO READ A
15 COMMENTARY CONTRIBUTED TO THE PASADENA WEEKLY OF 10-12-17
16 BY A PERSON AND ALTADENA RESIDENT. THOUGH THIS MAY BE
17 REDUNDANT TO SOMEONE, IT ATTRACTED MY ATTENTION.

18 THE GUY IS NOT HERE SO I DID GET HIS PERMISSION,
19 BUT IT CAUGHT MY ATTENTION TO SHARE IT WITH YOU.

20 "THERE IS A SMART ARROGANCE, HUBRIS, A
21 PASSIONATE DISCONNECT FROM REALITY THAT
22 IS COMMON AMONG CALIFORNIA'S POLITICIANS
23 BUT DIFFICULT TO DESCRIBE WITHOUT
24 HYPERBOLE. PASADENA UNIFIED SCHOOL
25 DISTRICT BOARD MEMBER SCOTT PHELPS, HAS

1 ONCE AGAIN, IN A PUBLIC CAREER LITTERED
2 WITH FANTASTIC EXAMPLES, GIVEN CALIFORNIA
3 A PERFECT EXEMPLAR OF THIS WAY OF BEING.

4 "RECENTLY A CONTROVERSY HAS ARISEN
5 BETWEEN THE PUSD STAFF AND THE MEASURE TT
6 OVERSIGHT COMMITTEE ABOUT HOW STAFF IS
7 SPENDING MEASURE TT MONEY.

8 "MEASURE TT MONEYS WERE VOTED ON BY THE
9 VOTERS TO DO SPECIFIC PROJECTS. MEASURE
10 TT MONEYS ARE DEDICATED FUNDS THAT UNDER
11 THE LAW CAN ONLY BE SPENT ON THE PURPOSES
12 THAT THEY WERE SPECIFICALLY RAISED FOR.
13 EVERYONE UNDERSTOOD THIS WHEN MEASURE Y
14 AND MEASURE TT WERE VOTED ON. INDEED,
15 RENE AMY, JOHN LARAWAY, MARY DEE ROMNEY,
16 AND I NOTED A MAJOR DEFICIENCY OF BOTH
17 MEASURES WAS THAT THEY RAISED NO FUNDS
18 AND DID NOT PLAN FOR INEVITABLE
19 MAINTENANCE.

20 "THE MEASURE TT FUNDS CAN ONLY BE USED
21 FOR NEW CONSTRUCTION AND SPECIFIC REPAIR
22 PROJECTS CALLED OUT IN THE MEASURE.
23 UNLAWFULLY, SOME OF THE MONEYS HAVE BEEN
24 DIVERTED TO OTHER MAINTENANCE REPAIR
25 PROJECTS AND TO LAWYERS TENDING TO OTHER

1 PROJECTS.

2 "MR. PHELPS IN A RECENT LETTER TO THE
3 PASADENA WEEKLY DENIGRATES AT LENGTH THE
4 MEASURE TT COMMITTEE MEMBERS AND MEMBERS
5 OF THE PUBLIC FOR BEING CONCERNED THAT
6 FUNDS SPENT COME OUT OF THE PROPER
7 BUCKET. THE MEASURE TT OVERSIGHT
8 COMMITTEE'S ENTIRE PURPOSE IS TO SEE TO
9 IT THAT THE MONEY DOES COME UNDER PROPER
10 BUDGETS AND THAT THE PUSD OBEYS THE LAW.
11 THE COMMITTEE WAS FRUSTRATED WITH STAFF'S
12 REFUSAL TO DO SO. THE COMMITTEE WENT TO
13 THE BOARD WHICH SEEMED DISINTERESTED.
14 THE MAJORITY RESPONSIBILITY OF EVERY
15 SCHOOL BOARD IS TO ACT AS A FIDUCIARY TO
16 THE STATE OF CALIFORNIA AND TO THE PEOPLE
17 OF THIS STATE TO ENSURE THAT MONEYS ARE
18 LAWFULLY AND PROPERLY SPENT OUT OF, AS
19 MR. PHELPS PUT IT, THE PROPER BUCKET.

20 "YES, CRITICS COMPLAIN THAT THE PUSD
21 HAS A LONG, LOUD, AND PROUD TRADITION OF
22 REFUSING TO DO SO. IT'S THEIR PRIMARY
23 OBLIGATION TO THE STATE AND THE PEOPLE
24 AND THEY REFUSE IT. MR. PHELPS HAS GIVEN
25 TO US A MARVELOUS GIFT IN HIS LETTER. HE

1 HAS EXPLAINED THAT HE DOESN'T CARE ABOUT
2 HIS LEGAL OBLIGATIONS AND THAT HE INTENDS
3 TO BELITTLE AND ATTEMPT TO HUMILIATE
4 EVERYONE WHO DOES. HE HAS PERFECTLY
5 DEMONSTRATED THAT HE'S UNFIT FOR ANY
6 POSITION OF PUBLIC RESPONSIBILITY.
7 HOPEFULLY THE VOTERS WILL REMEMBER HIS
8 VILE AND CONTEMPTIBLE MINDSET AND NOT
9 RETURN HIM TO ANY OFFICE OF PUBLIC
10 TRUST."

11 THANK YOU FOR LISTENING.

12 MR. CATES: THANK YOU, WILLIE.

13 AS I'M SURE MOST OF YOU KNOW THE REFERENCES TO
14 SCOTT PHELPS'S RECENT ARTICLE IN THE PASADENA WEEKLY. I
15 WON'T COMMENT ON THAT. IT'S AVAILABLE ONLINE, AND THOSE OF
16 YOU WHO HAVE NOT READ IT, SHOULD.

17 I'M GLAD TO SEE THAT CJ GAUNDER SINGH, WHO IS THE
18 AUDIT PARTNER FROM NIGRO AND NIGRO, IS HERE AND WELCOME.
19 GLAD YOU COULD MAKE IT. AND THE FLOOR IS NOW YOURS TO
20 DESCRIBE THE AUDITS THAT ARE UNDERWAY, THEIR CURRENT
21 STATUS, AND WHERE WE GO FROM HERE.

22 PLEASE JOIN US AT THE TABLE.

23 MS. GAUNDER SINGH: THANK YOU.

24 GOOD EVENING, EVERYONE. SO I WAS KIND OF
25 DISCUSSING, YOU KNOW, WHAT I'M GOING TO TALK ABOUT TODAY,

1 AND BASICALLY I WANTED TO JUST GO OVER THE AUDIT, THE
2 PROCESS, YOU KNOW, WHY WE'RE DOING THIS AUDIT, SOME OF THE
3 PROCEDURES THAT WE ARE PERFORMING AND HAVE BEEN SO FAR FOR
4 THE 16-17 AUDIT.

5 WE HAVE NOT COMPLETED THE AUDIT SO I'M NOT GOING
6 TO GET INTO TOO MUCH DETAIL ON IT, BUT I WILL GIVE YOU SOME
7 OF THE AREAS WHAT WE'VE TESTED AND WHAT I HAVE LOOKED AT SO
8 FAR, BUT, YOU KNOW, I'M GOING TO REEMPHASIZE THE AUDIT IS
9 NOT COMPLETE YET. WE'RE STILL WORKING ON GETTING IT
10 COMPLETED, AND THEN AS SOON AS IT'S DONE, WE'RE GOING TO
11 SEND A DRAFT OVER FOR YOUR APPROVAL.

12 SO, FIRST OF ALL, WE'VE BEEN CONTRACTED TO DO THE
13 BOND AUDIT WHICH IS SPECIFIC TO THE MEASURE TT BOND. SO
14 WE'RE ONLY LOOKING AT THAT BOND FUND SO WE'RE NOT LOOKING
15 AT, YOU KNOW, THE DISTRICT AS A WHOLE. WE'RE ONLY LOOKING
16 AT THE BOND MEASURE, THE FUND THAT IS FOR MEASURE TT ONLY.
17 SO THERE'S TWO PARTS OF THE AUDIT THAT WE PERFORM, AND ONE
18 IS THE FINANCIAL AUDIT, AND THE OTHER ONE IS THE
19 PERFORMANCE AUDIT. SO THERE'S TWO SEPARATE REPORTS THAT WE
20 ISSUE BASED ON THOSE TWO SEPARATE TYPES OF AUDITS.

21 SO THE FIRST TYPE IS THE FINANCIAL AUDIT WHERE
22 WE'RE LOOKING AT THE ACCOUNT NUMBERS, WE'RE LOOKING AT THE
23 BALANCE SHEET AND THE REVENUES AND EXPENSES. SO WE'RE
24 MAKING SURE THAT THOSE ACCOUNT NUMBERS ARE, YOU KNOW, FREE
25 OF MATERIAL MISSTATEMENT. SO THAT'S THE FINANCIAL PIECE OF

1 IT. THEN, OF COURSE, WE ALSO ISSUE FOOTNOTES, DISCLOSURES
2 TO DESCRIBE THE FINANCIAL AMOUNTS AND, YOU KNOW, NUMBERS IN
3 MORE DETAIL. SO THAT'S THE FOOTNOTE SIDE OF IT.

4 SO THE FINANCIAL PIECE BASED ON OUR AUDIT IS
5 BASED ON GENERALLY ACCEPTED ACCOUNTING PRINCIPALS SO WE
6 BASE IT ON GAP. WE MAKE SURE THAT THE FINANCIAL STATEMENTS
7 ARE ACCORDING TO GAP, AND THEN ALSO IT IS BY THE GOVERNMENT
8 AUDITING STANDARDS BY THE CONTROLLER GENERAL. SO WE ALSO
9 LOOK AT THAT.

10 SO WE ISSUE TWO OPINION LETTERS. ONE IS IN THE
11 FRONT WHERE IT TALKS ABOUT OUR FINANCIAL OPINION -- OUR
12 AUDIT OPINION ON THE FINANCIAL STATEMENTS AS A WHOLE FOR
13 THAT FUND, FOR THE MEASURE TT FUND. THEN ON THE BACK THERE
14 IS ALSO ANOTHER OPINION LETTER THAT TALKS ABOUT HOW WE
15 LOOKED AT -- HOW WE CONSIDERED INTERNAL CONTROLS TO MAKE
16 SURE THAT FINANCIAL STATEMENTS ARE PROPERLY STATED, AND
17 THAT IS BASED ON THE GOVERNMENT AUDITING STANDARDS, AND
18 THAT'S ANOTHER OPINION LETTER THAT IS ALSO ATTACHED TO THE
19 REPORT. SO THAT'S THE FINANCIAL AUDIT PIECE OF IT.

20 THEN THE NEXT PIECE IS THE PERFORMANCE AUDIT
21 WHICH HAS CERTAIN PROCEDURES THAT WE PERFORM, BUT THE MAJOR
22 OBJECTIVE OF HAVING A PERFORMANCE AUDIT IS BASICALLY WE'RE
23 APPLYING THE ARTICLE 13A TO MAKE SURE THAT ALL THOSE
24 REGULATIONS THAT ARE PER ARTICLE 13(A) ARE APPLIED AND, YOU
25 KNOW, FOLLOWED THROUGH.

1 SO THERE ARE A FEW MAJOR OBJECTIVES THAT WE WANT
2 TO ACHIEVE AS FAR AS THE PERFORMANCE AUDIT GOES, AND THE
3 FIRST ONE IS TO MAKE SURE THAT THE EXPENDITURES THAT ARE
4 CHARGED TO THE MEASURE TT FUNDS ARE DOCUMENTED. SO THE
5 FUND 21.1 IS THE BUILDING FUND THAT MEASURE TT ACTIVITY IS
6 CAPTURED IN. SO WE LOOK AT THAT FUND 21.1. WE ALSO MAKE
7 SURE THAT THE EXPENDITURES CHARGED TO THE BUILDING FUND
8 HAVE BEEN MADE IN ACCORDANCE WITH WHAT THE BOND PROJECT
9 LIST SAID ACCORDING TO WHAT THE VOTERS HAD APPROVED ON
10 MEASURE TT. WE ALSO LOOK AT ANY DISCREPANCIES IN INTERNAL
11 CONTROLS AND NOTE ANY RECOMMENDATIONS IF WE FEEL LIKE THERE
12 SHOULD BE SOME RECOMMENDATIONS THAT WE WOULD WANT TO
13 PROVIDE. AND THEN ALSO WE LOOK AT THE COC COMMITTEE, THE
14 BUILD UP OF THE COMMITTEE AND, YOU KNOW, MAKE SURE THAT THE
15 REQUIREMENTS ARE ALL MET UNDER THE ARTICLE 13(A).

16 OUR SCOPE FOR THIS YEAR COVERS JULY 1, 2016
17 THROUGH JUNE 30, 2017. SO THAT'S THE AUDIT YEAR THAT WE'RE
18 LOOKING AT. SOME OF THE STEPS THAT WE'VE DONE SO FAR AS
19 FAR AS THE AUDIT GOES, WE HAVE -- SO WE LOOKED AT A WHOLE
20 BUNCH OF EXPENDITURES THAT WERE CHARGED TO MEASURE TT IN
21 THE FUND 21.1. SO FAR -- THEY'RE NOT COMPLETED, BUT SO FAR
22 WE'VE TESTED 64 PERCENT OF THE EXPENDITURES SO THAT'S ABOUT
23 20 MILLION OUT OF THE 32 MILLION THAT WAS CHARGED TO FUND
24 21.1. THIS INCLUDES, YOU KNOW, A WIDE VARIETY OF
25 EXPENDITURES.

1 I HAD MET WITH SOME OF THE COC MEMBERS BEFORE WE
2 STARTED THE AUDIT, AND SOME OF THE CONCERNS THAT WERE
3 BROUGHT TO US LED US TO BASICALLY PICK SOME EXPENDITURES,
4 LIKE EXPAND OUR SAMPLE SIZE, SO WE INCLUDED G2 CONSTRUCTION
5 AS FAR AS ONE OF THE VENDORS IN OUR EXPENDITURE TESTING.
6 WE ALSO INCLUDED ARCHITECT FEES, LEGAL FEES, AND THEN
7 CONTRACTS AND SALARIES.

8 SO FAR WE'VE TESTED EIGHT OUT OF THE TEN
9 EMPLOYEES THAT WERE CHARGED TO THE BOND FUND, AND THAT
10 TOTALED \$761,000 OF SALARIES THAT WE TESTED. ALSO WE DID
11 SOME SITE VISITS. SO WE WENT TO TWO OF THE SITES THAT ARE
12 STILL UNDER CONSTRUCTION. SO ONE OF THOSE WAS WASHINGTON
13 ELEMENTARY, AND THE OTHER ONE WAS PASADENA HIGH. ONE OF MY
14 AUDITORS WENT DOWN THERE AND LOOKED AROUND AND MADE SURE
15 THAT THE CONSTRUCTION WAS, YOU KNOW, IN ACCORDANCE TO WHAT
16 THE EXPENDITURES WE WERE SEEING IN THE INVOICES. AND WE
17 ALSO TESTED, AND WE'RE STILL IN THE PROCESS OF FINALIZING
18 THE WORK PAPERS FOR THIS, BUT WE DID TEST THE BIDDING
19 PROCEDURES SO WE WANTED TO MAKE SURE THAT THE BIDDING
20 PROCEDURES WERE FOLLOWED ACCORDING TO THE PCC GUIDES. AND
21 THEN WE ALSO LOOKED AT THE CHANGE ORDER, MADE SURE THAT THE
22 LIMITATIONS WERE WITHIN GUIDELINES FOR CHANGE ORDERS
23 ACCORDING TO PCC ALSO. WE LOOKED AT THAT.

24 THE PAPERS ARE STILL IN THE PROCESS OF BEING
25 FINALIZED, BUT I'M GOING TO REVIEW EVERYTHING AND BASICALLY

1 COMPILE ALL THIS INFORMATION INTO A REPORT WHEN I SUBMIT
2 THE DRAFT.

3 MS. RAHN: CAN I JUST ASK A POINT OF CLARIFICATION.
4 IN ESSENCE WHAT YOU'RE TELLING US IS YOUR METHODS WHEN YOU
5 SAY TESTED 64 PERCENT, BUT TONIGHT WE'RE NOT GETTING ANY
6 FINDINGS?

7 MS. GAUNDER SINGH: NO. BECAUSE I'M STILL GOING
8 THROUGH --

9 MS. RAHN: JUST WANTED A CLARIFICATION.

10 MS. RAHN: RIGHT NOW I'M NOT DISCUSSING ANY FINDINGS
11 OR ANY EXCEPTIONS THAT WE FIND JUST BECAUSE I STILL HAVE TO
12 GO THROUGH THE WORK PAPERS AND MAKE SURE EVERYTHING IS ALL
13 THERE, THE "I'S" ARE DOTTED.

14 MS. RAHN: WE'RE CLARIFYING METHODOLOGY?

15 MS. GAUNDER SINGH: YES. WE'RE CLARIFYING THE
16 PROCEDURES PERFORMED AS FAR AS THE AUDIT GOES, BUT AS FAR
17 AS THE FINAL RESULTS AND THE FINDINGS AND STUFF, THAT'S NOT
18 FINALIZED YET, SO WE WILL BRING THAT FORWARD AFTER I GET
19 THE DRAFT.

20 MR. MOHIT: WHEN SHOULD WE EXPECTING THAT FINAL
21 REPORT?

22 MS. GAUNDER SINGH: I WOULD SAY OCTOBER 31ST IS WHEN
23 THE DRAFT -- WE'RE GOING TO BE ISSUING THE DRAFT. AFTER
24 THAT WE'RE GOING TO GET TOGETHER TO GO OVER IT AND GET
25 APPROVALS FROM THE DISTRICT AND FROM THE COC AND THEN

1 FINALIZE IT. SO FINALIZING SHOULDN'T TAKE THAT LONG.
2 PROBABLY ANOTHER FIVE OR SIX DAYS, BUT THE DRAFT IS WHERE
3 THE BULK OF IT -- THE MAJORITY OF THE WORK IS ENTAILED. SO
4 THAT'S GOING TO BE I'M LOOKING AT OCTOBER 31ST.

5 MR. DEVEER: AS PART OF THE PROCESS YOU SAID THAT YOU
6 SENT AN AUDITOR TO LOOK AT PASADENA HIGH SCHOOL AND
7 WASHINGTON?

8 MS. GAUNDER SINGH: WASHINGTON ELEMENTARY.

9 MR. MOHIT: THIS AUDITOR IS AN ACCOUNTANT, OR HE HAS A
10 CONSTRUCTION BACKGROUND?

11 MS. GAUNDER SINGH: HE'S A SENIOR ACCOUNTANT.

12 MR. DEVEER: SO THE SENIOR ACCOUNTANT IS KNOWLEDGEABLE
13 ABOUT CONSTRUCTION?

14 MS. GAUNDER SINGH: AS MUCH AS HE CAN, I GUESS. WHAT
15 WE'RE LOOKING FOR GENERALLY IS NOT REALLY PINPOINTING HOW
16 THE CONSTRUCTION IS GOING BUT MAKING SURE THAT WHAT WE'RE
17 SEEING IN THE INVOICES AS BEING LIKE PAYMENTS MADE OUT FOR
18 PROJECTS, WE'RE TRYING TO VERIFY THAT --

19 MR. DEVEER: SO IN TERMS OF NUMBERS, LET'S SAY \$50,000
20 FOR DRYWALL. HE COULD SAY THAT'S \$50,000 WORTH OF DRYWALL?

21 MS. GAUNDER SINGH: NO. HE'S BASICALLY -- HE'S GOING
22 TO TRY TO SEE IF THERE WAS NEW DRYWALL. SAY THE PROJECT
23 SAYS NEW DRYWALL PUT IN IN THE HIGH SCHOOL. HE'S GOING TO
24 TRY TO GO SEE, OKAY, DOES THIS LOOK LIKE IT'S NEW DRYWALL?
25 IF HE GOES AND LOOKS AT THIS BUILDING WHERE THEY'RE SAYING

1 THERE'S NEW DRYWALL IN PLACE AND HE'S SEEING A REALLY OLD
2 WALL WITH HOLES IN IT, HE KNOWS THAT'S NOT NEW DRYWALL.
3 THAT'S KIND OF THE SCOPE. I DON'T THINK HE WOULD BE ABLE
4 TO TELL YOU THAT THAT'S \$50,000 WORTH OF DRYWALL.

5 MS. WANG: ARE YOU GOING TO HAVE A LEDGER FOR TOTAL
6 SPENDING TO THE CURRENT FUND BALANCE?

7 MS. GAUNDER SINGH: SO THE FORMAT IS GOING TO BE THE
8 SAME, PRETTY MUCH THE SAME AS LAST YEAR'S AUDIT REPORT WAS.

9 MS. WANG: WE'RE GOING TO HAVE THE DOUBLE --

10 MS. GAUNDER SINGH: YOU HAD REQUESTED TO SHOW THE
11 PRIOR YEAR AND THE CURRENT YEAR IN A COMPARATIVE FORMAT.
12 YES, WE ARE GOING TO SHOW THAT.

13 MS. WANG: BASED ON YOUR RESULTS, WILL THAT -- WE HAVE
14 A MYSTERIOUS \$126 MILLION SPEND-OUT PLAN THAT ISN'T CLEAR.
15 SO AFTER YOUR AUDIT IS COMPLETED, DO YOU THINK WE'LL HAVE A
16 BETTER UNDERSTANDING OF WHERE THE SPEND-OUT PLAN MONEY IS
17 GOING TO BE?

18 MS. GAUNDER SINGH: THE WHAT PLAN?

19 MS. RAHN: THAT'S NOT IN HER SCOPE.

20 MS. WANG: BASICALLY WE SPEND A LOT OF MONEY ON BLAIR.
21 WE HAVE LIKE A \$14 MILLION SPEND ON BLAIR, BUT IT'S NOT
22 CAPTURED ANYWHERE IN OUR BUDGET OR SPENDING.

23 MS. GAUNDER SINGH: WE'RE GOING TO SHOW WHAT THE
24 GENERAL LEDGER SHOWS. SO IF YOU NEEDED MORE INFORMATION ON
25 WHAT MAKES UP THAT DETAIL, YOU WILL HAVE TO REQUEST IT FROM

1 THE DISTRICT.

2 MR. CATES: WILLIE?

3 MR. ORDONEZ: YES. YOU'RE SAYING THAT THE WORK HASN'T
4 BEEN COMPLETED, AND YOU'RE STILL ON THE PROCESS?

5 MS. GAUNDER SINGH: YES.

6 MR. ORDONEZ: ON THE FINANCIAL AUDIT YOU MENTION THAT
7 YOU WILL BE CONCENTRATING ALSO ON ASSIGNING ACCOUNT
8 NUMBERS?

9 MS. GAUNDER SINGH: YES.

10 MR. ORDONEZ: SINCE WHEN WERE THESE ACCOUNT NUMBERS
11 BEEN ESTABLISHED? WERE THERE SOME OTHER MAJOR ACCOUNTS
12 THAT YOU WOULD BE ASSIGNING OR DELETING OR INCLUDING?

13 MS. GAUNDER SINGH: NO. WE DON'T REALLY ASSIGN ANY
14 ACCOUNT NUMBERS OR ANYTHING. WE BASICALLY LOOK AT WHAT THE
15 GENERAL LEDGER SAYS, AND IF THE GENERAL LEDGER IS, YOU
16 KNOW, SET UP IN A CERTAIN WAY, WE BASICALLY LOOK AT DOES
17 THAT MAKE SENSE. FOR EXAMPLE, IF I'M LOOKING AT ARCHITECT
18 FEES, I WANT TO MAKE SURE THAT THOSE ARCHITECT FEES ARE
19 BEING CHARGED TO 5800 BECAUSE THAT'S NORMALLY WHERE OTHER
20 OPERATING COSTS ARE, YOU KNOW, CAPTURED IN. SO IF IT'S
21 BEING CHARGED TO SAY 4400, A DIFFERENT CODE, I WOULD
22 QUESTION WHY IS THE ARCHITECT FEES BEING CHARGED TO 4400
23 CODE INSTEAD OF 5800 CODE.

24 SO BASICALLY OUR SCOPE IS, YOU KNOW, IN THAT
25 MANNER WHERE, YOU KNOW, YOU HAVE YOUR STANDARD SUMMARIZED

1 OBJECT CODE. SO THE GENERAL SET UP WOULD BE, YOU KNOW, THE
2 1000S ARE SALARIES, THE 2000S ARE CLASSIFIED SALARIES,
3 BENEFITS ARE 3000, AND SO FORTH. SO THAT'S BASICALLY OUR
4 SCOPE IS, YOU KNOW, LOOKING AT THAT GENERAL LEDGER CODE.

5 MR. ORDONEZ: ANOTHER QUESTION. IF YOU FIND OUT THAT
6 THERE IS SOME CHARGES TO ACCOUNTS THAT ARE NOT SUPPOSED TO
7 BE IN IT AND YOU'RE ACCOUNTING THAT THERE IS SOME
8 DISCREPANCY, WILL THAT BE DISCLOSED IN YOUR FINANCIAL
9 OPINION?

10 MS. GAUNDER SINGH: YES. SO IF THERE ARE ACCOUNTS
11 THAT WE FIND DISCREPANCIES IN, OBVIOUSLY WE'RE GOING TO
12 WRITE THAT UP AS AN EXCEPTION AND BRING THAT UP TO YOUR
13 ATTENTION, TO THE DISTRICT'S ATTENTION AS WELL. SO IT
14 DEPENDS ON WHAT IT IS. SO, FOR EXAMPLE, SOMETIMES IT'S
15 JUST A PLAIN MISTAKE. THAT CODE WAS MAYBE KEYED IN
16 INCORRECTLY. SO IF THAT HAPPENS, THEN WE'RE GOING TO
17 RECLASS IT AND PUT IN THE RIGHT CODE SO THEN IT WILL
18 GENERATE AN AUDIT ADJUSTMENT. WHAT THAT ADJUSTMENT IS
19 GOING TO DO IS RECLASS THAT CODE TO WHERE IT SHOULD GO AND
20 THEN IN THE REPORT IT'S GOING TO SHOW IN THE RIGHT
21 CATEGORY.

22 MR. ORDONEZ: CAN THE ADJUSTMENT OF ACCOUNTS BE DONE
23 INTERNALLY INSTEAD OF INDEPENDENT AUDIT?

24 MS. GAUNDER SINGH: I DON'T UNDERSTAND. WHAT DO YOU
25 MEAN?

1 MR. ORDONEZ: IF THEY FIND THIS OUT, CAN THAT BE
2 INSIDE THE ACCOUNT ADJUSTMENT AS TO THE ACCOUNT NAME AND
3 ACCOUNT NUMBER?

4 MS. GAUNDER SINGH: SO IF THERE IS -- FOR EXAMPLE, IF
5 THE INTERNAL ACCOUNTING FINDS THAT MAYBE SHE MADE A MISTAKE
6 ON ONE OF THE CODES AND SHE WANTS TO FIX THAT ENTRY, SHE
7 COULD DO A JOURNAL ENTRY TO RECLASS IT AND PUT IT INTO THE
8 RIGHT CODE. BUT IF WE HAVE BEEN GIVEN A GENERAL LEDGER
9 THAT WE'RE AUDITING AND THE ENTRY WAS MADE AFTER WE
10 REVIEWED THE GENERAL LEDGER, THEN IT WOULDN'T APPLY TO WHAT
11 WE'RE SAYING IN THE AUDIT REPORT SO THEN THERE WOULD BE A
12 DISCREPANCY.

13 SO GENERALLY IF WE ARE LOOKING AT A GENERAL
14 LEDGER THAT WE'VE BEEN GIVEN AND IN THE PROCESS WE'RE, YOU
15 KNOW, LOOKING AT IT, AND THE ACCOUNTANT SAYS, "SHOOT, I
16 MADE A MISTAKE IN THAT CODE," AND SHE NEEDS TO LET US KNOW
17 BECAUSE OUR NUMBERS, AUDITOR NUMBERS SHOULD TIE TO THE
18 GENERAL LEDGER. SO BEFORE SHE MAKES THAT CHANGE SHE SHOULD
19 LET US KNOW BECAUSE OTHERWISE THE NUMBERS ARE GOING TO BE
20 OFF.

21 BUT THE INTERNAL -- NELSON, YOU COULD PROBABLY
22 ANSWER THAT QUESTION ABOUT IF THERE WAS A CORRECTION MADE.
23 I'M NOT SURE HOW YOU WOULD HANDLE IT.

24 MR. CAYABYAB: IT WOULD HAVE A LOGISTIC OR PAPER TRAIL
25 THAT THE CODE NUMBER WAS MISALIGNED OR MISSTATED AND THEN

1 THEY WOULD CORRECT IT.

2 MR CATES: GRETCHEN.

3 MS. VANCE: I HAVE A QUESTION ABOUT BUDGETS. DO YOU
4 LOOK AT ANYTHING -- DO YOU LOOK AT ANYTHING IN REGARDS TO
5 BUDGET AND HOW PROJECTS WERE BUDGETED AND HOW THE SPEND IS
6 COMPARED TO THOSE PROJECTS OR DO YOU NOT LOOK AT ANY
7 BUDGETING INFORMATION?

8 MS. GAUNDER SINGH: WE DO LOOK AT BUDGET. WE DO
9 ANALYTICAL COMPARISON TO THE ACTUAL TO THE BUDGET BECAUSE
10 WE DO WANT TO SEE, YOU KNOW, IF THERE IS A PROJECT THAT IS
11 BEING OVERSPENT OR GOING OVER BUDGET, UNDER BUDGET.

12 MS. VANCE: MY QUESTION IS WHERE DID YOU FIND THAT
13 BUDGET?

14 MS. GAUNDER SINGH: WE HAVE -- YOU KNOW WHAT? I'M
15 GOING TO HAVE TO GET YOU THE EXACT REPORT, BUT I BELIEVE WE
16 HAVE SOME BUDGET NUMBERS.

17 MS. RAHN: IT'S IN THE SYSTEM.

18 MS. GAUNDER SINGH: I'LL HAVE TO LOOK AT MY WORK
19 PAPERS FOR THAT.

20 MS. VANCE: PEOPLESOFT OR ACCOUNTABILITY? DO YOU
21 KNOW?

22 MS. GAUNDER SINGH: I WOULD HAVE TO LOOK AT THE
23 REPORTS. IT SHOULD BE BOTH.

24 MR. CATES: CJ, I WOULD LIKE TO SECOND WHAT GRETCHEN
25 JUST SAID. WE WOULD LIKE TO KNOW THE BUDGET THAT YOU WERE

1 USING AS A REFERENCE.

2 MS. RAHN: AND WHERE IT CAME FROM.

3 MS. GAUNDER SINGH: I WILL FIND THAT OUT. DID YOU
4 WANT THAT IN THE REPORT?

5 MR. CATES: JUST DISCLOSED IN THE REPORT MAYBE AS AN
6 EXHIBIT. I'M NOT TELLING YOU HOW TO WRITE YOUR REPORT, BUT
7 WE NEED TO KNOW THE REFERENCE.

8 MS. GAUNDER SINGH: SURE.

9 MR. CATES: I HAVE A FEW QUESTIONS, BUT FIRST THANK
10 YOU VERY MUCH FOR COMING TONIGHT.

11 MS. RAHN: I HAVE ONE QUICK QUESTION.

12 MR. CATES: GO AHEAD.

13 MS. RAHN: GIVEN THAT YOU CAN READ THE MINUTES, IT
14 HASN'T BEEN FUN, AND THERE'S CONTENTION. I WAS JUST
15 WONDERING WHEN YOU HAVE YOUR DRAFT AUDIT, WHAT IS THE
16 PROCESS FOR GIVING THAT TO THE COC AND/OR THE DISTRICT?

17 MS. GAUNDER SINGH: NORMALLY WHAT I DO IS I JUST SEND
18 IT TO NELSON TO REVIEW THE DRAFT. BUT DID YOU WANT --

19 MS. RAHN: IT REALLY NEEDS TO GO TO THE COC IN
20 THE -- IT CAN GO TO BOTH. IT'S JUST WHERE WE'RE AT.

21 MS. GAUNDER SINGH: DEFINITELY I COULD SEND IT TO BOTH
22 OF YOU, CLIFF AND NELSON.

23 MR. CATES: I THINK THAT'S A GOOD IDEA.

24 MR. VITALE: CLIFF, CAN I CHIME IN?

25 MR. CATES: SURE.

1 MR. VITALE: THE QUESTION IS FOR THE AUDITOR. WE
2 RECEIVED AN EXHIBIT FROM FACILITIES THAT'S IDENTIFIED AS
3 MEASURE TT CENTRAL SUMMARY BUDGET REPORT. IN THAT SINGLE
4 PAGE ITEM UNDER ITEM NO. 6, THERE ARE THREE CATEGORIES
5 THERE IDENTIFIED AS 6210, ARCHITECT ENGINEERING FEES, 6260,
6 OTHER COSTS PLANNING, AND 6265, OWNER'S REPRESENTATIVES.
7 THERE ARE THREE COLUMNS -- ACTUALS, BALANCE, AND PERCENT
8 OF, I GUESS, REIMBURSEMENT. CAN ANYBODY CLARIFY FOR ME
9 WHAT IS, IN FACT, THE INTENT OF THOSE ITEMS AND HOW IS IT
10 THAT THERE ARE ADDITIONAL A AND E OR PLANNING FEES BEING
11 PAID OUT OF THE TT BUDGET? AND, IF SO, WHAT ARE THEY BEING
12 PAID FOR OR DO THEY REFLECT, IN FACT, CHANGE ORDERS THAT
13 OCCURRED ON THE JOB OR CHANGES IN SCOPE OF WORK LEADING TO
14 THESE ADDITIONAL FEES?

15 MS. KENNE: SO I DON'T KNOW THAT THAT'S A QUESTION FOR
16 THE AUDITOR.

17 MR. HOCUTT: CAN WE ADDRESS THAT QUESTION LATER AFTER
18 CJ IS COMPLETE?

19 MR. CAYABYAB: I'LL REFER THAT TO MS. KENNE. SHE'S
20 THE ONE WHO GATHERS THAT INFORMATION.

21 MR. CATES: JIM, CAN WE TAKE THIS UP WHEN WE GET TO
22 THE DOCUMENTS THAT KIM PROVIDED US WITH TODAY?

23 MR. VITALE: WE CAN. BUT AT THE SAME TIME I JUST WANT
24 TO BE SURE THAT THE AUDITOR UNDERSTANDS THAT THOSE ARE
25 THREE ITEMS, THREE LINE ITEMS SPECIFICALLY THAT IF SHE HAS

1 NOT ADDRESSED THEM OR ASKED FOR EXHIBITS SUPPORTING THEM,
2 THAT IT NEEDS TO BE DONE.

3 MR. CATES: CJ, DID YOU HEAR THE REQUEST?

4 MS. GAUNDER SINGH: COULD YOU REPEAT THE THREE.

5 MR. CATES: PLEASE REPEAT THE THREE SO THERE'S NO
6 CONFUSION.

7 MR. VITALE: ITEM 2610, ARCHITECT/ENGINEERING FEES,
8 ITEM 6260, OTHER COSTS-PLANNING. AND ITEM 6265, OWNER'S
9 REPRESENTATIVES.

10 MS. KENNE: HE'S QUESTIONING THE ONES THAT WERE
11 CHARGED TO RESOURCE 9500, TT CENTRAL ADMINISTRATION
12 PROJECTS AS OPPOSED TO THOSE OBJECTS BEING CHARGED TO
13 INDIVIDUAL PROJECTS. DO YOU SEE WHAT I MEAN?

14 MS. GAUNDER SINGH: SO THIS -- I SEE. THE RESOURCE.

15 MR. CATES: YOUR QUESTIONS ARE UNDERSTOOD AND NOTED,
16 AND WE WILL ADDRESS THEM LATER.

17 MR. VITALE: THANK YOU.

18 MR. CATES: I HAVE A FEW QUESTIONS, CJ, BUT FIRST
19 THANK YOU FOR COMING. I KNOW YOU HAVE A LONG WAY TO DRIVE,
20 AND YOU HAVE A LONG WAY HOME. THAT'S THE REASON WE PUT YOU
21 NEAR THE TOP OF THE AGENDA.

22 FIRST QUESTION. YOU SAID THAT YOU LOOKED AT A
23 SAMPLE OF THE LEGAL FEES PAID. HOW DID YOU DETERMINE THE
24 NATURE OF THE LEGAL SERVICES THAT WERE RENDERED?

25 MS. GAUNDER SINGH: SO THE LEGAL FEES WHEN WE LOOKED

1 AT THEM, WE LOOKED AT THE INVOICES AND WHAT THE SERVICES,
2 THE DESCRIPTIONS WERE ON THE INVOICES COMPARED TO THAT.
3 THEN WE MADE SURE THAT, YOU KNOW, THOSE WERE APPLICABLE TO
4 THE BOND PROJECTS.

5 MR. CATES: ALL RIGHT. AND JUST A FOR INSTANCE. WHAT
6 DID YOU DO WITH LEGAL FEES THAT RELATED TO THE 7-11
7 COMMITTEE?

8 MS. GAUNDER SINGH: SO THE 7-11 COMMITTEE WE DID SEE
9 SOME EXPENDITURES UNDER SOME LEGAL FEES THAT WERE BEING
10 CHARGED TO THE 7-11 COMMITTEE, AND WE INQUIRED ABOUT, YOU
11 KNOW, HOW THAT IS RELATED TO THE BOND, AND THE RESPONSE WE
12 GOT IS THAT THEY'RE GOING TO BE REIMBURSED FROM THE GENERAL
13 FUND BECAUSE IT'S NOT RELATED TO ANY OF THE BOND.

14 MR. CATES: SO THESE WERE IMPROPER CHARGES?

15 MS. GAUNDER SINGH: SO IN OUR -- SO WHEN WE WERE
16 LOOKING AT THOSE EXPENDITURES FROM THE 7-11 COMMITTEE, WE
17 LOOKED AT IT, BUT IN OUR MIND WE DIDN'T REALLY THINK THAT
18 THEY WERE SOMETHING THAT IS NOT OKAY, BUT WE WENT WITH WHAT
19 THE DISTRICT SAID THAT THEY'RE GOING TO REIMBURSE IT FROM
20 THE GENERAL FUND BECAUSE OF THE PUSH BACK THAT THE COC IS
21 GIVING THEM. SO THEY'RE GOING TO BE TAKING THAT OUT OF THE
22 GENERAL LEDGER.

23 MR. BOLAND: HOW MUCH MONEY WAS THAT?

24 MS. GAUNDER SINGH: I'LL HAVE TO GET THAT INFORMATION
25 TO YOU. I DON'T HAVE IT OFF THE TOP OF MY HEAD.

1 MR. CAYABYAB: ABOUT 28,000.

2 MR. CATES: EXCUSE ME. I WILL PROVIDE -- I DON'T HAVE
3 THE INFORMATION WITH ME, BUT I CAN GIVE YOU THE EXACT
4 NUMBERS, AND IT'S WELL IN EXCESS OF 28,000.

5 MS. GAUNDER SINGH: I CAN ALSO PROVIDE YOU WITH THE
6 NUMBERS TOO.

7 MR. BOLAND: YOU FEEL THAT MONEY WAS RELATED TO
8 CONSTRUCTION BECAUSE THERE'S SOME SETTING UP THAT NEEDS TO
9 BE DONE TO TAKE ADVANTAGE OF FUNDING AS IT BECOMES
10 AVAILABLE? IS THAT WHAT I HEARD?

11 MS. GAUNDER SINGH: THAT'S WHAT WE FEEL LIKE TOO. IT
12 FEELS LIKE IF YOU DON'T --

13 MR. BOLAND: IF YOU'RE NOT READY, YOU DON'T GET THE
14 MONEY; RIGHT?

15 MS. GAUNDER SINGH: RIGHT.

16 MR. BOLAND: SO HE'S TRYING TO HOP AROUND AND GET
17 MONEY WHEN IT BECOMES AVAILABLE, BUT YOU HAVE TO BE READY
18 TO GET THAT MONEY.

19 MS. GAUNDER SINGH: WE'VE BEEN TOLD THAT THE 7-11
20 COMMITTEE IS FOR DETERMINING SURPLUS PROPERTIES.

21 MR. BOLAND: I WAS ON IT.

22 MS. GAUNDER SINGH: TO DETERMINE IF THESE SCHOOLS ARE
23 SURPLUS PROPERTIES OR NOT. WE FEEL LIKE IF WE -- IF YOU
24 CAN'T REALLY DETERMINE WHICH PROPERTIES ARE SURPLUS OR NOT,
25 THEN YOU CAN'T REALLY START DOING PROJECTS ON THEM. SO IN

1 OUR MIND IT WOULD HAVE BEEN TOTALLY OKAY IF THOSE LEGAL
2 FEES WERE BEING PAID OUT OF MEASURE TT FUNDS. THE ONLY
3 REASON WE'VE NOTED THAT THOSE FUNDS ARE GOING TO BE NOT
4 APPLIED TO MEASURE TT IS BECAUSE OF THE REIMBURSEMENT BEING
5 TAKEN OFF.

6 MR. BOLAND: I WOULD ALSO STATE THAT I UNDERSTAND YOUR
7 DISAGREEMENT WITH THAT, AND I UNDERSTAND BOTH SIDES.

8 MR. CATES: WE'RE NOT HERE TO ARGUE THE LAW. JUST TO
9 FIND OUT WHAT THE AUDITOR HAS DONE.

10 KIM.

11 MS. KENNE: I JUST WANT TO CLARIFY THAT THE BOARD
12 CONSENSUS WAS ALSO THAT THEY SHOULD BE MOVED. I DON'T KNOW
13 THAT ONE PRECEDED THE OTHER, BUT IT WAS ALSO THE BOARD'S
14 DECISION.

15 MS. GAUNDER SINGH: SO WE'RE GOING TO FOLLOW UP ON
16 THAT TOO BECAUSE WHEN WE'RE LOOKING AT THE GENERAL LEDGER
17 RIGHT NOW, IT IS IN THE MEASURE TT FUNDS. WE'RE GOING TO
18 FOLLOW UP AND MAKE SURE THAT THOSE FUNDS ARE BEING -- THOSE
19 EXPEDINTURES ARE BEING REIMBURSED.

20 MR. CATES: NEXT QUESTION. YOU SAID THAT YOU LOOKED
21 AT THE FACILITIES DEPARTMENT STAFF COMPENSATION CHARGED TO
22 MEASURE TT. HOW DID YOU DETERMINE WHAT PORTIONS OF TOTAL
23 STAFF COMPENSATION SHOULD BE CHARGED TO TT AND HOW MUCH
24 SHOULD NOT?

25 MS. GAUNDER SINGH: SO THE PROCESS THAT WE USED TO

1 TEST SALARIES WAS WE LOOKED AT WHAT WAS CHARGED TO MEASURE
2 TT, THE FUND 21.1. THEN WE DETERMINED WHICH EMPLOYEES WERE
3 MAKING UP THAT SALARIES NUMBER. WE LOOKED AT THE JOB
4 DESCRIPTIONS OF THE EMPLOYEES. WE ALSO INTERVIEWED SOME OF
5 THEM JUST TO KIND OF TALK AND SEE WHAT TYPES OF JOB DUTIES
6 THEY HAVE, AND ALSO WE LOOKED AT THE ALLOCATION. SOME OF
7 THE EMPLOYEES WE LOOKED AT THE BOARD APPROVALS ON HOW THE
8 BOARD HAD APPROVED THE ALLOCATION, AND WE COMPARED THAT TO
9 WHAT THEY WERE ACTUALLY BEING PAID AND MADE SURE THAT THAT
10 WAS IN LINE.

11 MR. CATES: CJ, I WONDER ABOUT THAT BECAUSE YESTERDAY
12 I WAS ADVISED BY COUNSEL TO THE DISTRICT THAT THERE HAS
13 BEEN NO BOARD APPROVAL OF ANY ALLOCATION OF STAFF
14 COMPENSATION AT ALL. AND IF YOU HAVE IT, WE WOULD
15 CERTAINLY LOVE TO SEE IT BECAUSE THEIR LAWYER HAS TOLD ME
16 THAT NONE EXISTS.

17 MS. GAUNDER SINGH: I WILL SEND YOU WHAT WE RECEIVED.

18 MS. KENNE: TO CLARIFY, YOU'RE SAYING -- WHEN YOU SAY
19 ALLOCATION, YOU MEAN .5 FTE HERE AND THERE, OR YOU MEAN A
20 DOLLAR VALUE?

21 MS. GAUNDER SINGH: NO. PERCENTAGE-WISE. SO, FOR
22 EXAMPLE, IF A PERSON IS CHARGED 15 PERCENT TO SOMETHING,
23 SOME OTHER GENERAL FUND OR SOMETHING, AND IT'S 85 PERCENT
24 CHARGED TO MEASURE TT, THEN WE WANT TO LOOK AT HOW THAT WAS
25 DETERMINED. AND SO ONE OF THE THINGS IS WHERE DID YOU GET

1 THIS INFORMATION? HOW WAS IT APPROVED, AND WHO APPROVED
2 IT? SO IF THE BOARD APPROVED THE 85 PERCENT TO BE CHARGED
3 TO MEASURE TT, WE MAKE SURE THAT 85 PERCENT OF THAT
4 PERSON'S SALARY IS BEING CHARGED TO THE BOND MEASURE FUND.

5 MS. KENNE: I GUESS I'M JUST REFLECTING THAT OUR
6 PERSONNEL REPORTS DON'T HAVE FUNDING SOURCES ON THEM. THEY
7 JUST HAVE PEOPLE'S NAMES AND WHETHER THEY'RE FULL TIME OR
8 PART TIME. SO I'M NOT SURE --

9 MS. GAUNDER SINGH: IT WOULDN'T BE SOMETHING THAT --

10 MS. KENNE: -- THAT THE BOARD APPROVED.

11 MS. GAUNDER SINGH: NO. IT SHOULD BE WHAT THE BOARD
12 WOULD APPROVE. ALSO THERE ARE TIME REPORTS OR TIME CARDS
13 THAT WE WILL LOOK AT. I'M NOT REALLY SURE IF WE LOOKED AT
14 ANY OF THE TIME CARDS. I'LL HAVE TO GO BACK TO MY WORK
15 PAPERS. MY STAFF WHO WORKED ON IT IS THE PERSON WHO
16 ACTUALLY KNOWS THE DETAIL ON THAT.

17 MS. RAHN: BUT IF THE BOARD REPORTS DON'T HAVE THE
18 PERCENTAGES, THAT'S A CHALLENGE. NOT JUST THE FACILITIES;
19 RIGHT?

20 MS. GAUNDER SINGH: RIGHT. YEAH. THAT WOULD BE A
21 CHALLENGE AND THAT WOULD BE SOMETHING THAT WE WOULD
22 RECOMMEND IF WE DON'T FIND, YOU KNOW, LIKE PROPER
23 DOCUMENTATION BEHIND HOW THE SALARIES SHOULD BE CHARGED.
24 SO THAT'S ONE OF THE THINGS THAT WE WOULD DEFINITELY
25 RECOMMEND AS IMPROVING ON THE INTERNAL CONTROLS. BECAUSE

1 IF WE -- I MEAN, IF WE'RE ASKING FOR DOCUMENTATION ON HOW
2 YOU'RE SUPPORTING THIS BREAKDOWN OR ALLOCATION, AND IF
3 THERE'S NO REAL SOLID DOCUMENTATION, THEN WE WOULD
4 DEFINITELY RECOMMEND IMPROVEMENT ON THAT AREA.

5 MR. CAYABYAB: THE DOCUMENTATION WAS A PR REPORT THAT
6 WE PROVIDED TO CJ AND HER STAFF.

7 MR. BOLAND: WHAT IS A PR REPORT?

8 MS. GAUNDER SINGH: PERSONNEL REQUISITION.

9 MR. CAYABYAB: JUST AS A BACKGROUND, BEFORE WE HIRE
10 ANYBODY IN THE DISTRICT, WE HAVE TO SUBMIT A PR REPORT. IT
11 HAS TO BE APPROVED BY THE ELT. IF IT'S A MANAGEMENT
12 DECISION LIKE MINE, IT HAS TO BE BOARD APPROVED, BUT IT
13 TELLS YOU IN THAT PR REPORT WHERE THE FUNDING SOURCES AND
14 WHAT PERCENTAGE SALARY FOR THAT INDIVIDUAL COMES FROM
15 BEFORE THAT INDIVIDUAL EVEN GETS HIRED.

16 MS. VANCE: IS THAT PR A REPORT ATTACHED TO THE BOARD
17 REPORT THAT THEY APPROVED? SO IT'S NOT PUBLIC RECORD, OR
18 IT'S NOT IN ANY OF THE BOARD REPORTS?

19 MS. KENNE: BOARD MEMBERS DON'T HAVE ACCESS TO PRS, I
20 GUESS, UNLESS WE ASK FOR THEM.

21 MR. CAYABYAB: FOR EXAMPLE, AS FOR ME, WHEN I GOT
22 HIRED, IT WAS DETERMINED BY THE SUPERINTENDENT THAT 15
23 PERCENT OF MY SALARY WOULD COUNT AS MAINTENANCE AND
24 OPERATIONS BECAUSE I MONITOR MAINTENANCE AND OPERATIONS,
25 AND 85 PERCENT WILL COME OUT OF THE MEASURE TT BECAUSE

1 THAT'S WHAT I WAS HIRED TO DO IS TO IMPLEMENT THE MEASURE
2 TT. SO THAT WAS ON MY PR BEFORE I GOT MY FIRST PAYCHECK.
3 THEN WHEN MY CONTRACT GOT SIGNED, IT IS THEN ATTACHED TO
4 THE BOARD AS FAR AS THE CONTRACT AND THE PERCENTAGE OF HOW
5 IT WAS DIVVIED UP AS FAR AS MY SALARY IS CONCERNED.

6 STAFF, HOWEVER, FOR EXAMPLE MY SECRETARY, THEY
7 DON'T HAVE TO GO THROUGH A BOARD APPROVAL PROCESS, BUT IT
8 IS MENTIONED IN THE PR REPORT WHERE THE PERCENTAGES OF THE
9 SALARY WILL COME FROM, AND THAT'S THE PROCESS THAT WE DO,
10 AND THAT IS PROVIDED TO CJ AND HER STAFF.

11 MR. CATES: CJ, ACCORDING TO INFORMATION PROVIDED
12 SEVERAL MONTHS AGO BY THE DIRECTOR OF FACILITIES, 100
13 PERCENT OF THE SALARIES -- EXCUSE ME -- TOTAL COMPENSATION
14 OF THE FACILITIES DEPARTMENT STAFF MEMBERS HAS BEEN CHARGED
15 TO TT FUNDS FOR THE FISCAL YEAR JUST ENDED. DID YOU IN
16 YOUR EXAMINATION OF THE ALLOCATION OF STAFFS' SALARIES TAKE
17 EXCEPTION TO ANY OF THESE CHARGES? 100 PERCENT FOR SEVEN
18 EMPLOYEES.

19 MS. GAUNDER SINGH: WE TESTED -- LIKE I SAID, WE
20 TESTED \$761,000 WORTH OF SALARIES, AND THAT INCLUDED EIGHT
21 OUT OF THE TEN EMPLOYEES THAT WERE BEING CHARGED TO THE
22 MEASURE TT FUND. SO WE LOOKED AT EIGHT OF THOSE EMPLOYEES,
23 AND BASED ON THE TESTING THAT WE DID ON THOSE EIGHT, WE DID
24 NOT FIND ANY EXCEPTIONS THAT WOULD SHOW THAT THEY SHOULDN'T
25 BE CHARGED TO MEASURE TT FUNDS.

1 MR. CATES: UNDERSTOOD. NEXT QUESTION. IN YOUR AUDIT
2 REPORTS ARE YOU GOING TO EXPRESS AN OPINION ABOUT THE
3 ADEQUACY OF THE INTERNAL FINANCIAL CONTROLS OF THE
4 DISTRICT?

5 MS. GAUNDER SINGH: WE ARE GOING TO NOTE THAT WE
6 CONSIDERED THE INTERNAL CONTROLS, BUT AS FAR AS THE
7 ADEQUACY, WE DON'T -- IT'S NOT IN OUR SCOPE TO GIVE AN
8 OPINION ON THE ADEQUACY OF INTERNAL CONTROLS. WE DO
9 CONSIDER IT. WE LOOK AT IT. IF THERE ARE, YOU KNOW,
10 DEFICIENCIES THAT WE FEEL LIKE COULD HAVE SOME
11 RECOMMENDATIONS, WE WOULD REVEAL THAT. BUT IN ORDER -- WE
12 CANNOT REALLY SAY IF IT'S EFFECTIVE OR NOT, THOSE INTERNAL
13 CONTROLS. OUR OPINION IS NOT OF THE EFFECTIVENESS OF THE
14 INTERNAL CONTROLS. OUR OPINION IS WHETHER THOSE INTERNAL
15 CONTROLS WORK TO GENERATE THE FINANCIAL STATEMENT
16 INFORMATION PROPERLY.

17 MS. WANG: WILL YOU DOCUMENT IF YOU FIND ANY MATERIAL
18 WEAKNESS? FOR INSTANCE, LET'S SAY THE BUDGET IS VERY
19 DELAYED OR IT'S NOT PUBLIC SOURCES, I THINK THAT'S KIND OF
20 A WEAKNESS.

21 MS. GAUNDER SINGH: SO THERE ARE TWO TYPES OF
22 WEAKNESSES THAT WE NOTE. MATERIAL MISSTATEMENTS ARE, YOU
23 KNOW, DEALING WITH FINANCIAL STATEMENT NUMBERS AND ALL OF
24 THAT STUFF. THEN THERE ARE COMPLIANCE AND INTERNAL CONTROL
25 ISSUES, AND SOMETHING LIKE THAT WHERE IF A BUDGET IS, YOU

1 KNOW, PRESENTED OR GENERATED REALLY LATE, THAT IS MORE OF
2 AN INTERNAL CONTROL WEAKNESS. SO IT'S NOT CALLED A
3 MATERIAL WEAKNESS, BUT IT'S GOING TO BE A SIGNIFICANT
4 DEFICIENCY IN INTERNAL CONTROLS. IT WOULD DEFINITELY BE
5 SOMETHING THAT WOULD BE POINTED OUT.

6 MR. CATES: IF YOU DO FIND THAT THERE ARE ANY
7 DEFICIENCIES IN INTERNAL CONTROLS, YOU WILL REPORT ON THEM?

8 MS. WANG: SHE SAID SHE WOULD.

9 MS. GAUNDER SINGH: YES.

10 MR. HOCUTT: WHEN YOU SAID THAT IT WOULD BE A
11 DEFICIENCY IF THE BUDGET REPORTS WERE LATE, WHAT DOES THAT
12 MEAN? HOW DO YOU DEFINE LATE?

13 MS. GAUNDER SINGH: WE'RE LOOKING USUALLY AT THE
14 ORIGINAL BUDGET AT THE BEGINNING OF THE YEAR. WHAT WE WANT
15 TO SEE IS THAT THERE IS A BUDGET THAT, YOU KNOW, STARTS OFF
16 THE YEAR, AND IT SHOULDN'T BE SOMETHING THAT IS ISSUED, YOU
17 KNOW, REALLY LATE IN THE YEAR. IT SHOULD REALLY BE TOWARDS
18 THE BEGINNING OF THE YEAR BEFORE YOU START OFF THE YEAR.

19 NOW, IT DOESN'T HAVE TO HAVE REALLY -- BECAUSE
20 BUDGETS ARE, YOU KNOW, LIKE A LIVE DOCUMENT THAT IS GOING
21 TO BE UPDATED. SO UPDATES, CHANGES, YOU KNOW, THOSE ARE
22 ALWAYS GOING TO HAPPEN, AND SO THAT COULD BE, YOU KNOW,
23 WHERE YOU COULD HAVE REVISIONS THROUGHOUT THE YEAR, BUT WE
24 DO REALLY LIKE TO SEE AN ORIGINAL BUDGET DONE BEFORE -- AT
25 THE BEGINNING OF THE YEAR.

1 MR. HOCUTT: DO YOU SEE THOSE BUDGET CHANGES AS THEY
2 CAME THROUGH? IS THERE SOME RECORD TRAIL?

3 MS. GAUNDER SINGH: WHEN WE LOOK AT THE ANALYTICAL
4 REVIEWS COMPARING THE BUDGET NUMBERS, WE LOOK AT THE MOST
5 RECENT BUDGET. WE START OFF WITH WHAT WAS THE ORIGINAL
6 BUDGET AND THEN WE LOOK AT WHAT WAS THE MOST RECENT BUDGET,
7 AND WE SEE, YOU KNOW, IF THERE ARE HUGE CHANGES, AND THEN
8 WE INQUIRE ABOUT WHY THERE WAS, YOU KNOW, THESE HUGE
9 REVISIONS. IT IS -- YOU KNOW, YOU COULD HAVE A VERY
10 REASONABLE EXPLANATION OF A CHANGE IN THE BUDGET, BUT WE DO
11 WANT TO, YOU KNOW, TAKE A LOOK AT THAT.

12 MS. VANCE: WHEN YOU LOOK AT THE BUDGETS ESPECIALLY ON
13 THE MOST RECENT ONES, DO YOU GO BACK AND MAKE SURE THOSE
14 BUDGETS HAVE BEEN APPROVED BY THE BOARD?

15 MS. GAUNDER SINGH: YES. BECAUSE SOMETIMES LIKE WE'RE
16 LOOKING AT THE SECOND INTERIM REPORTS, AND THOSE WE TRY TO
17 GET THE APPROVALS IN THE BOARD MINUTES. WE SEE IF IT WAS
18 APPROVED OR NOT. WE ALSO LIKE TO SEE THE COUNTY APPROVALS
19 BECAUSE THEY ISSUE AN APPROVAL LETTER SO WE GET A COPY OF
20 THAT AS WELL.

21 MR. CATES: KIM.

22 MS. KENNE: JUST TO CLARIFY, WE'RE TALKING ABOUT THE
23 ANNUAL BUDGET. THE BUDGET FOR 16-17, FOR INSTANCE, THE
24 PAGE THAT YOU WERE JUST LOOKING AT, THAT COMES -- THE ONES
25 WITH THE RESOURCE NUMBERS AND THE OBJECTS.

1 MS. GAUNDER SINGH: SO LIKE BECAUSE, I MEAN, YEAH, THE
2 16-17 SO IT WOULD BE THE FIRST PRELIMINARY ONE, THE
3 ORIGINAL ONE.

4 MS. KENNE: BUT, AGAIN, ALL FROM THE PEOPLESOFT
5 SYSTEM?

6 MS. VANCE: IS THERE TT STUFF IN THE PEOPLESOFT?

7 MS. KENNE: YEAH.

8 MS. VANCE: SO WHEN YOU APPROVE THE ANNUAL BUDGET, YOU
9 APPROVE --

10 MS. KENNE: YEAH. NOT IN DETAIL, AND, AGAIN, IT'S
11 JUST FOR THE YEAR. SO IF A PROJECT WAS CROSSING THREE
12 YEARS, YOU'RE JUST LOOKING AT THE BUDGET FOR THE 16-17 YEAR
13 THAT YOU'RE LOOKING AT. YOU'RE NOT COMPARING IT TO THE
14 ORIGINAL PROJECT BUDGET AND HOW MUCH WAS EXPENDED IN PRIORS
15 YEARS.

16 MS. GAUNDER SINGH: NO.

17 MS. KENNE: SHE'S NOT LOOKING AT THE ACCOUNTABILITY
18 PROJECT SPEND.

19 MS. GAUNDER SINGH: NO. WE'VE JUST LOOKING AT -

20 MS. VANCE: THAT'S NOT BROKEN DOWN BY PROJECT?

21 MS. KENNE: IT IS BY PROJECT NUMBER. UNLESS MULTIPLE
22 PIECES OF WORK ARE CHARGED TO THE SAME NUMBER.

23 MS. VANCE: BUT NOT BY SCHOOL PROJECT.

24 MS. KENNE: I WENT BACK OVER LAST YEAR OVER A NUMBER
25 OF THE TT AUDITS, AND IN THE BEGINNING THERE WAS LIKE ON

1 THE -- I GUESS IT'S THE REVENUES AND EXPENDITURES. THERE
2 WAS A LOT OF DETAIL, AND THEN THERE WAS A YEAR OR TWO WHERE
3 ALL THE EXPENDITURES GOT BUNCHED UP INTO LIKE THREE OR FOUR
4 LINES, AND SO LAST YEAR I THINK HE RE-EXPANDED IT OUT, AND
5 I JUST WANT TO MAKE SURE THAT THAT WAS GOING TO CONTINUE.

6 MS. GAUNDER SINGH: IF THAT'S HOW YOU WOULD LIKE IT,
7 THEN WE CAN USE THE SAME FORMAT.

8 MS. KENNE: ONE YEAR IT JUST GOT REALLY, REALLY LIKE
9 THE EXPENDITURES IT WAS JUST LIKE THERE WAS LIKE FIVE
10 CATEGORIES.

11 MS. GAUNDER SINGH: YEAH. NORMALLY WHEN WE REPORT IT
12 IN OTHER AUDITS, THAT'S WHAT WE DO IS WE JUST LUMP IT IN
13 THE GENERAL, YOU KNOW, THE BASIC SUMMARY VERSION, BUT I
14 BELIEVE THAT'S PROBABLY WHY THIS WAS EXPANDED WAS BECAUSE
15 OF YOUR REQUEST.

16 MS. KENNE: IT WAS THAT WAY BACK FOR THE FIRST LIKE
17 THREE OR FOUR YEARS, AND THEN I DON'T KNOW IF WE HAD A
18 CHANGE.

19 MS. GAUNDER SINGH: PROBABLY CHANGING PARTNER, AND HE
20 PREFERRED THE MORE CONSOLIDATED VERSION.

21 MS. KENNE: THANK YOU.

22 MR. CATES: CJ, WILL YOU BE EXPRESSING AN OPINION ON
23 THE DISTRICT'S COMPLIANCE WITH APPLICABLE LAW, CONTRACTS,
24 AND THE LIKE?

25 MS. GAUNDER SINGH: YES. SO PART OF OUR GAP AUDIT IS

1 TO MAKE SURE THAT ALL THE APPLICABLE AS PER ARTICLE 13(A),
2 ALL THE LAWS AND REGULATIONS ARE APPLIED, AND WE ARE GOING
3 TO LOOK AT THAT AS FAR AS THE COMPLIANCE OF THAT GOES AND
4 REPORT ANY ISSUES THAT WE COME ACROSS. SO, FOR EXAMPLE,
5 OUR BIG PROCEDURE TESTING AND OUR CONTRACT TESTING IS GOING
6 TO BE PER ARTICLE 13 AND PER THE PCC CODES. SO IF THERE
7 ARE ANY ISSUES THERE, WE'RE DEFINITELY --

8 MR. CATES: I'M SORRY. WHAT ARE THE PCC CODES?

9 MS. GAUNDER SINGH: PUBLIC CONSTRUCTION CODES.

10 MR. CATES: AND THE EDUCATION CODE?

11 MS. GAUNDER SINGH: AND THE ARTICLE 13 ED CODE, YES.

12 MR. CATES: SO WHEN ALL OF THIS IS DONE, YOU WILL
13 EXPRESS AN OPINION ON THE FINANCIAL STATEMENTS AND ON THE
14 PERFORMANCE. WILL YOU AS AUDITORS GRADE THE DISTRICT'S
15 FINANCIAL STATEMENTS? DO YOU PROVIDE A GRADE?

16 MS. GAUNDER SINGH: NO, WE DO NOT PROVIDE A GRADE. WE
17 TRY TO STICK TO FACTS WHAT WE FIND AND REPORT ON THAT. WE
18 CAN'T REALLY GIVE A GRADE.

19 MR. CATES: WHAT ARE THE TYPES OF AUDIT OPINIONS THAT
20 AN AUDITOR CAN RENDER?

21 MS. GAUNDER SINGH: SO THERE'S BASICALLY FOUR TYPES OF
22 OPINIONS THAT AN AUDITOR CAN RENDER. THE FIRST ONE IS AN
23 UNMODIFIED OPINION WHICH IS THE MOST -- IT'S ALSO CALLED A
24 CLEAN OPINION SO THAT'S THE BEST OPINION YOU CAN GET.
25 UNMODIFIED MEANS THERE WAS NO MODIFICATIONS TO THE

1 FINANCIAL STATEMENTS. NO ISSUES RENDERED. SO THAT'S, YOU
2 KNOW, THE FIRST OPINION.

3 THE SECOND OPINION IS A QUALIFIED OPINION, AND A
4 QUALIFIED OPINION MEANS THAT SO IF YOU'RE LOOKING AT ALL
5 THESE FINANCIAL STATEMENTS, YOU'RE LOOKING AT CASH,
6 ACCOUNTS RECEIVABLE, AP, ALL THESE LIABILITY ACCOUNTS,
7 WE'RE LOOKING AT ALL OF IT, AND WE FIND THAT ONE OF THE
8 ACCOUNTS WE CAN'T, YOU KNOW, SUBSTANTIATE THAT ACCOUNT. WE
9 CANNOT TEST IT. WE CANNOT SAY REASONABLY THAT THAT ACCOUNT
10 IS, YOU KNOW, REASONABLY STATED. SO WHAT WE'LL DO IS WE'LL
11 SAY ALL THESE OTHER ACCOUNTS ARE GOOD TO GO EXCEPT FOR THIS
12 ACCOUNT THAT WE CANNOT SUBSTANTIATE. SO THAT'S CALLED A
13 QUALIFIED OPINION.

14 THE THIRD OPINION IS A BASICALLY SAYING THAT
15 THESE FINANCIAL STATEMENTS ARE NOT GOOD. THEY ARE NOT
16 FAIRLY STATED. THERE ARE GROSS MATERIAL ERRORS. WE'RE NOT
17 GOING -- WE'RE BASICALLY SAYING THEY'RE NOT GOOD.

18 THE LAST OPINION IS BASICALLY A DISCLAIMER
19 BECAUSE IF WE ARE -- IF WE EXPERIENCE A HUGE SCOPE
20 LIMITATION WHERE WE CANNOT DO ANY OF OUR TESTING, YOU KNOW,
21 BASICALLY THE RECORDS ARE NOT THERE, NOTHING COULD BE
22 SUBSTANTIATED, AT THAT POINT THAT'S LIKE THE LAST RESORT TO
23 SAY WE CANNOT EVEN ISSUE ANY OPINION ON THIS. THIS IS SO
24 BAD WE CAN'T EVEN SAY ANYTHING ON IT. SO THAT'S GOING TO
25 BE CALLED A DISCLAIMER WHICH WE'RE SAYING WE'RE DISCLAIMING

1 ON ANY OPINION ON THESE SET OF FINANCIAL STATEMENTS.

2 MR. CATES: THANK YOU.

3 MR. MOHIT: WHEN YOU TALK ABOUT INTERNAL CONTROL, JUST
4 DON'T YOU THINK THAT THE INTERNAL AUDIT WOULD BE HELPFUL IN
5 THE INTERNAL CONTROL?

6 MS. GAUNDER SINGH: INTERNAL AUDIT? YOU KNOW, WE HAVE
7 SOME -- WE'VE SEEN SOME DISTRICTS WHERE THEY HAVE AN
8 INTERNAL AUDIT FUNCTION WHERE THEY WILL HAVE A COMMITTEE
9 WHERE THERE'S A PERSON WHO DOES INTERNAL AUDITS BEFORE THE
10 EXTERNAL AUDITOR COMES OUT. AN INTERNAL AUDITOR BASICALLY
11 WILL DO THE STEPS THAT WE DO BUT IN MORE DEPTH BECAUSE
12 THEY'RE THERE, YOU KNOW, AND SPENDING MORE TIME, AND SO
13 THEY WOULD DO THAT SORT OF -- BASICALLY THE AUDIT
14 PROCEDURES INTERNALLY BEFORE THE EXTERNAL AUDITOR COMES
15 OUT. IT'S VERY HELPFUL, YOU KNOW, IF YOU HAVE ANY INTERNAL
16 CONTROL, INTERNAL AUDIT FUNCTION.

17 MR. MOHIT: DO YOU EVER RECOMMEND AN INTERNAL AUDIT?

18 MS. GAUNDER SINGH: NOT REALLY. IT'S UP TO THE
19 DISTRICT TO DECIDE ON THAT BECAUSE OF COURSE IT'S EXTRA
20 COST, AND, YOU KNOW, THERE'S A WHOLE LOT OF LOGISTICS THAT
21 GOES INTO HAVING THAT FUNCTION. SO IT'S SOMETHING THAT,
22 YOU KNOW, IS NOT IN OUR POWER TO RECOMMEND. I THINK IT'S
23 MORE OF A DISTRICT DECISION.

24 MR. ORDONEZ: WOULD THAT BE A GOOD RECOMMENDATION THAT
25 IT WOULD BE PRACTICAL AND ALSO THE COST SAVINGS THAT WHEN

1 THE OUTSIDE INDEPENDENT AUDITOR COMES IN, EVERYTHING IS IN
2 PLACE?

3 MS. GAUNDER SINGH: COST SAVINGS BECAUSE IT HELPS US
4 WHEN WE COME OUT AND AUDIT BECAUSE, LIKE YOU SAID, A LOT OF
5 THINGS ARE MORE ORGANIZED WHEN YOU HAVE AN INTERNAL AUDITOR
6 FUNCTION. DEFINITELY HELPFUL FOR THE EXTERNAL AUDIT, AND I
7 THINK IT'S HELPFUL FOR, YOU KNOW, THE DISTRICT DEPENDING
8 ON, YOU KNOW, YOU ALSO HAVE TO LOOK AT THE COST ANALYSIS OF
9 IT.

10 MR. VITALE: HELLO.

11 MR. CATES: WE'RE ALL HERE.

12 MR. VITALE: I'M SORRY. I THOUGHT THERE WAS ANOTHER
13 CALL COMING IN.

14 MR. CATES: ANY FURTHER QUESTIONS FOR CJ?

15 MR. CAYABYAB: JUST A QUESTION. WOULD THE INFORMATION
16 THAT STAFF PROVIDED YOU AND YOUR COMPANY FOR THE LAST
17 COUPLE OF YEARS, HOW IS THAT? I MEAN IS THAT SOMETHING
18 THAT WARRANTS THE NEED FOR AN INTERNAL AUDIT FOR ALL THE
19 INFORMATION THAT WE PROVIDED THAT YOU ASKED FOR AND THAT'S
20 WHAT MR. ORDONEZ WAS TALKING ABOUT?

21 MS. GAUNDER SINGH: AS FAR AS OUR AUDIT GOES,
22 EVERYTHING THAT WE HAVE BEEN ASKING FOR HAS BEEN PROVIDED
23 TO US IN A VERY ORGANIZED MANNER. WE'RE NOT SCRATCHING OUR
24 HEADS WHEN WE'RE SEEING THESE RECORDS AND STUFF.
25 PERSONALLY I DON'T FEEL LIKE THAT'S SOMETHING THAT, YOU

1 KNOW, THERE'S A NEED FOR IT AS FAR AS OUR AUDIT PROCESS
2 GOES.

3 MR. MCDONALD: MAY I ASK A QUESTION?

4 MR. CATES: CERTAINLY.

5 MR. MCDONALD: IS THERE A DIFFERENCE BETWEEN THIS KIND
6 OF AUDIT THAT YOU DO AND A FORENSIC AUDIT? IF THERE'S A
7 DIFFERENCE, WOULD YOU BASED ON THE QUESTIONS THAT YOU'RE
8 HEARING TONIGHT, WOULD YOU RECOMMEND A FORENSIC AUDIT?

9 MS. GAUNDER SINGH: SO A FORENSIC AUDIT, THERE'S A
10 HUGE DIFFERENCE BETWEEN OUR AUDIT AND A FORENSIC AUDIT
11 BECAUSE A FORENSIC AUDIT IS WAY IN DEPTH. THE SAMPLE SIZE,
12 THE SELECTING OF THE SAMPLE SIDE IS COMPLETELY DIFFERENT.
13 YOU KNOW, THE AUDIT PROCEDURES ARE A WHOLE LOT OF
14 DIFFERENCE IN THERE TOO. THERE'S A HUGE DIFFERENCE BETWEEN
15 OUR AUDIT AND A FORENSIC AUDIT.

16 AS FAR AS IF THERE'S A NEED FOR A FORENSIC AUDIT
17 HERE, I -- I GUESS IT'S LIKE A COLLECTIVE DECISION FOR YOU
18 GUYS, BUT SINCE THERE'S SO MANY QUESTIONS AND SO MUCH
19 TENSION BETWEEN THE COC AND THE DISTRICT, I WOULD -- I
20 DON'T THINK THAT IT'S A BAD IDEA TO HAVE A FORENSIC AUDIT
21 JUST SO THAT IT'S MORE TRANSPARENT, AND EVERYTHING IS OUT
22 ON THE TABLE.

23 MR. BOLAND: HOW MUCH DO THEY COST?

24 MS. GAUNDER SINGH: I HAVE NO IDEA. I THINK IT IS WAY
25 MORE -- I KNOW FOR SURE WAY MORE THAN THE REGULAR AUDIT

1 COSTS. MOSTLY IT'S AN HOURLY RATE. WE CHARGE A FIXED
2 RATE, BUT MOSTLY THE FORENSIC AUDIT IS AN HOURLY RATE, AND
3 THERE'S NO LIKE END TO HOW MANY HOURS THAT THEY COULD
4 CHARGE.

5 MR. MCDONALD: IT JUST SOUNDS TO ME LIKE PEOPLE ARE
6 FEELING THAT YOUR AUDIT IS NOT GOING FAR ENOUGH. I WOULD
7 BE OPEN TO A FORENSIC AUDIT IF IT WOULD SETTLE THIS ONCE
8 AND FOR ALL. BECAUSE IT SOUNDS TO ME LIKE THERE IS AN
9 ASSUMPTION THAT THERE'S BEEN MALFEASANCE BY STAFF, AND THIS
10 IS NOT HEALTHY. THIS IS NOT HELPFUL.

11 MR. BOLAND: THAT'S BEEN STATED IN HERE A COUPLE OF
12 TIMES.

13 MR. MCDONALD: IF THAT'S THE CASE, WE'RE WILLING
14 TO -- WE'LL SUPPORT A FORENSIC AUDIT, AND HOPEFULLY WHEN
15 THE RESULTS COME BACK, WE CAN ALL MOVE ON. IF THEY SAY
16 WE'RE DOING SOMETHING WRONG, WE FIX IT. WE MOVE ON.

17 MR. CATES: I APPRECIATE THE OFFER. I REALLY DO.
18 THERE'S ONE PRACTICAL CONSIDERATION WE HAVE TO KEEP IN
19 MIND. FOR WHICH YEARS? WE HAVE BEEN TALKING ONLY ABOUT
20 ONE YEAR, THE MOST RECENTLY CONCLUDED FISCAL YEAR.
21 ACTIVITIES THAT ARE -- WHAT SHOULD I SAY -- QUESTIONABLE
22 HAVE BEEN GOING ON FOR MUCH LONGER. SO AT THE VERY LEAST A
23 FORENSIC AUDIT THAT LOOKS AT MORE THAN ONE YEAR WOULD BE
24 SIGNIFICANTLY MORE EXPENSIVE.

25 MR. MCDONALD: IT DOESN'T MATTER TO ME. YOU CAN DO IT

1 FOR THREE YEARS SINCE I'VE BEEN SUPERINTENDENT. FINE BY
2 ME. WE CAN GO BACK AS FAR AS YOU WANT.

3 MR. CATES: I'M SURE WE CAN AGREE ON SOME REASONABLE
4 PERIOD THAT DOESN'T INCLUDE SINCE THE BEGINNING OF TIME.
5 AGAIN, I APPRECIATE THE OFFER, AND I THINK WE ALL ACCEPT.

6 MS. RAHN: HOW DOES THAT HAPPEN? IT DOES REQUIRE A
7 LITTLE MORE DIALOGUE BECAUSE PUBLICLY LET'S SAY THE PRICE
8 TAG IS A MILLION. I'M NOT SAYING IT IS. WE STILL KIND OF
9 NEED THAT DIALOGUE ABOUT IS THIS A GOOD USE OF PUBLIC
10 FUNDS. I COMPLETELY AGREE WITH DR. MCDONALD'S OFFER.
11 LET'S JUST PUT THIS THING TO BED FOR GOD'S SAKE, SO
12 WHATEVER IT TAKES TO DO THAT. BUT WHAT WOULD YOU SEE AS
13 THE NEXT STEP, DR. MCDONALD?

14 MR. MCDONALD: WELL, YOU KNOW, WE GO OUT FOR AN RFQ,
15 AND THE COC YOU CAN DRIVE THE WHOLE THING. YOU SELECT WHO
16 YOU WANT. FINE BY ME.

17 MR. COLE: I'LL THROW THIS OUT. I'M TOTALLY IN FAVOR
18 OF DOING THAT. I THINK IT'S A GREAT OFFER, BUT WE DO NEED
19 TO LAY OUT EXACTLY WHAT THE PARAMETERS OF THIS WOULD BE.
20 BECAUSE WHEN DR. MCDONALD JUST SAID HE HAD A FEELING THAT
21 THERE'S MALFEASANCE, AND THEN, QUINCY, YOU'RE SHAKING YOUR
22 HEAD NO, IF YOU'RE SHAKING YOUR HEAD NO, THEN WHAT WAS ALL
23 THIS ABOUT THE LAWYER FEES GOING IN? THAT WAS ALL ABOUT
24 THAT THERE WAS MALFEASANCE, AND THAT HAS BEEN EXPRESSED
25 SPECIFICALLY IN THIS ROOM. SO WE CAN'T ALL BE CHUMMY NOW

1 AND SAY, NO, WE DIDN'T THINK THERE WAS MALFEASANCE; WE HAD
2 A LOT OF TIME ON OUR HANDS AND FIGURED WE WOULD DO
3 SOMETHING.

4 MR. HOCUTT: WE NEED TO DEFINE THE TERM "MALFEASANCE."

5 MR. CATES: RIGHT. WE DON'T HAVE TO CHARACTERIZE IT
6 AS MALFEASANCE OR MISFEASANCE OR AN HONEST ERROR. WE'RE
7 TALKING ABOUT AN AUDIT.

8 MR. COLE: THEN WE DEFINITELY NEED TO HAVE A
9 CONVERSATION ABOUT SETTING THE PARAMETERS. I FOR ONE WOULD
10 BE FINE WITH WHAT YOU JUST SUGGESTED GOING BACK TWO OR
11 THREE YEARS. I HAVE NO INTEREST -- WELL, I HAVE A LOT OF
12 INTEREST IN GOING BACK TO THE POPOLARDO YEARS.

13 MS. RAHN: I ACTUALLY SUPPORT THE IDEA OF JUST DOING
14 ONE YEAR. IF SOMETHING DOESN'T COME UP IN A YEAR, YOU JUST
15 MOVE ON.

16 MR. CATES: I'M SORRY. I DON'T THINK A YEAR IS
17 ENOUGH.

18 MR. COLE: AND WE WOULD HAVE TO KNOW WHAT THE BUDGET
19 WAS AND WHERE IT'S COMING FROM.

20 MR. CATES: WHY DON'T WE DO THIS.

21 EVERYONE WHO IS INTERESTED IN, GET ME YOUR
22 SUGGESTIONS IN WRITING BEFORE THE NEXT MEETING, AND WE WILL
23 THEN DISCUSS THE PARAMETERS OF THE FORENSIC AUDIT AT OUR
24 NEXT MEETING AND MAKE THE REQUEST OF THE DISTRICT. HOW IS
25 THAT?

1 KIM.

2 MS. KENNE: AND I GUESS IT WOULD BE GOOD TO CLARIFY IF
3 THE REQUEST IS OF THE DISTRICT OR THE BOARD. THE COC
4 ADVISES THE BOARD WHO MAY OR MAY NOT AGREE.

5 MR. CATES: YOU'RE RIGHT. WE WOULD MAKE A REQUEST.

6 MR. MCDONALD: IT DOESN'T MATTER TO ME WHO GIVES US
7 THE DIRECTIVE.

8 MS. KENNE: I'M JUST SAYING THERE'S ANOTHER LAYER IN
9 BETWEEN POTENTIALLY.

10 MR. CATES: YOU'RE RIGHT.

11 MS. RAHN: THEY COULD VOTE IT DOWN.

12 MR. CATES: THE BOARD COULD VOTE IT DOWN, BUT I CAN'T
13 THINK OF A BETTER USE OF TT FUNDS THAN A DETAILED AUDIT.

14 MR. COLE: I CAN THINK OF A LOT OF BETTER USES.

15 MR. CAYABYAB: JUST A COMMENT.

16 MR. CATES: ONE AT A TIME. EVERYONE GETS A CHANCE TO
17 SPEAK.

18 FRANCIS, YOU WERE UP NEXT.

19 MR. BOLAND: RESPECTFULLY I HEARD A QUALIFIED AUDITING
20 FIRM TELL US THAT THERE'S REALLY NOT A NEED FOR THAT KIND
21 OF AUDIT, AND I HEARD DR. MCDONALD SAY THAT KIND OF OUT OF
22 FRUSTRATION. YOU SAY THERE'S NO MALFEASANCE, BUT CALLING
23 FOR A FORENSIC AUDIT MEANS THAT YOU THINK THERE'S
24 MALFEASANCE. HE'S RIGHT WHEN HE SAYS THAT. I DON'T THINK
25 THERE'S MALFEASANCE. I THINK WE'RE HERE TO MAKE SURE THE

1 TT MONEY IS SPENT PROPERLY. THIS IS A WASTE OF MONEY, AND
2 I WANT TO JUST STATE THAT. IT'S A WASTE OF MONEY. I DON'T
3 THINK WE NEED IT AT ALL. MOVE ON.

4 MR. CATES: WE DON'T HAVE TO DECIDE ANYTHING TONIGHT.
5 I SUGGESTED TO ANYONE WHO WAS INTERESTED GET ME YOUR
6 RECOMMENDATIONS AND WISHES IN WRITING, AND WE WILL TAKE IT
7 UP AT THE NEXT MEETING.

8 YES, MIKE.

9 MR. MOHIT: I THINK WE SHOULD WEIGH THE COST OF A
10 FORENSIC AUDIT COMPARED TO WHAT WAS ACTUALLY MISUSED, THE
11 MONEY THAT HAS BEEN MISUSED. IT MIGHT NOT BE WORTH IT.

12 MR. CATES: PERFECTLY REASONABLE. COST IS ALWAYS A
13 RELEVANT CONSIDERATION.

14 MS. MCKINLEY: I THINK YOU'RE PUTTING THE CART BEFORE
15 THE HORSE BEFORE WE SEE THE REPORT THAT COMES OUT OF THIS
16 AUDIT AT THIS POINT. A FORENSIC AUDIT MUST BE DETERMINED
17 ON THE FINDINGS OF THIS AUDIT REPORT.

18 MR. CATES: THANK YOU FOR THAT.

19 WHY DON'T WE TAKE UP THIS IMPORTANT SUBJECT AT
20 THE NEXT MEETING, THE DETAILS, TRY TO COME TO A CONCLUSION
21 AND MAKE RECOMMENDATIONS TO THE BOARD.

22 ALL RIGHT. ANY OTHER QUESTIONS FOR CJ?

23 THANK YOU VERY MUCH FOR APPEARING. WE LOOK
24 FORWARD TO RECEIVING THE DRAFT REPORT.

25 MS. RAHN: IT SHOULD BE AT THE NEXT MEETING.

1 MS. VANCE: YEAH.

2 MS. RAHN: OUR NEXT MEETING IS THE 15TH OF NOVEMBER.

3 MS. GAUNDER SINGH: SO YOU SHOULD HAVE THE FINAL BY
4 THE NEXT MEETING.

5 MR. CATES: LET ME MAKE ONE COMMENT ON THAT. WE'RE
6 NOT GOING TO HAVE A FINAL AUDIT UNTIL THE NEXT MEETING.
7 THAT MEANS THAT OUR ANNUAL REPORT CANNOT BE WRITTEN UNTIL
8 AFTERWARDS SO OUR NORMAL DECEMBER PRESENTATION TO THE BOARD
9 IS NOT GOING TO OCCUR IN DECEMBER.

10 MS. VANCE: I'M GOING TO COMMENT ON THAT BECAUSE I
11 THINK THAT YOU SHOULD BE ABLE TO BEGIN WRITING YOUR REPORT
12 BASED ON THE DRAFT OF THE AUDIT SO I WOULD ARGUE THAT WE
13 TRY AS HARD AS WE CAN TO STAY ON SCHEDULE.

14 MR. CATES: I AGREE.

15 MS. VANCE: BECAUSE I REALLY THINK WE HAVE DONE SUCH A
16 GREAT JOB OF MAKING SURE THAT THE CHAIR OF THIS COMMITTEE
17 GIVES THEIR REPORT IN DECEMBER TO THE BOARD. I REALLY
18 WOULD SUGGEST THAT WE TRY TO JUST DO THAT. I'M NEVER ONE
19 IN THIS COMMITTEE IN MY LONG TERM HERE SEEN A CHANGE IN THE
20 DRAFT TO THE FINAL AUDIT SO I THINK THAT TYPICALLY THE
21 DRAFT WILL DO.

22 MR. CATES: I HAVE NO TROUBLE DRAFTING.

23 MS. VANCE: IF SHE GIVES IT US TO ON OCTOBER 31, WE
24 WOULD HAVE SOMETHING BY NEXT MONTH TO REVIEW.

25 MR. CATES: I HAVE PLENTY OF EXPERIENCE IN WRITING.

1 MS. KENNE: SO JUST TO CLARIFY. SO THE CHAIR'S REPORT
2 TO THE BOARD IS APPROVED BY THE COC BEFORE IT GOES TO THE
3 BOARD?

4 MR. CATES: YES. OUR ANNUAL REPORT HAS TO BE
5 APPROVED.

6 STEVE.

7 MR. COLE: JUST FOR CLARIFICATION, WHEN YOU RECEIVE
8 THE DRAFT, IS THAT DISTRIBUTED TO THE COMMITTEE?

9 MR. CATES: YES. AND THAT RAISES AN IMPORTANT POINT.
10 BROWN ACT. THERE'S NO PROBLEM WITH PROMULGATING
11 INFORMATION BY EMAIL OR LETTER OR CARRIER PIGEON. THE
12 PROBLEM IS WHEN EVERYONE STARTS TO DISCUSS IT BACK AND
13 FORTH, IT'S A VIOLATION OF THE LAW, AND THE THEORY OF THE
14 LAW IS OUR DELIBERATIONS OUGHT TO BE PUBLIC. SO IF YOU
15 WANT TO TALK ABOUT IT WITH A FRIEND OR TWO, FINE, BUT WE
16 CAN'T CONDUCT BUSINESS BY EMAIL.

17 IT'S SHORTLY AFTER 8:00. LET'S TAKE A TEN-MINUTE
18 BREAK, AND WE'LL RESUME.

19 (A RECESS WAS TAKEN.)

20 MR. CATES: I THINK WE'RE READY TO RESUME.

21 ITEM IV.B, COC CONTACTS WITH THE MEDIA. THIS WAS
22 THE SUBJECT OF DISCUSSION AT OUR LAST MEETING, AND IT WAS
23 SUGGESTED THAT WE CONTINUE AT THIS MEETING IF ANYONE WANTS
24 TO.

25 MR. BOLAND: YOU MEAN THE ARTICLE IN THE PAPER?

1 MR. CATES: CONTACT WITH THE MEDIA GENERALLY.

2 MR. BOLAND: ALL I WANT IS IF YOU'RE GOING TO GO DO
3 SOMETHING LIKE THAT THAT WE HAVE A DISCUSSION ABOUT IT, AND
4 WE AGREE ON WHAT IS GOING TO BE SAID, HOW IT'S GOING TO BE
5 RELEASED, AND THAT WE HAVE INPUT; OTHERWISE, IT'S
6 DISRESPECTFUL TO US, AND THAT'S THE WAY WE FELT. THAT'S
7 THE WAY I FELT. I'M NOT GOING TO SPEAK FOR ANYBODY ELSE.
8 AND I APOLOGIZE FOR BEING UPSET LAST TIME, BUT WE DESERVE
9 TO BE INCLUDED IN THAT DECISION ESPECIALLY IF IT'S GOING TO
10 BE OUR NAMES IN THE PAPER. I DON'T AGREE WITH SOME OF THE
11 THINGS YOU DO IN HERE, AND I'M OKAY WITH THAT. I'LL
12 EXPRESS MY OPINION. IT'S NOT PERSONAL TO ME, AND I WANT TO
13 MAKE THAT CLEAR. NOTHING PERSONAL AGAINST ANYBODY IN HERE,
14 BUT I GOT MY OPINIONS, AND I'M GOING TO SAY THEM, AND I
15 THINK THAT YOU SHOULD BE A LITTLE MORE ACCOMMODATING TO THE
16 OPINIONS THAT DON'T AGREE WITH YOURS. THAT'S ALL.

17 MR. COLE: CAN I MAKE A --

18 MR. CATES: STEVE.

19 MR. COLE: I THINK IF WE'RE GOING TO AS INDIVIDUALS
20 SPEAK TO THE PRESS, WE NEED TO MAKE IT CLEAR RIGHT UP FRONT
21 WE ARE SPEAKING AS AN INDIVIDUAL AND HAVE THAT STATED. AS
22 A GROUP, I DON'T THINK WE SHOULD GIVE INTERVIEWS TO THE
23 PRESS AT ALL BECAUSE BY THE VERY NATURE OF AN INTERVIEW,
24 IT'S AN ORGANIC GIVE AND TAKE AND WILL BECOME SOMEONE'S
25 OPINION WITHOUT DEFINED LANGUAGE, AND SO IF WE'RE GOING TO

1 ISSUE A PRESS RELEASE, THAT'S THE WAY WE SHOULD DO IT. IF
2 SHOULD BE DEFINED LANGUAGE WHERE EVERYBODY LOOKS AT THE
3 LANGUAGE, VOTES ON THE LANGUAGE, AND IT CAN BE ON THE
4 RECORD WHETHER WE AGREE WITH IT OR NOT.

5 MR. CATES: I UNDERSTAND, AND WHAT YOU SAID, FRANCIS,
6 AND WHAT YOU SAID, STEVE, IS EXACTLY WHAT YOU SAID AT THE
7 LAST MEETING. SO LET ME REPEAT MYSELF.

8 FIRST OF ALL, EVERYTHING THAT WAS IN THE STAR
9 NEWS ARTICLE TO WHICH YOU OBJECTED WAS FACTUALLY ACCURATE
10 AND YOU ADMITTED AS MUCH, AND IT'S INDISPUTABLE BECAUSE THE
11 COMMITTEE HAD ALREADY TAKEN THESE POSITIONS FORMALLY SO THE
12 ARTICLE WAS ACCURATE. SECOND, IF YOU'LL TAKE A LOOK AT THE
13 BYLAWS, I HAVE THE ABILITY TO CARRY OUT THE DECISIONS OF
14 THIS COMMITTEE, THE SUBSTANTIVE DECISIONS, AND I DID SO,
15 AND I WASN'T SPEAKING FOR MYSELF. I WAS SPEAKING ABOUT
16 WHAT THE COMMITTEE HAD DECIDED, AND IF YOU GO BACK AND TAKE
17 A LOOK AT THE MINUTES OF PRIOR MEETINGS, YOU WILL SEE THAT
18 THE COMMITTEE DISAPPROVED, FOR EXAMPLE, THE EXPENDITURE OF
19 LEGAL FEES ON NON-TT RELATED MATTERS.

20 MOST IMPORTANT UNDER THE LAW THIS COMMITTEE'S
21 OBLIGATION IS NOT MERELY TO MONITOR THE EXPENDITURE OF TT
22 FUNDS BUT TO PUBLICIZE OUR FINDINGS. FOR MONTHS WE WORKED
23 OR WE TRIED TO PERSUADE THE DISTRICT TO PAY ATTENTION.
24 EVERYBODY KNOWS THAT DIDN'T WORK. THIS WAS FOR MONTHS AND
25 MULTIPLE EFFORTS AND MUCH OF THE CORRESPONDENCE YOU WILL

1 FIND ON THE WEBSITE. PLEASE DON'T DO THIS. SOMETHING ELSE
2 WILL CONSTITUTE A VIOLATION OF LAW. YOU NEED TO RESTORE
3 THE FUNDS. YOU KNOW THAT HAD ABSOLUTELY NO EFFECT. SO
4 WHAT WAS THE NEXT STEP? TO TALK TO THE PRESS. WHAT BETTER
5 WAY TO CARRY OUT OUR STATUTORY MANDATE OF PUBLICIZING OUR
6 FINDINGS.

7 KIM.

8 MS. KENNE: SO NOW THAT WE'VE TALKED ABOUT WHAT
9 HAPPENED ALREADY, WOULD IT BE REASONABLE TO CONSIDER THE
10 PRESS RELEASE AS A VIABLE OPTION IN THE FUTURE FOR
11 COMMUNICATING WITH THE PRESS, AND I DON'T KNOW IF THAT'S
12 SOMETHING THAT GOES IN THE BYLAWS. THAT IS A SEPARATE
13 ACTION ITEM ON THE NEXT AGENDA WHERE EVERYONE KIND OF
14 VOTES. OUR MEDIA PROCESS IS NOW THAT WE DO PRESS RELEASES
15 AND EVERYONE APPROVES THEM.

16 MR. CATES: I'M CERTAINLY AMENABLE TO HAVING THE
17 COMMITTEE DISCUSS AND APPROVE PRESS RELEASES. QUITE
18 FRANKLY, I WOULD HAVE DONE THAT IF I HAD KNOWN HOW MUCH
19 TIME WOULD BE SPENT FIGHTING ABOUT SOMETHING THAT I THINK
20 IS INDISPUTABLE.

21 LET ME FINISH.

22 MR. COLE: I JUST WANT TO MAKE SURE I'M IN LINE.

23 MR. CATES: OF COURSE, STEVE.

24 ANY MEMBER OF THE COMMITTEE IS FREE TO SPEAK TO
25 THE PRESS OR ANYBODY ELSE AT ANY TIME, JUST NOT ON BEHALF

1 OF THE COMMITTEE. THERE'S ONLY ONE PERSON WHO'S AUTHORIZED
2 TO DO THAT UNDER THE BYLAWS AND THAT'S THE CHAIR, AND IN
3 HIS ABSENCE THE VICE CHAIR, AND I DID SO ACCORDING TO THE
4 AUTHORITY IN THE BYLAWS. IS THAT THE BEST WAY TO PROCEED?
5 WELL, IN RETROSPECT, NO. WAS IT AUTHORIZED? YES. HAS IT
6 GOTTEN THE ATTENTION THAT WE'VE NEVER BEFORE RECEIVED?
7 YES.

8 MR. BOLAND: PROVE IT.

9 MS. RAHN: BUT NOT POSITIVE. IT HAS NOT HELPED OUR
10 CAUSE AT ALL.

11 MR. CATES: THAT REMAINS TO BE SEEN. I KNOW TODAY FOR
12 THE FIRST TIME THERE'S AN OFFER TO RESTORE THE LEGAL FEES
13 ATTRIBUTABLE TO THE 7-11 COMMITTEE. WE'VE BEEN ON THIS ONE
14 FOR MONTHS. DO YOU THINK THAT WAS COINCIDENTAL?

15 ONE MORE AND THEN THE FLOOR IS YOURS.

16 A RECENT EXAMPLE. THE CONDUCT OF HARVEY
17 WEINSTEIN FOR 15 OR 20 YEARS WAS WELL-KNOWN THROUGHOUT THE
18 ENTERTAINMENT INDUSTRY. NOTHING WAS EVER DONE ABOUT IT
19 UNTIL WHAT? THE NEW YORK TIMES AND THE NEW YORKER
20 PUBLICIZED IT. SO THE PRESS IS VERY POWERFUL.

21 MR. BOLAND: YOU JUST COMPARED THEM TO HARVEY
22 WEINSTEIN?

23 MR. CATES: NO.

24 MR. BOLAND: WHAT THE HELL IS THAT?

25 MR. CATES: THE POWER OF THE PRESS.

1 STEVE.

2 MR. COLE: THIS IS EXACTLY THE TYPE OF THING THAT I
3 WANT TO AVOID BY ISSUING PRESS RELEASES. YEAH, WE
4 DEFINITELY GOT MORE EXPOSURE, BUT WHAT WE REALLY GOT OUT OF
5 IT WAS MORE NOTORIETY THAN ANYTHING ELSE. WE DID NOT GET
6 POSITIVE PRESS EXPOSURE.

7 AND EVEN OUR OWN AUDITOR HERE, SHE FLAT OUT SAID,
8 "NO, I WOULD HAVE APPROVED IT EXCEPT FOR THE PUSH BACK HERE
9 SO WE DECIDED TO REMOVE IT." SHE DID NOT THINK IT WAS
10 CLEARLY ILLEGAL. YOU EVEN TRIED TO GET HER TO SAY THAT,
11 AND SHE IMMEDIATELY BACKED OFF AND SAID, "NO, THIS ISN'T
12 ILLEGAL," WHICH SHOWS THAT THERE'S DEGREES OF HOW THINGS
13 GO. YES, WE'VE TALKED ABOUT THESE LAWYER FEES ARE NOT THE
14 BEST USE OF MEASURE TT FUNDS, AND THEY SHOULD NOT HAVE COME
15 OUT OF THERE. BUT THE DEGREE TO WHICH THAT SHOULD BE
16 ELEVATED, THIS WAS NOT MALFEASANCE IN QUINCY'S DEFINITION,
17 I BELIEVE. THIS WAS SOMETHING THAT WE HAD A DISAGREEMENT
18 WITH THE DISTRICT.

19 THERE ARE MULTIPLE WAYS WE COULD HAVE PUT THIS
20 OUT. NOW, IF YOU'RE RUNNING A TRAFFIC LIGHT, THAT'S
21 DIFFERENT THAN IF YOU'RE STANDING IN THE MIDDLE OF FIFTH
22 AVENUE AND SHOOTING SOMEBODY AND STILL GETTING VOTES IF
23 WE'RE GOING TO GO FOR THE BIGGEST HYPERBOLE THAT WE CAN.
24 SO THOSE ARE DIFFERENT DEGREES. ARE THEY VIOLATIONS OF THE
25 LAW OR RULES? YES, BUT THEY'RE NOT CAPITAL OFFENSES. WHEN

1 WE GO TO THE PRESS, IN MY OPINION, THAT'S FOR CAPITAL
2 OFFENSES. THAT'S FOR MALFEASANCE. THAT'S WHEN WE REALLY
3 NEED TO BRING THE HAMMER DOWN, NOT FOR SOMETHING THAT IS
4 NOT EVEN A HALF OF 1 PERCENT OF THE TOTAL BUDGET.

5 MR. CATES: RESPONSE TO THAT. FIRST OF ALL --

6 MS. RAHN: CAN WE JUST DO ORDER? WE'RE NEVER GOING TO
7 GET THROUGH TONIGHT IF YOU RESPOND. LET'S JUST GET IT ALL
8 OUT ON THE TABLE.

9 MR. CATES: DIANA HASN'T HAD A CHANCE TO SPEAK.

10 MS. VERDUGO: THAT'S RIGHT.

11 WHAT I WANTED TO SAY WAS I DIDN'T SEE THE
12 ARTICLE, AND AFTER ALL THIS HAPPENED, I DIDN'T WANT TO EVEN
13 READ THE ARTICLE BECAUSE I DIDN'T HAVE TO. I HAD NEIGHBORS
14 ASKING ME ABOUT WHAT WAS GOING ON, AND I DIDN'T KNOW WHAT
15 THEY WERE TALKING ABOUT. HENCEFORTH, I WOULD THINK THAT IF
16 ANYONE IS CONSIDERING ANYTHING IN A NEWSPAPER OR ANY KIND
17 OF PUBLICATION WHICH PUTS MY NAME KIND OF IN THERE, I WOULD
18 LIKE TO BE ABLE TO SAY DON'T DO IT WITH MY NAME BECAUSE
19 PEOPLE KNOW I'M ON THE COMMITTEE.

20 I REALLY DO BRAG ON THIS COMMITTEE PARTICULARLY
21 TO THE SPANISH SPEAKING COMMUNITY BECAUSE I SPEAK SPANISH
22 TO THEM. IT'S EASY FOR ME. IT MIGHT NOT BE EASY FOR
23 ANYONE ELSE, BUT I DO NOT LIKE BEING TAKEN FOR GRANTED, AND
24 I REALLY FEEL THAT THIS IS WHAT HAPPENED. I KNOW IT'S YOUR
25 PURVIEW AND ALL OF THAT TO DO SOME OF THIS, BUT I DON'T

1 THINK THAT WITHOUT HAVING EVERYONE KNOW THAT IT'S HAPPENING
2 SO THAT WE CAN ALL BE AWARE OF IT THAT IT SHOULD HAVE
3 HAPPENED, AND THAT DOESN'T MEAN I DON'T AGREE WITH YOUR
4 INTENTION. IT DOES MEAN THAT THERE ARE PROCEDURES I FEEL
5 NEED TO BE FOLLOWED WITH A COMMITTEE THIS SIZE REPRESENTING
6 SO MANY DIFFERENT SCHOOLS AND PARENTS.

7 SO I WOULD APPRECIATE IT IN THE FUTURE IF THERE
8 IS GOING TO BE SOME KIND OF AN ARTICLE PUBLISHED SOMEWHERE
9 THAT I KNOW ABOUT IT BEFORE IT'S GOING OUT SO THAT I WILL
10 BE PREPARED TO ANSWER QUESTIONS OF THE PEOPLE THAT I KNOW
11 WHO ARE GOING TO COME UP AND ASK ME IS THAT THE COMMITTEE
12 YOU'RE ON? WHY DID YOU DO BLAH, BLAH, BLAH. THANK YOU.

13 MR. CATES: FAIR POINT. FAIR POINT.

14 YES, FRANCIS.

15 MR. BOLAND: YOU'RE PROBABLY AWARE I INTERPRET THE
16 BYLAWS DIFFERENTLY THAN YOU DO. YOU CAN DO WHAT WE
17 DECIDED. MY POINT IS WE NEVER DECIDED ANYTHING. YOU CAN
18 CARRY OUT OUR DECISIONS. WE NEVER DECIDED. I'M JUST LIKE
19 HER. I WOKE UP AND READ THE PAPER. I SAID, "WHY DID CLIFF
20 DO THAT, ESPECIALLY WITHOUT TALKING TO US," AND I'M A NEW
21 MEMBER. I KNOW LESLIE FELT THAT WAY. AND I JUST THOUGHT
22 THIS WAS DISRESPECTFUL TO OUR OPINION. YOU PROBABLY KNEW
23 THAT I WOULD HAVE AN ISSUE WITH IT BECAUSE I'VE BEEN SAYING
24 EVERY MEETING I'VE BEEN HERE THAT I THINK WE NEED AN
25 IMPROVED RELATIONSHIP WITH THE DISTRICT.

1 I THINK YOU ARE ENGAGING IN A GRATUITOUS,
2 UNRELENTING CAMPAIGN OF NEGATIVITY AGAINST THE SCHOOL
3 DISTRICT, AND I DON'T UNDERSTAND WHY. GRATUITOUS
4 NEGATIVITY.

5 I WOULD DO THIS COMPLETELY DIFFERENTLY, AND YOU
6 KNOW THAT BECAUSE I DISCUSSED IT AT LENGTH WITH QUINCY SO I
7 DIDN'T HAVE TO DO IT HERE. AND THE FIRST THING I WOULD DO
8 IS GET THE LAWYERS THAT RAN MY 7-11 COMMITTEE THAT THEY
9 OFFERED TO COME IN HERE AND TALK TO THIS COMMITTEE ABOUT
10 WHAT THE PURVIEW OF THIS COMMITTEE IS. WE DON'T HAVE TO
11 SIT AND EXPRESS OUR OPINIONS. WE CAN HAVE LAWYERS COME IN
12 AND TELL US WHAT IT IS AND THEN YOU CAN DISAGREE WITH THE
13 LAWYERS I'M SURE. YOU DISAGREE WITH THE AUDITORS. YOU
14 DISAGREE WITH EVERYBODY BUT YOURSELF. IT JUST GETS ME
15 FIRED UP. I APOLOGIZE FOR THAT AGAIN. THINGS HAVE TO BE
16 DONE DIFFERENTLY, MAN. THIS IS RIDICULOUS.

17 MR. CATES: ALL RIGHT. PERHAPS YOU DON'T KNOW, THIS
18 COMMITTEE HAS ITS OWN COUNSEL.

19 MR. BOLAND: I KNOW. IT DOESN'T NEED ITS OWN COUNSEL.
20 I TOLD YOU THAT TOO.

21 MR. CATES: I THOUGHT YOU JUST SAID WE NEED TO BRING
22 IN THE LAWYERS. WE HAVE OUR LAWYER, AND OUR LAWYER HAS --

23 MR. BOLAND: THE LAWYERS THAT THEY ALREADY HAVE ON
24 RETAINER TO COME IN HERE AND TALK TO US ABOUT OUR PURVIEW.
25 I GUESS YOU'RE GOING TO HIRE A LAWYER TO SAY SOMETHING

1 DIFFERENT.

2 MR. CATES: WE HAVE OUR OWN LAWYER, AND HE HAS ISSUED
3 HIS OPINIONS, AND THEY SUPPORT THE ACTION THAT THIS
4 COMMITTEE HAS ALREADY TAKEN.

5 MR. BOLAND: YOU DON'T HAVE TO THE ABILITY TO DO
6 WHATEVER YOU THINK IS RIGHT.

7 MR. CATES: KIM.

8 MS. KENNE: SO THE INTENT OF THIS AGENDA ITEM WAS JUST
9 TO ALLOW SOME MORE AIRING? HOW ARE WE GOING TO KNOW WHEN
10 WE'RE DONE? I WOULD LIKE TO BE DONE.

11 MR. CATES: I'M HAPPY TO CUT IT OFF.

12 MS. VANCE: I'M THE ONE THAT REQUESTED THAT THIS ITEM
13 BE ON THE AGENDA AND IT BE BEFORE WE TAKE THE VOTE BECAUSE
14 I FELT LIKE JUST -- AND I KNOW I WAS ON THE PHONE LAST TIME
15 SO IT WAS HARD FOR ME TO HEAR, BUT I FELT LIKE MAYBE IF WE
16 HAD A TIME THAT WAS NOT AS HEATED AS LAST TIME TO BE ABLE
17 TO FILTER THIS OUT A LITTLE BIT MORE. NOT THAT IT WOULD
18 CHANGE THE VOTE, BUT I THINK IT NEEDED TO BE DONE BEFORE WE
19 MADE THE VOTE TO REMOVE CLIFF AND QUINCY SO I WAS THE ONE
20 THAT REQUESTED IT.

21 AND I WILL SAY, SINCE I HAVE THE FLOOR, CLIFF,
22 THAT I THINK THAT THE FEELING, AT LEAST MY VIEW OF THE
23 FEELING IS THAT THEY JUST FELT THERE NEEDED TO BE MORE
24 VETTING WITH THE COMMITTEE BEFORE THAT ARTICLE -- BEFORE
25 YOU HAD THE INTERVIEW WITH THE NEWSPAPER, AND I'M SURE,

1 LIKE YOU SAID, IF YOU HAD TO DO IT AGAIN, YOU WOULD DO IT
2 DIFFERENTLY, AND I THINK, KIM, YOU HAD A REALLY GOOD POINT
3 OF MAYBE WE DOCUMENT THIS AND CHANGE THE BYLAWS TO STATE
4 THAT, YOU KNOW, THAT THAT DOES NOT -- THAT OFFICIAL
5 RESPONSIBILITY DOES NOT BELONG TO THE CHAIR. THAT ANY TIME
6 WE'RE GOING TO GO TO THE PRESS OR THE MEDIA IT WOULD BE ON
7 BEHALF OF THE ENTIRE COMMITTEE. I DON'T HAVE AN ISSUE WITH
8 THAT. I THINK WE CAN TABLE THAT FOR ANOTHER MEETING, BUT I
9 WAS THE ONE WHO ASKED FOR IT. I DO FEEL LIKE WE'RE A MONTH
10 IN AND ALL A LITTLE BIT MORE CALM THAT WE MAYBE COULD COME
11 TO A RESOLUTION BEFORE WE CHOOSE TO VOTE ON THE REMOVAL OF
12 THE CHAIR AND VICE CHAIR.

13 MS. KENNE: A RESOLUTION?

14 MS. VANCE: OR MAYBE EVEN A DISCUSSION. I DON'T KNOW
15 IF THERE HAS TO BE -- MAYBE WE CAN MAKE A RESOLUTION. I
16 DON'T KNOW, CLIFF, DO YOU WANT TO SAY THAT YOU WON'T DO IT
17 AGAIN? I DON'T KNOW. I CAN'T SPEAK FOR YOU.

18 MR. CATES: WELL, I DON'T THINK WE NEED AN AMENDMENT
19 OF THE BYLAWS. I AM PERFECTLY WILLING TO COMMIT TO NOT
20 SPEAKING TO THE PRESS ON BEHALF OF THE COMMITTEE WITHOUT
21 FIRST RUNNING IT BY THIS COMMITTEE.

22 MR. BOLAND: THAT'S ACCEPTABLE TO ME.

23 MR. CATES: EXCUSE ME.

24 MS. RAHN: HE SAID IT'S ACCEPTABLE TO HIM, CLIFF. THE
25 ARGUMENTATIVE STUFF HAS TO STOP. IT'S PROCESS. THE ISSUE

1 THAT IS GOING ON RIGHT NOW IT'S JUST ABOUT PROCESS AND
2 COURTESY AND ACKNOWLEDGING WRONG, ACKNOWLEDGING PEOPLE'S
3 FEELINGS. THAT'S IT. AND SO WHAT HAPPENS WHEN A CHAIR
4 DOESN'T DO THAT IS ITS PEOPLE DON'T WANT HIM TO BE THE
5 CHAIR ANYMORE. SO THAT'S JUST IT. THERE'S NOTHING BIGGER
6 HERE, BUT WE HAVE TO BE ABLE TO BE TOGETHER.

7 MR. CATES: OKAY. FINAL COMMENT BEFORE WE TAKE THE
8 VOTE ON THE REMOVAL OF QUINCY AND ME.

9 I WANT EVERYONE TO THINK HARD ABOUT WHAT IS THE
10 PURPOSE OF THIS COMMITTEE. IT'S NO MYSTERY. THE LAW IS
11 CLEAR. WE ARE TO MONITOR THE EXPENDITURE OF TT FUNDS AND
12 ADVISE THE BOARD AND THE PUBLIC OF OUR FINDINGS. WE ARE AN
13 OVERSIGHT COMMITTEE. WE ARE NOT A DISTRICT BOOSTER
14 COMMITTEE. WE ARE NOT THE DISTRICT'S PARTNER. WE MONITOR
15 WHAT THEY DO, AND IF WE DON'T AGREE WITH WHAT THEY DO, AS
16 THIS COMMITTEE HAS DECIDED ON MULTIPLE OCCASIONS, WE POINT
17 IT OUT.

18 MS. RAHN: WE'RE A HUNDRED PERCENT IN AGREEMENT WITH
19 YOU. IT'S HOW. WE'RE IN A HUNDRED PERCENT AGREEMENT.

20 MR. BOLAND: I COULD MAKE A DRINKING GAME WHERE HE
21 WAITS FIVE MINUTES AND MAKES A SNIDE REMARK ABOUT SOMETHING
22 I'VE SAID. IT'S NOT APPRECIATED. YOU DO IT ALL THE TIME.
23 I'M JUST GOING TO CALL YOU ON IT RIGHT NOW. IT'S NOT
24 APPRECIATED. ARE YOU LISTENING TO ME? IT'S NOT
25 APPRECIATED.

1 MR. CATES: SO NOTED.

2 FURTHER DISCUSSION? BECAUSE I'D LIKE TO MOVE ON
3 TO THE NEXT ITEM WHICH IS THE REMOVAL OF THE CHAIR.

4 MS. RAHN: WILLIE.

5 MR. ORDONEZ: THIS IS SOMETHING TO DO WITH WE ARE
6 HAVING THE KIND OF GIVING INFORMATION TO THE PUBLIC. I
7 WILL BE HAVING A REVERSAL. IT'S THE MEDIA THAT IS GOING
8 AFTER US. SOMETHING LIKE THAT. I FOUND THIS OUT IN THE
9 PASADENA STAR NEWS RELEASE ON SEPTEMBER 24, 2017 ABOUT PUSD
10 CITIZENS' OVERSIGHT COMMITTEES BEING DESCRIBED AS
11 OVERZEALOUS AND IT'S WRONG. A DISTINGUISHED SCHOOL BOARD
12 MEMBER IN HIS OPINION ARTICLE CITED THAT PUSD IS GRADED
13 HARSHLY ON ITS FUND SPENDING. HERE ARE EXCERPT THAT I
14 WROTE DOWN.

15 (WHEREUPON MR. ORDONEZ READ THE NEWS RELEASE.)

16 MR. CATES: THANK YOU.

17 LET'S MOVE ON TO ITEM IV.C WHICH IS ON THE AGENDA
18 AT THE REQUEST OF FRANCIS BOLAND. REMOVAL OF THE CURRENT
19 CHAIR AND VICE CHAIR.

20 DOES ANYONE CARE TO MAKE A MOTION FOR REMOVAL?

21 MS. DUDLEY: CAN WE HAVE A TALK ABOUT IT FIRST?

22 MR. CATES: CERTAINLY.

23 MS. DUDLEY: FIRST OF ALL, I DON'T FEEL THAT JUST
24 BECAUSE A MISTAKE HAS BEEN MADE THAT YOU THROW OUT THE
25 CHAIR AND THE VICE CHAIR. I MEAN, I COULD SEE IF WE HAD

1 BEEN PRESENTED WITH A LIST OF DIFFERENT THINGS. HE DID
2 THIS, HE DID THIS, HE DID THIS, BUT WE'RE TALKING ABOUT ONE
3 LITTLE ITEM AND PEOPLE MAKE MISTAKES, AND I DON'T THINK
4 THAT IT'S RIGHT TO JUST SAY BECAUSE I DON'T LIKE WHAT WAS
5 PUR IN THE PAPER, WE WANT YOU OUT OF HERE. I DON'T FEEL
6 THAT'S RIGHT. I THINK THAT YOU SHOULD COME UP WITH A LIST
7 OF THINGS, NOT ONE LITTLE ITEM.

8 MR. BOLAND: I'LL MAKE IT CLEAR WHY I ASKED BECAUSE
9 YOU WENT TO THE PRESS WITHOUT OUR AUTHORIZATION AND YOU
10 REFUSED TO SAY YOU WOULDN'T DO IT AGAIN, AND I DON'T FEEL
11 LIKE YOU'RE RESPECTING OUR OPINION AT ALL. THAT'S WHY I
12 ASKED FOR IT. IT'S A BREACH OF TRUST, AND I'M NOT GOING TO
13 GIVE YOU A CHANCE TO HAVE ANOTHER BREACH OF TRUST SO I
14 DON'T NEED A LIST OF BREACHES OF TRUST. I UNDERSTAND IF
15 SOMEBODY FEELS DIFFERENTLY, AND I RESPECT ALL YOUR
16 OPINIONS. I REALLY DO. AND I DON'T CARE IF THEY AGREE
17 WITH MINE OR NOT. I JUST FEEL STRONGLY. YOU CAN ARGUE
18 WITH ME ALL DAY. I MIGHT SEEM UPSET. I'M NOT REALLY
19 UPSET. I'M JUST PASSIONATE ABOUT WHAT I SAY. MY KIDS ARE
20 IN THESE SCHOOLS. I HAVE SKIN IN THIS GAME SO I CAME HERE
21 TO HELP OUT. I DIDN'T COME HERE TO ARGUE. I LIKED QUINCY
22 WHEN I MET HIM. I STILL LIKE HIM, AND I STILL WANT HIM
23 OUT. IT'S NOT PERSONAL. SO THAT'S IT. I WANT THEM OUT
24 BECAUSE I DON'T TRUST CLIFF BASICALLY.

25 MR. CATES: GRETCHEN.

1 MS. VANCE: I'M GOING TO LOOK AT MY OPINION FROM JUST
2 THE NATURE OF BEING THE PRIOR CHAIR AND THE WORK THAT'S
3 INVOLVED IN BEING THE CHAIR AND CO-CHAIR. I UNDERSTAND
4 THAT CLIFF -- I DON'T THINK THE LAST MEETING WAS RUN VERY
5 WELL, AND I'M SORRY I WASN'T HERE TO, YOU KNOW, HELP WITH
6 THAT. I THINK THAT THE WAY THAT YOU PRESENTED YOURSELF AT
7 THE LAST MEETING IN WHICH YOU GAVE YOUR OPENING ARGUMENTS
8 BEFORE ANYONE COULD SAY ANYTHING WAS A HORRIBLE THING, AND
9 I THINK THERE'S SOME BAD BLOOD ABOUT THAT, BUT I DO
10 UNDERSTAND THAT YOU ARE GOING TO TAKE INTO ACCOUNT WHAT
11 PEOPLE HAVE SAID TONIGHT AND THAT YOU HAVE OPENLY STATED
12 THAT YOU WON'T DO IT AGAIN WITHOUT CONSULTING THE
13 COMMITTEE.

14 AND I ALSO NOTE THAT YOU HAVE TO WRITE AN ANNUAL
15 REPORT, AND I THINK THAT BY OUSTING OUR CURRENT CHAIR AND
16 VICE CHAIR, IT'S GOING TO DO OUR COMMITTEE HUGE HARM IN
17 PREPARING AND GETTING ALL THE DATA FOR THAT REPORT THAT
18 CLIFF WILL BE DOING IN CONJUNCTION WITH OUR VOTE. HE'S
19 GOING TO WRITE THAT REPORT, AND HE'S GOING TO PRESENT IT TO
20 US TO BE ABLE TO LOOK AT, TO DISCUSS, TO CHANGE, TO MAKE
21 EDITS TO, AND I JUST THINK THAT IF WE DO THIS WE WILL BE
22 TAKING SOME SERIOUS STEPS BACK BASED UPON, LIKE YOU SAID, A
23 MISTAKE THAT WAS MADE THAT CLIFF OPENLY STATED THAT HE
24 WON'T DO AGAIN.

25 SO THAT'S MY OPINION, AND I DO UNDERSTAND THAT,

1 YOU KNOW, I THINK THAT PEOPLE RUN MEETINGS DIFFERENTLY.
2 SOMETIMES IT'S HARD TO -- I THINK ONE OF THE POINTS THAT
3 MIKALA MADE IN LETTING PEOPLE SPEAK IS REALLY IMPORTANT. I
4 KNOW IT TAKES THE MEETINGS LONG, AND I KNOW YOU'VE BEEN A
5 LITTLE MORE OPEN TO THAT IN THE PAST FEW MEETINGS, BUT WE
6 JUST NEED TO LET EVERYBODY HAVE A VOICE AND NOT BE ABOUT
7 OUR OPENING AND CLOSING ARGUMENTS ALL THE TIME, AND I THINK
8 YOU ARE WILLING TO WORK ON THAT.

9 MR. CATES: STEVE.

10 MR. COLE: SO FOR ME IT'S NOT JUST ABOUT THE PRESS AND
11 HIM GOING TO IT. I DID STATE AT THE LAST MEETING THAT BACK
12 IN MARCH I HAD SENT AN EMAIL SAYING THAT I WAS DISSATISFIED
13 WITH HOW THINGS WERE GOING. I THINK PART OF THE STALEMATE
14 OF THIS COMMITTEE HAS BEEN ON BOTH SIDES. IT'S BEEN ON THE
15 DISTRICT'S SIDE AND IT'S BEEN HERE, AND IT'S THE
16 PERSONALITIES INVOLVED THAT ARE BUTTING HEADS AND HAVING
17 ISSUES, AND A CHANGE IN LEADERSHIP WILL HELP US MOVE PAST
18 IT, AND I THINK THAT IS THE MAIN ISSUE.

19 THE GOING TO THE PRESS WAS THE FINAL STRAW FOR
20 ME. IT WAS JUST THE -- IT WAS THE ABSOLUTE LAST THING THAT
21 MADE ME BLOW MY TOP AND PUT ME OVER THE TOP. BUT I'VE BEEN
22 FRUSTRATED WITH THE COMBATIVE ATTITUDE BACK AND FORTH, AND
23 I THINK WE NEED TO MOVE PAST THAT COMBATIVE ATTITUDE, AND
24 WE NEED NEW LEADERSHIP.

25 MR. CATES: ALL RIGHT. DOES ANYONE WANT TO MAKE A

1 MOTION OF REMOVAL OF CHAIR AND VICE CHAIR?

2 FRANCIS?

3 MR. BOLAND: I DO.

4 MR. CATES: SECOND?

5 MR. COLE: I'LL SECOND.

6 MR. CATES: ALL RIGHT. I'M GOING TO ASK FOR A ROLL
7 CALL VOTE. THE VOTE WILL BE IN FAVOR. AN AYE IS IN FAVOR
8 OF THE REMOVAL OF THE CHAIR AND THE VICE CHAIR.

9 MR. BOLAND?

10 MR. BOLAND: AYE.

11 MR. CATES: MR. COLE?

12 MR. COLE: AYE.

13 MR. CATES: MR. DEVEER?

14 MR. DEVEER: NO.

15 MR. CATES: MS. DUDLEY?

16 MS. DUDLEY: NO.

17 MR. CATES: MR. HOCUTT?

18 MR. HOCUTT: NO.

19 MR. CATES: MR. MOHIT?

20 MR. MOHIT: NO.

21 MR. CATES: MR. ORDONEZ?

22 MR. ORDONEZ: NO.

23 MR. CATES: MS. RAHN?

24 MS. RAHN: AYE WITH A CAVEAT. I THINK QUINCY HAS BEEN
25 THROWN UNDER THE BUS.

1 MR. CATES: I WILL TAKE THAT AS AN AYE.

2 MS. VANCE?

3 MS. VANCE: NO.

4 MR. CATES: MS. VERDUGO?

5 MS. VERDUGO: NO.

6 MR. CATES: MR. VITALE?

7 MR. VITALE: I'M AGAINST THE REMOVAL.

8 MR. CATES: MS. WANG?

9 MS. WANG: NO.

10 MR. CATES: MR. CATES?

11 NO.

12 WE'VE GOT ELEVEN VOTES OPPOSED; TWO IN FAVOR.

13 THE MOTION IS NOT CARRIED.

14 MR. COLE: THREE IN FAVOR.

15 MR. CATES: I'M SORRY. THREE.

16 MOVING ON. WE HAVE PLENTY OF BUSINESS LEFT TO
17 DO.

18 OUTSTANDING INFORMATION REQUESTS. I HAVE
19 SOMETHING TO REPORT TO THE COMMITTEE. SINCE THE LAST
20 MEETING AT THE RECOMMENDATION OF THE DISTRICT'S DISCLOSURE
21 OFFICER, I'VE BEEN IN DIRECT TOUCH WITH DISTRICT'S LEGAL
22 COUNSEL TO SEE IF WE COULD WORK OUT THE PROBLEM WITH
23 GETTING ALL OF THE INFORMATION THAT WE REQUESTED PURSUANT
24 TO THE PUBLIC RECORDS ACT REQUEST. WE HAVE RECEIVED SOME
25 OF THAT, BUT BY NO MEANS ALL.

1 I WILL SAY THAT COUNSEL TO WHOM I'VE SPOKEN ON A
2 COUPLE OF OCCASIONS WAS CORDIAL AND COOPERATIVE, AND I
3 THINK WANTS TO TRY TO WORK OUT A REASONABLE SOLUTION AS DO
4 I. LET ME TELL YOU WHAT WE DON'T HAVE, AND THAT IS WE
5 DON'T HAVE ANY INFORMATION ABOUT SPECIFIC LEGAL FEES OTHER
6 THAN FOR THE PERIOD JANUARY THROUGH JUNE OF 2017. THE
7 DISTRICT HAS PROVIDED GENERAL DESCRIPTIONS OF THE WORK, BUT
8 YOU CAN'T REALLY TELL FROM THOSE DESCRIPTIONS THE PURPOSE
9 OF THE LEGAL WORK. WE HAVE NOTHING FROM THE DISTRICT ABOUT
10 THE ALLOCATION OF STAFF COMPENSATION TO MEASURE TT FUNDS.
11 I WAS ADVISED BY THE LAWYER THAT THE DISTRICT HAS NO SUCH
12 INFORMATION. OTHER EXPENSES CHARGED TO TT MANY OF WHICH
13 ARE DOCUMENTED IN THE INFORMATION THAT KIM PUT TOGETHER
14 TODAY WE DON'T HAVE ANY INFORMATION ABOUT EITHER. SO I
15 WOULD HAVE PUT THIS IN WRITING AND DISTRIBUTED IT TO THE
16 COMMITTEE AND POSTED IT, BUT THIS OCCURRED WITHIN THE PAST
17 TWO DAYS. ALL RIGHT.

18 MS. VANCE: CLIFF, I WANT TO MAKE A COMMENT. DON'T
19 YOU THINK THAT'S A GOOD THING THAT THE DISTRICT HAS
20 PROVIDED YOU DIRECT CONTACT WITH THEIR LEGAL PEOPLE?

21 MR. CATES: I DO.

22 MS. VANCE: I JUST WANT TO MAKE SURE WE SAY THAT OUT
23 LOUD.

24 MR. CATES: RIGHT. AND LET ME TELL YOU WHAT I
25 SUGGESTED TO COUNSEL WITH A CAVEAT THAT I COULDN'T SPEAK

1 FOR THE COMMITTEE BECAUSE WE HADN'T DISCUSSED THIS, LET
2 ALONE DECIDED IT. AND I SAID THAT I WOULD RECOMMEND TO THE
3 COMMITTEE A REASONABLE SETTLEMENT PROVIDED THAT WE CAN GET
4 INFORMATION ABOUT THE AMOUNTS AT STAKE FOR THE PAST TWO
5 YEARS. IN OTHER WORDS, NOT GO BACK TO THE BEGINNING OF
6 TIME.

7 NOW, I DON'T HAVE A RESPONSE TO THAT AT ALL. IT
8 WASN'T A FORMAL SETTLEMENT OFFER BUT JUST A SUGGESTION.
9 CAN YOU PROVIDE US THE INFORMATION WE NEED IN EXCHANGE FOR
10 OUR LIMITING OUR EXAMINATION. THAT WAS BASICALLY THE
11 OFFER. NO RESPONSE YET. I DON'T EXPECT A RESPONSE YET.
12 IT TAKES LONGER TO CONSULT WITH ONE'S CLIENT UNLESS YOU
13 THINK I'M DETERMINED TO START WORLD WAR III. AS A LAWYER
14 WHO HAS LITIGATED MANY CASES, I KNOW THAT LITIGATION IS THE
15 LAST RESORT. IT IS UNSATISFACTORY. THE ONLY THING THAT IS
16 GUARANTEED IS A LOT OF EXPENSE. SETTLEMENTS ARE MUCH
17 BETTER WAYS TO RESOLVE DISPUTES.

18 YES, GRETCHEN.

19 MS. VANCE: I DIDN'T GET TO READ ALL THE BACK AND
20 FORTHS. IS IT BREAKING ATTORNEY-CLIENT PRIVILEGE IF WE
21 JUST GET THE INVOICES? THE AUDITOR JUST SAID SHE GOT THE
22 INVOICES SO I DON'T KNOW WHY WE CAN'T HAVE THE INVOICES.

23 MR. CATES: THE ATTORNEY-CLIENT PRIVILEGE IS A VERY
24 INVOLVED SUBJECT, BUT YOU RAISE A GOOD POINT.

25 MS. VANCE: I REALLY WANT TO PUT THIS TO BED.

1 MR. CATES: THE PROBLEM -- LET ME ANSWER GRETCHEN'S
2 QUESTION, AND THEN I WILL GIVE YOU A CHANCE, FRANCIS.

3 THE DISTRICT HAS CLAIMED A QUALIFIED PRIVILEGE
4 FOR DISCLOSURE OF THE DETAILED LEGAL INVOICES. ALL RIGHT?
5 THEY SAID THEY WOULD DISCLOSE THEM TO ME IF I WOULDN'T
6 DISCLOSE THEM TO ANYONE ELSE, AND OF COURSE I SAID I CAN'T
7 AGREE TO THAT. WE HAVE TO CONDUCT OUR BUSINESS IN THE
8 OPEN. BOTTOM LINE IS WE DON'T HAVE THE DETAILED LEGAL
9 INVOICES, AND SO FAR THE DISTRICT IS CLAIMING A PRIVILEGE.
10 I HOPE TO BE ABLE TO WORK THINGS OUT WITH COUNSEL. I'M NOT
11 INTERESTED IN GOING THROUGH ANOTHER 300 PAGES WORTH OF
12 LEGAL INVOICES. IT'S REALLY TIME CONSUMING AND BORING. I
13 JUST WANT TO FIND OUT WHAT TT MONEY WAS SPENT FOR AND HOW
14 MUCH. THAT'S ALL.

15 KIM.

16 MS. KENNE: I CAN'T REMEMBER BECAUSE AT SOME POINT I
17 SPOKE TO OUR LEGAL COUNSEL AS WELL, AND AT SOME POINT IN
18 TIME -- AND I DON'T KNOW IF THAT WAS SIX MONTHS OR PRIOR TO
19 THAT -- THIS LEGAL FIRM IS USED BY OTHER DEPARTMENTS IN OUR
20 DISTRICT, AND SO THE INVOICES HAVE ALL KINDS OF BUSINESS ON
21 THE SAME BILLS. SO PERSONNEL AND SPECIAL EDUCATION ARE ON
22 THE SAME -- SOMETIMES ON THE SAME BILLS WITH TT WORK, AND
23 SO THE DIFFICULTY WAS REDACTING THAT OTHER INFORMATION, BUT
24 I'M NOT SURE IF THAT WAS PRIOR TO JANUARY BECAUSE I THINK
25 IF IT'S -- IF IT IS ON THOSE BILLS, THEY'VE SINCE CHANGED

1 THEIR PRACTICE GOING FORWARD.

2 MR. CATES: KIM, I CAN'T ANSWER THE QUESTION, BUT I
3 DIDN'T ANSWER ONE POINT OR ONE QUESTION THAT GRETCHEN
4 RAISED. IF THOSE INVOICES WERE SHOWN TO THE AUDITOR, ANY
5 PRIVILEGE THAT MAY HAVE EXISTED HAS BEEN WAIVED, AND,
6 THEREFORE, SHOULD BE SHOWN TO US.

7 FRANCIS.

8 MR. BOLAND: IN THE INTERESTS OF PUTTING IT TO BED,
9 CORRECT ME IF I'M WRONG, I HEARD THE AUDITOR SAY THAT SHE'S
10 PRETTY SATISFIED WITH THEIR EXPLANATION FOR THE EXPENSES.
11 I KNOW THAT YOU'RE NOT, BUT THERE IS A COMPETING
12 EXPLANATION FOR THE EXPENSES -- CORRECT -- THAT THEY HAVE,
13 AND THAT THE AUDITOR KIND OF AGREES WITH. AGAIN, I'M GOING
14 TO PUT IT TO YOU THAT WE'RE A COMMENTARY BODY, AND THERE'S
15 PEOPLE ELECTED TO MAKE THESE DECISIONS, AND YOU'RE TRYING
16 TO USURP THEIR AUTHORITY. YOU'RE SAYING THE WAY THEY'RE
17 DOING THIS JOB IS WRONG SO WE'RE GOING TO STAMP OUR FEET
18 UNTIL THEY DO IT THEIR WAY WE SAY. THAT'S DISRESPECTFUL AS
19 WELL. YOU SHOULD BE ON THE BOARD BECAUSE THEN YOU COULD DO
20 THESE BOARD DECISIONS.

21 MR. CATES: YOU KNOW, I'M GETTING TIRED OF THIS,
22 FRANCIS. LET ME ANSWER THIS ONCE MORE. THE DECISIONS TO
23 DISAPPROVE THE LEGAL FEES, THE UNRELATED LEGAL FEES, THE
24 UNRELATED STAFF COMPENSATION WERE DECISIONS TAKEN BY THIS
25 COMMITTEE ALREADY. THOSE DECISIONS WERE SUPPORTED BY THE

1 OPINION OF OUR COUNSEL.

2 MR. BOLAND: I DON'T CARE WHAT YOU'RE TIRED OF.

3 MR. CATES: ALL RIGHT.

4 MS. RAHN: BUT, CLIFF, I THINK THERE'S A POINT HERE IN
5 THE TENSION. SO THE ISSUE BECOMES AS MORE DATA IS
6 GATHERED, EVEN WHEN THE COMMITTEE TAKES THE POSITION, AND
7 AS MORE DATA IS GATHERED -- LIKE, FOR INSTANCE, LET'S SAY
8 80 PERCENT OF THE COMMITTEE HEARD WHAT THE AUDITOR SAID AND
9 SAYS LET'S LET IT GO. THEN AT SOME POINT AS A BODY WE HAVE
10 TO BE ABLE TO COME TO A CONSENSUS TO LET THINGS GO OR NOT.
11 ONE OF THE THINGS THAT KIM AND I BOTH BROUGHT UP AS AN
12 EXAMPLE ON THE AGENDAS IS TIME KEEPING. IF WE END UP
13 SPENDING 45 MINUTES ON LAWYER FEES EVERY SINGLE MEETING,
14 IT'S PROBABLY NOT WHAT THE GROUP WANTS TO DO. SO THAT GIVE
15 AND TAKE IS WHAT WE'RE STRUGGLING WITH HERE. IT'S NOT EVEN
16 THAT THINGS THAT ARE SAID AREN'T AGREED WITH. IT'S AT WHAT
17 POINT DO WE HAVE VOICE TO LET SOMETHING GO, LIMIT HOW LONG
18 WE SPEND ON IT AND MOVE ON.

19 MR. CATES: RIGHT.

20 MS. RAHN: I THINK ME PERSONALLY, WHICH I THINK WE'RE
21 ALMOST THERE, I'VE MOVED ON FROM THE LEGAL FEES.

22 MR. CATES: THE LEGAL FEES AREN'T THE ONLY SUBJECT BY
23 ANY MEANS.

24 MS. RAHN: THE MENU OF 12 -- AND, AGAIN, I WILL BLAME
25 THE ARTICLE -- ENDED UP WITH A MENU OF ONE, AND WE NEED TO

1 GET BACK TO THE MENU OF 12. WE CAN'T SPEND MUCH MORE TIME
2 ON THIS.

3 MR. CATES: ALL RIGHT. THE COMMITTEE HAS ALREADY
4 DECIDED AND HAS ASKED THE DISTRICT TO RESTORE THE FUNDS.
5 THAT'S WHERE THINGS STAND. THAT WAS THE RESULT OF OUR LAST
6 VOTE.

7 MS. RAHN: AND TONIGHT WE HEARD THEY'RE GOING TO BE
8 RESTORED.

9 MR. CATES: NO. ONLY THE 7-11. THERE'S MUCH MORE
10 THAN THAT.

11 MS. RAHN: HOW ABOUT THIS. ON THE NEXT AGENDA ITEM
12 COME WITH THE BOLD HEADER LAWYER FEES. COME WITH EXACTLY
13 WHAT YOU WISH THE COMMITTEE SUPPORTS TO BE RESTORED. WE
14 LOOK AT THE DOLLAR AMOUNT, WE VOTE ON IT, WE SAY, NELSON,
15 CAN YOU HELP US WITH THIS, AND WE MOVE ON.

16 MR. CATES: MIKALA, MAJOR PROBLEM. WE HAVE NEVER BEEN
17 ABLE TO FIND OUT HOW MUCH OR WHAT FOR.

18 MS. RAHN: WE'RE NOT GOING TO FIND IT IN THIS ROOM
19 TALKING ABOUT IT.

20 MR. CATES: NO. BUT WE ARE PURSUING THE PUBLIC
21 RECORDS ACT REQUEST.

22 NOW, KIM, YOU SPENT A LOT OF TIME PUTTING
23 TOGETHER THE ANALYSIS THAT ANSWERS IN PART SOME OF THE
24 QUESTIONS THAT WE POSED IN OUR PUBLIC RECORDS ACT REQUEST.
25 SO AT THIS POINT I WOULD LIKE IT TURN IT OVER TO YOU.

1 MS. KENNE: I WAS GOING TO DO THIS UNDER MY REPORT,
2 BUT I CAN DO THIS PIECE. SO YOU HAVE, I THINK, FOUR PAGES.
3 SO WE WERE TALKING DURING THE BREAK, AND I SAID I THINK A
4 LOT OF THE ISSUES HAVE TO DO WITH WHAT'S BEING CHARGED TO
5 THE CENTRAL ADMIN RESOURCE OR PROJECTS IN TT THAT I HAVEN'T
6 HEARD IN MY TENURE ON THIS COMMITTEE, A LOT OF BELIEF THAT
7 THERE'S PROJECT WORK THAT'S BEING MISCHARGED OR MISCHARGED
8 BETWEEN PROJECTS AND THAT KIND OF THING OR WORK BEING
9 CHARGED THAT IS NOT BEING DONE.

10 SO THE FIRST PAGE IS EVERYTHING THAT WAS CHARGED
11 TO THAT CENTRAL ACCOUNT FOR 16-17. THE NEXT TWO PAGES YOU
12 HAVE ARE JUST THE REPORTS DIRECTLY FROM THE DISTRICT'S
13 PEOPLESOFT BUDGET SYSTEM TO SHOW WHERE I GOT THE NUMBERS
14 FROM. AND I'M SORRY. I DID NOT PUT THE OBJECT NUMBERS.
15 THE OBJECT NUMBERS ARE THE FOUR-DIGIT NUMBERS IN THE COLUMN
16 THAT SAYS "OBJECT." I DIDN'T TRANSFER IT TO MY ONE PAGE
17 THAT YOU HAVE AT THE FRONT, BUT ALL OF THOSE THINGS LINE UP
18 OR ARE SOMETIMES A SUMMARY. AND THEN THE LAST PAGE JUST
19 ORGANIZES THE PEOPLE WHO ARE CHARGED, THE EMPLOYEES THAT
20 ARE CHARGED FOR TT BY THEIR OBJECT CODE, AND THIS IS
21 LOOKING AT THEIR SALARIES AND BENEFITS. WHEREAS WHEN I'M
22 LOOKING -- THE WAY THE SYSTEM WORKS YOU CAN'T FIGURE OUT
23 WHICH BENEFITS GOES TO WHICH PERSON. SO ON THE FRONT SHEET
24 YOU'RE JUST SEEING SALARIES LISTED AND BENEFITS FOR
25 EVERYONE LUMPED INTO ONE BIG LUMP. THIS WAS JUST KIND OF A

1 WAY OF SEEING HERE IS WHERE THIS MONEY WENT.

2 MY OVERALL COMMENT WOULD BE THIS IS \$2.1 MILLION,
3 AND OVER THE COURSE OF FROM 08-09, WHICH WAS KIND OF A VERY
4 SMALL YEAR FOR TT, THROUGH 16-17, WE'VE SPENT 12.5 MILLION
5 IN THIS CENTRAL ADMIN ACCOUNT. AND SO IT'S ROUGHLY
6 RUNNING, YOU KNOW, AN AVERAGE OF \$1.5 MILLION A YEAR WHICH
7 MEANS IF WE HAVE ANOTHER YEAR OR TWO, YOU KNOW, ANOTHER \$3
8 MILLION DOLLARS BETWEEN 17-18 AND 18-19.

9 SO JUST A REFLECTION OF THE INITIAL TT THINKING,
10 AND IF YOU LOOK AT THE 2008 BUDGET, ALL CENTRAL ADMIN WOULD
11 COST 7 MILLION. MAYBE THAT WAS NEVER REALISTIC. THAT'S
12 JUST A REFLECTION ON THE NUMBERS. SO I JUST, YOU KNOW, MY
13 MOTIVATION IN SHARING THIS IS REALLY JUST ABOUT
14 TRANSPARENCY BECAUSE IT'S MY PERSONAL BELIEF, WHICH NOT
15 EVERYONE AGREES WITH, THAT TRANSPARENCY HELPS CREATE TRUST
16 BECAUSE WHEN PEOPLE DON'T SHARE INFORMATION WITH EACH
17 OTHER, THEN PEOPLE MAKE STORIES IN THEIR MINDS AND ARE
18 SUSPICIOUS MAYBE THERE'S INTENT BEHIND WHY SOMEONE IS NOT
19 SHARING SOMETHING WITH ME, AND THE COC REALLY IS HERE TO
20 HELP THE BOARD FULFILL OUR RESPONSIBILITY OF SPENDING
21 TAXPAYER MONEY IN A RESPONSIBLE WAY, YOU KNOW, IN A FORWARD
22 THINKING WAY.

23 THIS IS FOR THE GOOD OF THE KIDS IN THE DISTRICT,
24 AND WE REALLY NEED TO MAKE SURE THAT WE'RE GETTING THE MOST
25 BANG FOR THE BUCK. WE'RE SPENDING THE MONEY WHERE IT OUGHT

1 TO BE SPENT WHICH, YOU KNOW, IT'S ON THE BOARD THAT WE ARE
2 MAKING SPENDING DECISIONS USING THE BEST INFORMATION, BUT
3 WE ALSO NEED TO HAVE THAT OVERSIGHT WHICH THE BOARD
4 PROBABLY ISN'T GOING TO BE ABLE TO DO IN DETAIL, BUT YOU
5 GUYS CAN, TO MAKE SURE WE'RE NOT USING FUNDS FOR
6 INAPPROPRIATE EXPENDITURES.

7 SO THE COC IS REQUIRED TO ADDRESS THE LEGALITY OF
8 THE EXPENDITURES, BUT YOU'RE ALSO ALLOWED TO WEIGH IN ON
9 THE APPROPRIATENESS. AND I THINK THAT IS -- WE'RE ASKING
10 YOU TO GIVE THAT ADVICE TO THE BOARD, BUT THEN THE BOARD IS
11 GOING TO BE THE BODY THAT DECIDES WHETHER THEY AGREE WITH
12 YOUR OPINION ON THE APPROPRIATENESS AND THEY MAY DISAGREE.

13 SO JUST KIND OF IN SERVICE OF BRINGING THIS ISSUE
14 OF ALL QUESTIONED EXPENSES TO A CLOSE, MY SUGGESTION WAS
15 GOING TO BE THAT THE COC OR SOME SUBSET OF THE COC KIND OF
16 PULL TOGETHER IN ONE DOCUMENT, BECAUSE I KNOW WE HAVE A LOT
17 OF DIFFERENT ONES, ALL OF THE ISSUES, AND IT CAN BE A
18 LETTER ADDRESSED TO THE BOARD WHICH I KNOW THERE HAVE BEEN
19 OTHERS. BUT THEN I WILL TAKE THIS TO THE BOARD, PUT IT ON
20 A BOARD AGENDA AND SAY WE NEED AS A BOARD TO ANSWER EACH OF
21 THESE ITEMS TO THE COC AND SAY WE AGREE, WE DISAGREE, WE
22 THINK YOU'RE CRAZY, MAYBE YOU'RE RIGHT, AND THEN IT'S DONE.

23 BECAUSE THE BOARD HAS TO ULTIMATELY MAKE THAT
24 DECISION. SO, YOU KNOW, HOPEFULLY THAT IS A SUGGESTION
25 THAT YOU'RE INTERESTED IN. YOU KNOW, I DON'T KNOW IF I

1 SHOULD HAVE DONE THAT SOONER, AND I KIND OF CAME ON A
2 LITTLE BIT IN THE MIDDLE, AND SO I FEEL SOMETIMES THAT I
3 HAVE NOT BEEN THE BEST LIAISON IN TERMS OF GETTING THE
4 BOARD TO THINK ABOUT SOME OF THIS STUFF. BUT THAT WOULD BE
5 MY PROPOSAL GOING FORWARD, AND I'M HAPPY TO ANSWER
6 QUESTIONS ON THIS IN DETAIL, BUT I DON'T KNOW IF YOU WOULD
7 RATHER TAKE IT HOME, LOOK IT OVER, PUT THEM IN WRITING OR,
8 YOU KNOW, WE CAN TALK ABOUT IT AT THE NEXT MEETING.

9 MR. CATES: ON THE CONTRARY YOU'RE A GREAT LIAISON,
10 AND YOU HAVE PROVIDED INFORMATION TODAY THAT WE'VE BEEN
11 TRYING TO GET FROM THE DISTRICT FOR A LONG TIME, AND WE
12 APPRECIATE THAT.

13 STEVE.

14 MR. COLE: I HAVE A QUICK QUESTION. WAS THERE
15 ANYTHING ON THIS THAT WE SHOULD FOCUS ON THAT GAVE YOU
16 PARTICULAR PAUSE IN YOUR OPINION?

17 MS. KENNE: I STILL WONDER ABOUT CHARGING LEGAL FEES
18 FOR PROJECTS TO THE CENTRAL AS OPPOSED TO THE PROJECT, BUT
19 I DON'T KNOW WHAT'S CUSTOMARY. DO YOU SEE WHAT I MEAN? IT
20 LOOKS LIKE THERE'S A BIG AMOUNT HERE, BUT IF YOU TOOK THE
21 WASHINGTON ELEMENTARY PIECE AND PUT IT IN THE WASHINGTON
22 ELEMENTARY PROJECT, THIS WOULD BE A LOT SMALLER. SO EVEN
23 THOUGH THERE'S -- EVEN THOUGH IT'S ATTRIBUTED TO PROJECTS,
24 IT'S NOT THEN PUT WITH THE PROJECTS THE WAY ALL THE OTHER
25 EXPENSES ARE SO IT ENDS UP LOOKING LIKE A VERY BIG NUMBER.

1 MS. VANCE: YOU'RE REFERRING TO THAT HALF MILLION
2 DOLLARS?

3 MS. KENNE: YEAH. AND A BIG CHUNK OF IT WAS
4 WASHINGTON ELEMENTARY.

5 MS. RAHN: TO BE FAIR, IT'S THE SAME MONEY.

6 MS. KENNE: IT IS. BUT, AGAIN, IT HELPS TO KNOW THAT
7 THE REASON THAT PROJECT WAS SO EXPENSIVE, AND LIKE MCKINLEY
8 WE GOT INTO A WHOLE BIG BEEF WITH -- TO ME IT GIVES A MORE
9 ACCURATE ON THE COST OF THAT ACTUAL PROJECT, AND, YEAH, IT
10 WASN'T ON CONSTRUCTION. IT WAS UNFORTUNATELY ON LEGAL FOR
11 THAT PROJECT. BUT, AGAIN, THAT'S A PERSONAL THING, AND I
12 DON'T KNOW.

13 MR. COLE: BUT THAT DOESN'T GIVE YOU PAUSE AS THOUGH
14 IT'S A TT EXPENSE THAT SHOULDN'T BE EXPENDED?

15 MS. KENNE: NO. I PERSONALLY AM NOT CLEAR. MY BOARD
16 PLAN ISN'T ABOUT THE FACILITIES MASTER PLAN BECAUSE TO ME
17 THE FACILITIES MASTER PLAN HAS TO BE DONE EVERY FIVE YEARS
18 BY THIS DISTRICT WHETHER THERE'S A BOND OR NOT. SO TO ME
19 IT SHOULDN'T BE BOND MONEY, BUT THAT'S MY PERSONAL OPINION.

20 MR. CATES: AND IT'S ALSO THE OPINION OF THIS
21 COMMITTEE'S COUNSEL AS SOME OF YOU MAY REMEMBER.

22 MS. KENNE: THE LOCAL HIRE STUFF I THINK EVERYONE
23 NEEDS TO REALIZE THAT THAT WAS I FEEL BOARD IMPOSED THAT WE
24 WOULD USE LOCAL HIRE. SO THAT'S MAINLY PARSONS FEES. SO I
25 THINK I HEARD A QUESTION ABOUT THAT. SO THIS IS OWNER REP

1 TIME THAT I ASSUME IS SPENT IN FACILITY MEETINGS THAT THEY
2 DON'T THEN CHARGE BACK TO PARTICULAR PROJECTS BECAUSE
3 OTHERWISE THE REST OF THE OWNER REP PROJECT MANAGING TIME
4 IS SPENT. SO I DON'T KNOW. SO THOSE ARE JUST THINGS WHERE
5 IT'S KIND OF LIKE -- SOME OF IT IS CLEARER, I THINK.

6 MR. VITALE: CLIFF?

7 MR. CATES: YES, JIM.

8 MR. VITALE: IN FURTHER RESPONSE TO HER LOOKING INTO
9 THIS, YOU TOLD ME TO HOLD OFF UNTIL NOW TO BRING IT UP.
10 I'M GOING TO BRING IT UP AGAIN. CLARIFICATION OF ITEMS
11 NUMBER 6210, 6260, AND 6265 TOTALING IN EXCESS OF SEVEN
12 FIGURES ARE NOT CLARIFIED AS TO THE REASON OR JUSTIFICATION
13 FOR THE EXPENDITURE OF THOSE MONEYS IN THE FACILITIES
14 BUDGET. ARE THEY BEING CAUSED AS A RESULT OF CHANGES IN
15 SCOPE? ARE THEY BEING CHANGED AS A RESULT OF ERRORS AND
16 OMISSIONS OR SOME OTHER UNKNOWN REASON TO HAVE ACQUIRED
17 OVER SEVEN FIGURES' WORTH OF COSTS THAT ARE BEING TAGGED ON
18 MEASURE TT?

19 MS. KENNE: SO THE 6210, THE ARCHITECT FEES, THAT IS
20 US PAYING WLC TO WORK ON THE FACILITIES MASTER PLAN.
21 THEY'RE NOT DESIGNING A BUILDING. THEY'RE DOING OUR MASTER
22 PLAN, BUT THEY'RE AN ARCHITECTURAL FIRM SO I GUESS THAT'S
23 WHY THEY'RE UNDER OBJECT 6210.

24 MR. BOLAND: DOES THAT BALANCE MEAN THAT WE INTEND TO
25 PAY 441,000 MORE OUT IN ARCHITECT AND ENGINEERING FEES?

1 MS. KENNE: THE BALANCE IS WHAT WAS BUDGETED LAST YEAR
2 AND NOT SPENT. SO THE ACTUALS IS WHAT WE SPENT. THE
3 BALANCE IS WHAT WAS ORIGINALLY BUDGETED BUT NOT SPENT.

4 MS. VANCE: THAT WOULD MAKE SENSE SINCE THEY NEVER DID
5 ANYMORE MASTER PLANS EXCEPT FOR 2012.

6 MR. HOCUTT: IT DOES MAKE SENSE, BUT HOW DO YOU KNOW
7 THAT? JUST FROM THE TITLE IT LOOKS LIKE THIS IS SOMEONE
8 DESIGNING A CLASSROOM. HOW DO YOU KNOW THAT THAT WAS FOR
9 THE MASTER PLAN?

10 MS. KENNE: I WENT AND LOOKED AT THE VENDOR WHO IS
11 WLC, AND I REMEMBER NOT VOTING FOR THE WLC CONTRACT CHARGED
12 TO THE CENTRAL ADMIN THAT WAS FOR THE FACILITIES MASTER
13 PLAN, AND I THINK --

14 MR. VITALE: THAT'S FINE WITH A AND E, BUT WHAT ABOUT
15 THE ADDITIONAL OTHER COSTS FOR PLANNING THAT EXCEED THAT?
16 WHAT ARE THOSE?

17 MS. KENNE: ON THAT FIRST PAGE THAT IS EVERYTHING THAT
18 STARTS WITH THE LINE DOCUMENTS RELATED, THE ACCOUNTABILITY
19 FEES, WHICH IS THE ACCOUNTING SYSTEM, THE PAYROLL FEES, THE
20 MTT AUDITOR, THE LOCAL HIRE COSTS, THE FINANCIAL ADVISOR,
21 AND THE MISCELLANEOUS. SOMETIMES THE VENDOR SAYS THAT IT'S
22 THE CREDIT CARD, AND SO I CAN'T TELL WHAT IT WAS, AND IT'S
23 LESS THAN \$10,000.

24 MR. VITALE: WHO IS THE OWNER'S REPRESENTATIVE FOR
25 \$704,000?

1 MS. KENNE: SO WHAT HAPPENS IS THE OWNER REPS ARE ALL
2 BILLED TO THE CENTRAL ACCOUNT WHEN THE BUDGET IS SENT UP,
3 BUT THEN AS THEY ACTUALLY BILL HOURS, THEIR HOURS ARE
4 PUSHED BACK OUT TO THE INDIVIDUAL PROJECTS, AND THIS IS
5 WHAT IS LEFT BEING CHARGED TO CENTRAL. MY GUESS WAS IT'S
6 FOR TIME AT MEETINGS OR ANY OF THEIR TIME THAT IS NOT
7 DIRECTLY ATTRIBUTABLE TO A SPECIFIC PROJECT.

8 MR. VITALE: THESE ARE FACILITIES PERSONNEL; CORRECT?

9 MS. KENNE: CONSULTANTS. OUR PROJECT MANAGER
10 CONSULTANTS OF WHICH WE HAD SIX LAST YEAR.

11 MR. HOCUTT: SO THESE ARE THE PROJECT MANAGERS?

12 MS. KENNE: IT WAS THEIR TIME THAT WAS NOT CHARGED TO
13 A SPECIFIC PROJECT. SO IT'S ANSON. IT'S JAMES. I MEAN IT
14 HAD THE FIRM NAMES OR THE CONSULTANT NAMES ON THE DETAIL.

15 MR. VITALE: THEN I'M CONFUSED ON THAT BECAUSE IT ALSO
16 SAYS IN THERE THAT INSPECTORS ARE BEING USED AS PROJECT
17 MANAGERS, BUT BY DEFINITION INSPECTORS ARE SUPPOSED TO BE
18 TOTALLY SEPARATE AND FREE FROM ANY OUTSIDE INTERFERENCE
19 INVOLVED WITH THE PROJECT. THEY ARE THERE TO OBSERVE
20 COMPLIANCE WITH CODE AND WITH THE PLANS, BUT THEY ARE NOT
21 THERE TO DIRECT THE CONSTRUCTION PROCESS ITSELF SO HOW DO
22 WE GET A DOUBLE BILLING GOING IN THERE FOR THOSE
23 INDIVIDUALS?

24 MS. KENNE: THAT'S A DIFFERENT TOPIC, AND I'M NOT SURE
25 WE CAN ANSWER THAT. I CERTAINLY CAN'T ANSWER THAT TONIGHT.

1 SO DO WE WANT TO AGENDIZE THAT?

2 MR. HOCUTT: DIDN'T NELSON ANSWER THAT LAST WEEK?
3 DON'T LET ME PUT WORDS IN YOUR MOUTH. BASICALLY SAID SOME
4 OF OUR PROJECT MANAGERS ARE REALLY INSPECTORS?

5 MR. VITALE: HOW CAN THEY BE INSPECTORS WHEN
6 INSPECTORS BY DEFINITION AND BY THE REQUIREMENTS OF THE
7 GENERAL CONDITIONS FOR CONSTRUCTION ARE SUPPOSED TO BE PAID
8 BY THE DISTRICT WHILE AT THE SAME TIME POSSESSING
9 CERTIFICATIONS FROM THE DSA WITH REGARDS TO THEIR
10 RESPONSIBILITIES, AND THERE WOULD BE NO INDEPENDENT
11 DETERMINATIONS ON THEIR PART IF THEY ARE ALSO DIRECTING THE
12 METHODS AND MEANS OF CONSTRUCTION WHICH IS NOT WITHIN THEIR
13 PURVIEW TO BE DOING IN THE FIRST PLACE.

14 MR. CAYABYAB: AND THEY'RE NOT. THEY'RE STRICTLY
15 INSPECTORS. THE ONLY REASON WHY I BROUGHT THEM ON BOARD AS
16 PART OF MY STAFF AS DSA INSPECTORS IS BECAUSE IT SAVES THE
17 DISTRICT MONEY. USUALLY THE NORMAL WAY OF DOING THINGS FOR
18 PIS IS THAT YOU HIRE A FIRM THAT GOES ALONG WITH A SPECIFIC
19 PROJECT, AND THEY GO AHEAD AND DO JUST THAT, AND THEY'RE
20 STRICTLY FOR THAT WITH INSURMOUNTABLE FEES. BUT SINCE I
21 HAD THOSE TALENTS ON BOARD, I BROUGHT THEM ON AS A PROJECT
22 INSPECTOR WHICH THEY WORK DIRECTLY FOR DSA AS FAR AS THEIR
23 GUIDELINES MAKING SURE THAT THE PLANS ARE DONE. THEY DO
24 NOT DICTATE THE WAYS AND MEANS OF A CONTRACTOR TO DO
25 BECAUSE YOU'RE RIGHT, IT'S NOT UNDER THEIR PURVIEW. THEY

1 DON'T DO THAT.

2 MR. VITALE: GOOD, GOOD. AS LONG AS THEY CLEARLY
3 UNDERSTAND THAT.

4 MS. RAHN: SO I HAVE A QUESTION BECAUSE THIS IS GOOD
5 INFORMATION, AND THIS COMMITTEE NEEDS INFORMATION. HAS
6 THIS INFORMATION GONE TO THE FACILITIES SUBCOMMITTEE?
7 BECAUSE I DO THINK WE KEEP SPEAKING IN TERMS OF BOARD AND
8 COC, AND THE FACILITIES SUBCOMMITTEE IF I'M --

9 MS. KENNE: BOARD COMMITTEE.

10 MS. RAHN: BOARD COMMITTEE IS REALLY THE PLACE THAT IF
11 WE HAD AN ISSUE WE NEED TO BE LOUD BECAUSE THEN THAT GOES
12 TO THE BOARD. SO I THINK THAT IF THIS IS BEING PRESENTED
13 TO US IS, IT NEEDS TO BE PRESENTED TO THE FACILITIES
14 SUBCOMMITTEE. BECAUSE IF WE WRITE A LETTER -- I'M JUST
15 SAYING THERE'S A PROCESS ISSUE HERE.

16 MS. KENNE: WOULD YOU WANT IT PRESENTED IF
17 THERE WASN'T --

18 MR. CAYABYAB: CAN I SAY SOMETHING FIRST?

19 MS. KENNE: SURE.

20 MR. CAYABYAB: MS. KENNE SENT THIS TO ME TODAY TO BE
21 INCLUDED IN THIS MEETING. MY RESPONSE TO HER WAS THAT WE
22 NEED TO SUBMIT THIS SO THAT ELT CAN TALK ABOUT IT, GIVE ME
23 THE OPPORTUNITY TO PROVIDE THE JUSTIFICATIONS OF ALL THE
24 THINGS THAT SHE HAS MENTIONED IN THAT MATRIX. ONCE IT'S ON
25 THE AGENDA FOR ELT, I ALSO RECOMMENDED THAT IT NEEDS TO GO

1 THROUGH THE FACILITIES COMMITTEE TO VET THIS, AND THEN IN
2 NOVEMBER WE'LL PRESENT IT TO THE COC COMMITTEE FOR
3 DISCUSSION. GIVE ME THE OPPORTUNITY TO SAY THIS
4 EXPENDITURE WAS FOR THIS, THIS EXPENDITURE WAS FOR THAT,
5 INSTEAD OF HAVING THAT DISCUSSION DONE TODAY. IT DOES NOT
6 NEED THE BROWN ACT TO BEGIN WITH. IT WASN'T PUBLISHED
7 TIMELY ENOUGH. THAT WAS MY RECOMMENDATION TO MS. KENNE ON
8 HER EMAIL TO INCLUDE THIS AS PART OF THAT.

9 MS. RAHN: SO I THINK THERE'S SOME GOOD POINTS THERE,
10 AND I GET WHY THIS HAPPENED BECAUSE THIS COMMITTEE HAD KIND
11 OF BLOWN OUT OF CONTROL, AND I CAN SEE YOUR SIDE, AND I CAN
12 KIND OF SEE WHY THIS HAPPENED. BUT WHAT I'M JUST SAYING AT
13 THIS POINT SINCE IT'S OUT THAT WE DO NEED TO GET IT RAPIDLY
14 TO THE FACILITIES SUBCOMMITTEE BEFORE IT GOES TO THE BOARD
15 COMMITTEE, AND, AGAIN, THIS IS MY LAST POINT. THIS IS JUST
16 A QUESTION THAT THE COC HAS TO KEEP ASKING ITSELF. I DON'T
17 HAVE THIS OPINION YET. I'M JUST PUTTING IT OUT THERE.
18 THEY ARE OUR CONDUIT. WE'RE NOT IN FRONT OF THEM ENOUGH.
19 WE'RE NOT GETTING MUCH THROUGH THAT SUBCOMMITTEE, AND I'M
20 WORRIED ABOUT THAT PROCEDURALLY. BECAUSE IT COULD INDICATE
21 OVER THE LAST TWO YEARS, AGAIN, ONE INDICATION COULD BE
22 IT'S A WEAK COMMITTEE. ONE INDICATION COULD BE WE DON'T
23 WANT TO HAVE THAT IF IT'S NOT A TRANSPARENT PROCESS.
24 ANOTHER IS THEY'RE DOING THEIR JOB, BUT WE WOULDN'T KNOW
25 BECAUSE WE'RE NOT EVEN THERE. IT COULD BE ANY OF THE

1 ABOVE, BUT WE HAVE TO FIGURE OUT HOW TO COMMUNICATE MORE
2 STRONGLY TO THE BOARD COMMITTEE.

3 MS. KENNE: SO I WAS JUST GOING TO SAY THAT THE COC
4 ACTUALLY LOOKS AT A LOT MORE INFORMATION ABOUT COC BUDGETS,
5 THE ACCOUNTABILITY REPORTS THAN THE FACILITIES DOES, BUT I
6 THINK WHAT NEEDS TO GO UP TO THE FACILITIES COMMITTEE IS
7 WHEN THERE'S A CONCERN. IF THERE'S NO CONCERN, AND QUITE
8 FRANKLY I HAVEN'T SEEN IN MY SHORT TENURE ON FACILITIES THE
9 INTEREST TO LOOK AT NUMBERS LIKE THESE, BUT IF THIS WENT TO
10 YOU GUYS AND YOU WENT, YEP, IT'S ALL GOOD TO ME. DO YOU
11 WANT FACILITIES TO HAVE ALREADY SPENT TIME LOOKING AT IT
12 GOING I DON'T KNOW WHAT WE'RE LOOKING AT? I DON'T KNOW WHY
13 WE'RE LOOKING AT IT? AS OPPOSED TO IT COMES FROM THE COC
14 ONLY IF THERE'S AN ISSUE. SO JUST IN TERMS OF ORDER. IN
15 OTHER WORDS, THIS IS YOUR PURVIEW, AND THEN WHEN YOU HAVE
16 ISSUES, YOU RAISE THEM UP. I DON'T KNOW THAT FACILITIES
17 THINKS THAT THEY WANT TO DO THIS IS MY INKLING.

18 DOES THAT MAKE SENSE?

19 MS. RAHN: YEAH, BUT IF WE DON'T EVEN TELL THEM THAT,
20 IF WE DON'T DO THAT TRANSPARENT STEP OF HERE'S THE THINGS
21 THAT ARE HAPPENING, IT'S ALMOST TOO MUCH TO PUT ON STEVE AS
22 LIAISON. IT'S TOO MUCH TO PUT ON YOU.

23 MS. KENNE: WE HAVE TALKED ABOUT IT.

24 MR. COLE: WE'VE TALKED ABOUT IT. THAT'S WHY USUALLY
25 WHEN WE GET TO MY PART I SAY WHAT EXACTLY DO YOU WANT ME TO

1 PRESENT UP TO FACILITIES SO THAT I'M NOT SPEAKING AS STEVE
2 COLE, BUT I'M SPEAKING IN THE VOICE OF FACILITIES. BUT IF
3 IT'S A DETAILED ANALYSIS LIKE THAT, I'M PROBABLY NOT THE
4 BEST PERSON TO GO THROUGH NUMBER BY NUMBER AND SAY WE DID
5 THIS.

6 MR. CATES: KIM, TO ME THIS IS VERY HELPFUL. HOWEVER,
7 I HAVE THE SAME PROBLEM THAT I DO IN ANALYZING INFORMATION
8 RESPONSES FROM THE DISTRICT. IT'S NOT ALWAYS POSSIBLE TO
9 TELL FROM THE TITLE OF A TYPE OF EXPENSE WHAT IT'S REALLY
10 FOR. LOCAL HIRE COSTS, FOR EXAMPLE. THOSE COULD BE
11 LEGITIMATE TT EXPENDITURES, ILLEGITIMATE, OR SOMEWHERE IN
12 BETWEEN. THERE'S NO WAY TO TELL, AND WE NEED TO KNOW.
13 THAT'S WHAT WE'VE BEEN TRYING TO FIND OUT FOR MONTHS.
14 WHAT'S THE EXPENDITURE FOR? HOW MUCH WAS IT? THOSE TWO
15 KEY ITEMS OF INFORMATION WE'VE BEEN STRUGGLING TO OBTAIN
16 FOR A LONG TIME. WE'RE MAKING PROGRESS. THIS IS A BIG
17 HELP. I WASN'T AWARE, FOR EXAMPLE, THAT XEROX MACHINES
18 WERE CHARGED TO TT OR THAT TRAVEL AND CONFERENCES WERE
19 CHARGED TO TT. NOW, YOU CAN SAY THE AMOUNT IS TRIVIAL --

20 MR. CAYABYAB: IT'S TRAINING FOR MY STAFF.

21 MR. CATES: FACILITIES MASTER PLAN DEVELOPMENT.

22 MS. KENNE: SO I DON'T THINK WE WANT TO GO OVER THIS
23 IN DETAIL TONIGHT.

24 MR. CATES: NO. I THINK WE SHOULD PUT IT ON THE
25 AGENDA, BUT IN ORDER TO BE ABLE TO HAVE A MEANINGFUL

1 DISCUSSION, WE NEED TO GET THE DISTRICT TO RESPOND.

2 MR. CAYABYAB: CAN I SAY SOMETHING? WE PROVIDED THE
3 BUDGET COMMITTEE ALL OF OUR PURCHASE ORDERS FROM 2008. YOU
4 SAW THAT ON THE FILE THAT WE GAVE YOU. OKAY? NOT ONLY TWO
5 YEARS AGO BUT JUST THE MOST RECENTLY. IN THERE IT TELLS
6 YOU THE PURCHASE ORDER, A DESCRIPTION OF THE WORK THAT WAS
7 DONE. WHAT ELSE DO -- HOW MORE TRANSPARENT CAN WE GET?
8 YOU KEEP ASKING FOR THE DETAILS OF THAT. IT'S THERE.
9 EVERY SINGLE PURCHASE ORDER THAT WAS DONE BY THE DISTRICT
10 THAT CAME OUT OF MEASURE 21.1 IS ON THAT. IT'S ABOUT A
11 THOUSAND PAGES.

12 MS. VANCE: I'M GOING TO GO BACK TO THE SUGGESTION
13 THAT I MADE SEVERAL MONTHS AGO, AND THAT WAS IF YOU WOULD
14 ALLOW US TO TALK TO THE PEOPLE FROM COLBY TECHNOLOGIES
15 BECAUSE I THINK THERE IS A REPORT THAT YOU CAN PULL OUT OF
16 ACCOUNTABILITY THAT WOULD ANSWER ALL THESE QUESTIONS, AND I
17 KNOW THAT YOU DID GIVE ME THE DETAIL, BUT WHEN YOU GIVE THE
18 DETAIL, IT'S LIKE THOUSANDS AND THOUSANDS AND TEN OF
19 THOUSANDS OF POS. I GET IT. BUT IF YOU DON'T MIND, I
20 THINK THAT WOULD BE A STEP IN A REALLY GREAT DIRECTION THAT
21 WE COULD -- BECAUSE I DO BELIEVE THAT THEY WROTE THAT
22 SOFTWARE FOR COMMITTEES LIKE THIS TO DIG, TO BE ABLE TO
23 LOOK AT A LINE ITEM AND GO, I WANT TO DIG DIPPER INTO THAT
24 LINE ITEM. YOU CLICK ON IT, AND HERE'S THE DETAIL FOR THAT
25 LINE ITEM. IT CONSISTED OF THESE 20 POS, THIS IS WHO IT

1 WAS TO. SO I'M WONDERING IF WE COULD REVISIT THAT, NELSON?

2 MR. CAYABYAB: YEAH, I'M ALL FOR IT.

3 MS. VANCE: MAYBE WE COULD TABLE THAT FOR ANOTHER
4 MEETING WHERE WE INVITED SOMEONE FROM COLBY TECHNOLOGIES TO
5 TALK ABOUT WHAT REPORTS CAN BE PULLED FROM --

6 MR. CAYABYAB: AS A MATTER OF FACT, WE CAN PULL IT ON
7 OUR ACCOUNTABILITY SOFTWARE ON THE LAPTOP. HEY, GO FOR IT.
8 IF YOU WANT TO LOOK AT A PROJECT PO, GO FOR IT.

9 MS. VANCE: PERFECT.

10 MR. CAYABYAB: WE'VE BEEN TRYING TO GET THAT TO YOU
11 FOR THE LONGEST TIME. I DON'T WANT TO HEAR THIS WE'RE NOT
12 PROVIDING INFORMATION FOR YOU TO REVIEW. WE HAVE BEEN.
13 OKAY? LET'S JUST MOVE ON. IF YOU WANT TO SET THAT UP,
14 WE'LL DO IT. NOT ONLY THAT, WE CAN ALSO PROVIDE THE
15 PEOPLESOFT SOFTWARE WITH MY STAFF WHERE WE CAN RECONCILE
16 THESE THINGS PER PROJECT, PER PURCHASE ORDER, WHATEVER WE
17 NEED TO DO. WHATEVER YOU WANT TO DO. WE'LL DO THAT.
18 WE'LL SET IT UP. IF YOU WANT ME TO GO THROUGH WHOMEVER OR
19 YOU TELL ME WHEN YOUR AVAILABILITIES ARE, THE COMMITTEE.

20 FOLKS, I'M JUST TIRED OF THIS. IT'S TAKING AWAY
21 OUR EFFORTS TO HELP THE KIDS. WE'RE TALKING ABOUT -- YOU
22 KNOW, WE'RE TALKING ABOUT \$106 MILLION LEFT TO DO. NOW
23 WHAT'S GOING TO HAPPEN WHEN STEPS ARE MADE, WHEN THE BOARD
24 DECIDES WHICH STEPS TO GO AND HOW TO SPEND THAT KIND OF
25 MONEY, WHAT I WILL DO IS TRANSFER THE BUDGET THAT IS

1 EXISTING ON THE ONES WE'RE NOT GOING TO DO BACK INTO THE
2 CONTINGENCY, AND THEN WE'RE GOING TO START FULFILLING THE
3 JOB WE'RE GOING TO BE DOING. MOVING ON. OKAY? YOU'RE
4 STRESSING ME OUT. WELL, I'M NOT STRESSED. YOU KNOW,
5 PROVIDING YOU WITH THESE THINGS WITH THIS CONSTANT
6 BADGERING ABOUT NOT PROVIDING YOU WITH THE INFORMATION.
7 NOT PROVIDING IT TIMELY. WE HAVE BEEN IS WHAT WE'VE BEEN
8 TRYING TO TELL YOU. SO SET THAT UP. YOU WANT TO MEET AS A
9 COMMITTEE TO WORK WITH QUINCY OR THE CHAIR OR WHAT? WHAT
10 DO YOU WANT TO DO?

11 MR. CATES: WE'LL PUT THIS ON THE AGENDA FOR THE NEXT
12 MEETING. IN THE MEANTIME WE NEED THE DETAIL FROM THE
13 DISTRICT ABOUT WHAT THESE THINGS WERE FOR. BECAUSE, AS I
14 SAID, YOU CAN'T TELL JUST BY LOOKING AT THE TITLE.

15 MR. CAYABYAB: I'M TELLING YOU THAT YOU'RE GOING TO
16 GET THAT FROM THE PURCHASE ORDER AND THEN YOU'RE GOING TO
17 SEE IT ON THE ACCOUNTABILITY WHEN YOU GO THROUGH EACH ONE.

18 MR. CATES: NO. WE NEED, FOR EXAMPLE, YOU TO TELL US
19 ON FACILITY MASTER PLAN DEVELOPMENT WHAT'S FOR MASTER
20 PLANNING AFFECTING THE EXISTING PROJECTS AND WHAT'S FOR
21 FUTURE MASTER PLANNING, AND WHY DO I DRAW THE DISTINCTION?
22 BECAUSE OUR COUNSEL DREW THE DISTINCTION BECAUSE THE COST
23 OF FUTURE MASTER PLAN IS NOT PROPERLY ALLOCABLE TO TT.
24 WE'VE BEEN THROUGH THAT. BUT WE CAN'T TELL BY LOOKING AT
25 THIS; HOWEVER, THE NUMBER IS IN SIX FIGURES.

1 GRETCHEN.

2 MS. VANCE: I HAVE ONE MORE COMMENT FOR KIM. I THINK
3 HAVING THIS \$2.1 MILLION IS VERY HELPFUL SO THAT WE KNOW
4 THAT'S HOW MUCH MONEY WE'RE SPENDING. WE GET FROM THE
5 AUDITOR SOFT COSTS, HARD COSTS. THIS IS INCLUDED IN THE
6 SOFT COSTS, BUT IT'S NICE TO HAVE IT BROKEN DOWN SEPARATELY
7 SO WE KNOW THAT IF SOMEBODY CAME UP TO ME AND SAID HOW MUCH
8 IS THE DISTRICT PAYING IN SALARIES IN SUPPORT FOR THE BOND,
9 I COULD SAY \$2.1 MILLION A YEAR AND THAT WOULD BE
10 RELATIVELY ACCURATE. WHAT I WOULD LOVE TO SEE IS -- I KNOW
11 THAT, NELSON, YOU'RE PAID 85 AND 15; RIGHT?

12 MR. CAYABYAB: THAT'S CORRECT.

13 MS. VANCE: I TRULY IN MY HEART OF HEARTS AND GUTS OF
14 GUTS BELIEVE IF WE DIDN'T HAVE A BOND, 15 PERCENT OF WHAT
15 NELSON MAKES COULD NOT KEEP OUR SCHOOL DISTRICT FACILITIES
16 RUNNING. IT COULD NOT. SO I THINK IN MY HEAD WHAT'S GOING
17 TO HAPPEN WHEN THE \$106 MILLION IS GONE, AND THEY DON'T
18 HAVE ANYMORE BOND MONEY, AND FOR SOME STRANGE REASON THE
19 NEXT BOND DOESN'T GET PASSED --

20 MR. CAYABYAB: I'M GOING TO GO BACK ON RETIREMENT.
21 THAT'S WHAT I'M GOING TO DO.

22 MS. VANCE: I'M JUST SAYING NOT FROM YOU BUT FROM THE
23 DISTRICT'S SIDE, HOW ARE YOU GOING TO BE ABLE TO AFFORD TO
24 PAY 15 PERCENT OF A NELSON AND TAKE CARE OF 40 SCHOOLS AND
25 THEIR BRASS? YOU CAN'T DO IT. JUST DOESN'T MAKE SENSE TO

1 ME. THE ALLOCATION SEEMS WRONG TO ME FOR SOME REASON. I'M
2 NOT CONCERNED ABOUT TODAY BECAUSE YOU CAN GET ALL PAID OUT
3 OF TT. FINE. BUT LATER WHAT'S GOING TO HAPPEN WHEN THE
4 BOND MONEY IS GONE? HOW ARE WE GOING TO PAY FACILITIES
5 PEOPLE? WE WON'T HAVE ANY BOND MONEY TO USE.

6 MR. CATES: WHICH IS PRETTY POWERFUL EVIDENCE THAT THE
7 CURRENT ALLOCATIONS ARE QUESTIONABLE.

8 ALL RIGHT.

9 MR. CAYABYAB: JUST ONE LAST COMMENT TOO. A LOT OF MY
10 STAFF DO THE WORK OF CONSTRUCTION MANAGERS. IF YOU GO OUT
11 IN THE PUBLIC RIGHT NOW AND FIND OUT THE PERCENTAGE AND HOW
12 MUCH WE'RE PAYING CONSTRUCTION MANAGERS, IT'S NOT EVEN 9 TO
13 10 PERCENT OF THE EXISTING BOND THAT YOU'VE GOT. JUST DO A
14 COMPARISON. IT'S EASY. IF MY STAFF IS DOING THE WORK,
15 WHICH WE ARE DOING, TO MANAGE THESE PROJECTS AS OPPOSED TO
16 HAVING -- AND WE HAVE EVERY RIGHT TO RFQ A CONSTRUCTION
17 MANAGER TO MANAGE IT FOR US. YOU'RE TALKING ABOUT 1.5
18 MILLION, 1.2 MILLION PER YEAR AS OPPOSED TO PAYING A
19 CONSTRUCTION MANAGER ANYWHERE FROM 14 MILLION ON THE
20 EXISTING BOND THAT YOU'VE GOT RIGHT NOW. YOU NEED TO
21 CONSIDER THOSE THINGS. WE'RE SAVING MONEY BECAUSE OF WHAT
22 WE'RE DOING FOR THE DISTRICT. OKAY?

23 GRETCHEN, YOU'RE RIGHT. WHO'S LEFT? THERE'S
24 NOTHING OUT OF THE GENERAL FUND TO BE ABLE TO PAY MYSELF TO
25 MANAGE ME AND MIGUEL. YOU'LL BE IN DISREPAIR AND MOVE ON.

1 MS. VANCE: AND I DON'T THINK, NELSON, ANYONE IS
2 QUESTIONING THAT YOU'RE NOT BEING FIDUCIARY RESPONSIBLE
3 WITH THE MONEY. I JUST THINK THAT WE JUST NEED THE
4 INFORMATION. AND I DON'T -- I PERSONALLY THINK YOU'RE
5 DOING A GOOD JOB MANAGING YOUR STAFF AND ALL OF THAT. I
6 JUST THINK US SEEING THE NUMBERS IS WHAT WE WANT TO SEE AND
7 BE ABLE TO DIG DEEPER INTO IT.

8 MR. CAYABYAB: NO PROBLEM. WORK IT OUT WITH MIGUEL.
9 I NEED TO EXCUSE MYSELF.

10 MR. CATES: SURE.

11 CONSTRUCTION STATUS REPORT. QUINCY, WHERE DO WE
12 STAND ON THAT?

13 MR. HOCUTT: MIGUEL, DO YOU HAVE A CONSTRUCTION STATUS
14 REPORT?

15 MR. CATES: NO. I MEAN THE ONE THAT YOU'RE TRYING TO
16 PUT TOGETHER.

17 MR. HOCUTT: HELP ME WITH THIS. I THINK MIGUEL HAS
18 DONE A YEOMAN'S JOB TRYING TO PUT TOGETHER WHAT I WOULD
19 CALL A CONSTRUCTION STATUS REPORT. I THINK MAINLY WHAT
20 YOU'VE GOT IS PRETTY MUCH THERE. WOULD YOU GUYS AGREE? I
21 THINK MIGUEL -- YEAH.

22 MS. VANCE: THANK YOU, MIGUEL.

23 MR. HOCUTT: I THINK IT'S PRETTY WELL THERE. IT MIGHT
24 NOT HAVE EVERY LITTLE DETAIL. I'M SURE WE CAN TWEAK IT AND
25 WHAT HAVE YOU. BUT I THINK THE CONSTRUCTION STATUS REPORT

1 THAT YOU HAVE PUT TOGETHER IN EXCEL PRETTY WELL COVERS WHAT
2 WE'VE BEEN ASKING FOR.

3 MS. VANCE: AS FAR AS THE UPDATES.

4 MS. KENNE: WHAT I'LL SAY ABOUT THIS BUDGET REPORT IS
5 WE HAVE BUDGET SYSTEMS, AND YOU SEE THAT'S WHAT THOSE
6 ATTACHMENTS ARE, AND WE DON'T HAVE BUDGET REPORTS LIKE THE
7 FRONT SHEET THAT PEOPLE, THAT HUMAN BEINGS WANT TO READ.
8 AND SO I REALIZE THAT THERE ARE BUDGET SYSTEMS THAT PEOPLE
9 LIKE TO READ, AND THEN THERE'S NOTHING FOR THE REST OF US,
10 AND THE DISTRICT DOESN'T REALLY HAVE STAFF TO MAKE PRETTY
11 BUDGET REPORTS FOR PEOPLE TO UNDERSTAND. BUT IT'S A LACK
12 BECAUSE YOU HAVE THE COMMUNITY, YOU HAVE THE BOARD, YOU
13 HAVE PARENTS WHO NEED BUDGET REPORTS IN A FORMAT THAT THEIR
14 BRAINS CAN MAKE SENSE OF.

15 MS. VANCE: I DO THINK THAT IF THEY REALLY ARE, AND I
16 THINK FROM WHAT I HEARD FROM NELSON, IF THEY REALLY ARE
17 ENTERING THE INFORMATION INTO ACCOUNTABILITY AND HE IS FINE
18 WITH US BEING ABLE TO REACH OUT TO THE PEOPLE AT COLBY
19 TECHNOLOGIES, THEY WROTE THAT SOFTWARE PROGRAM FOR COCS TO
20 PULL OUT AS MUCH DETAIL OR AS LITTLE DETAIL IN THESE BUDGET
21 REPORTS AS POSSIBLE. SO IF HE'S REALLY WILLING TO LET US
22 DO THAT. I KNOW HE SAID HE'S BEEN AROUND THIS BEFORE, BUT
23 WE WERE NEVER ABLE TO MEET WITH THOSE PEOPLE.

24 MR. HOCUTT: LET ME RATTLE ON FOR JUST A MINUTE OR
25 TWO.

1 YOU MENTIONED THE THING LIKE IF WE DON'T HAVE ALL
2 THE INFORMATION IN FRONT OF US, THEN PEOPLE IMAGINE WHAT'S
3 GOING ON. WE ALL DO THAT. LIKE I WILL ADMIT YOU GUYS ARE
4 TALKING ABOUT \$500,000 FOR LEGAL FEES. YOU KNOW WHAT
5 REALLY BOTHERS ME ON THIS ONE? THE \$2,000 FOR COPIER
6 REPAIR. REALLY? WE'RE CHARGING TT FUNDS TO REPAIR A XEROX
7 MACHINE?

8 MR. COLE: THAT DOESN'T BOTHER ME AT ALL.

9 MS. VANCE: I WORK AROUND COPIERS ALL DAY LONG.
10 THAT'S A VERY MINIMAL AMOUNT FOR ONE YEAR.

11 MR. COLE: IF YOU'RE RUNNING A COPIER MACHINE FOR TT,
12 WHY WOULDN'T YOU PAY FOR IT? WE'RE WILLING TO SPEND
13 HUNDREDS OF THOUSANDS OF DOLLARS ON A FORENSIC AUDIT.

14 MR. HOCUTT: LET ME ANSWER THAT. BECAUSE WE'RE TAKING
15 OUT A 30-YEAR MORTGAGE TO PAY OFF A COPIER MACHINE REPAIR.

16 MR. COLE: YOU COULD MAKE THAT ARGUMENT ABOUT
17 EVERYTHING. YOU COULD SAY WE'RE TAKING A 30-YEAR MORTGAGE
18 OUT TO PAY FOR SECURITY GUARDS.

19 MR. HOCUTT: HERE'S THE THING. THIS CONSTRUCTION
20 STATUS REPORT THE ONE THING THAT I'VE ALWAYS BEEN WORRIED
21 ABOUT IS WHY IS IT NOT MADE PUBLICLY AVAILABLE SO THAT JOHN
22 Q. SCHMIDLAP CAN GO LOOK AT THE REPORT AND SAY WHERE ARE WE
23 ON MUIR HIGH SCHOOL? ONE QUESTION I HAD -- I DON'T KNOW IF
24 WE'RE GOING TO GET THIS BOARD REPORT ANALYSIS TONIGHT.

25 MS. KENNE: WHY DON'T WE --

1 MR. HOCUTT: LET ME FINISH MY QUESTION TYING IN WITH
2 THE CONSTRUCTION STATUS REPORT AND THE LACK, THE LACK OF A
3 PUBLICLY AVAILABLE BUDGET REPORT. THE LAST ONE WAS POSTED
4 BY THE DISTRICT IN FEBRUARY OF THIS YEAR. BUT WE LOOK AT
5 1243, THE BUDGET REPORT, AND IT SAYS THE PROJECT COSTS FOR
6 PASADENA HIGH SCHOOL HAS INCREASED BY \$5 MILLION OVER THE
7 ORIGINAL BUDGETED AMOUNT. THE ORIGINAL PROJECT COST OF 13
8 MILLION IS NOW INCREASED BY 5.4 MILLION. WHERE ON -- DID
9 YOU GUYS KNOW THAT? I MISSED IT. I DIDN'T KNOW THAT. AND
10 WOULDN'T THE CONSTRUCTION STATUS REPORT OR A BUDGET REPORT
11 ALERT US THAT A \$5 MILLION OVERRUN TO A \$13 MILLION BUDGET
12 HAS OCCURRED? AND I LOOKED AT THE BUDGET REPORTS, AND I
13 CAN'T FIND THOSE NUMBERS. WHERE ARE THEY?

14 MS. VANCE: SO YOU'RE SAYING ON PHS IN THE BOARD
15 REPORT THERE'S A 5 MILLION OVERRUN?

16 MR. HOCUTT: THAT IS CORRECT

17 MS. VANCE: FROM WHAT BUDGET NUMBER?

18 MR. HOCUTT: FROM AN ORIGINAL PROJECT COST OF
19 \$13,791,000.

20 MS. VANCE: IS THAT ORIGINAL FROM THE 2012? 2008?

21 MR. HOCUTT: I HAVE NO CLUE WHERE A \$13 MILLION NUMBER
22 CAME FROM.

23 MS. VANCE: I CAN PULL THE 2012 MASTER PLAN.

24 MR. HOCUTT: MY QUESTION IS WHY ISN'T THERE A BUDGET
25 REPORT THAT JOHN Q. SCHMIDLAP CAN LOOK AT AND SAY THEY HAVE

1 A BUDGET OF 13, AND NOW IT'S GOING UP? WHY IS THAT NOT
2 AVAILABLE? IS THERE AN ANSWER?

3 MS. KENNE: SHOULD WE GO TO THE ITEM ON THE BOARD
4 REPORTS AND TALK ABOUT THE BOARD REPORTS? BECAUSE THAT'S
5 WHAT WE'RE STARTING TO DO SO WE MIGHT AS WELL JUST MOVE
6 THERE.

7 MR. HOCUTT: THE QUESTION WAS IS THE CONSTRUCTION
8 STATUS REPORT VIABLY GOOD? AND MY ANSWER WAS IT TELLS US A
9 LOT, BUT IT SEEMS TO BE MISSING SOMETHING FAIRLY
10 SUBSTANTIAL. MAYBE I'M WRONG.

11 MR. CATES: ANY FURTHER COMMENT ON THIS? OTHERWISE
12 WE'RE GOING TO MOVE ON TO THE NEXT ITEM WHICH IS THE BOARD
13 REPORTS.

14 FIRST THING, TIMELY DELIVERY. I'M SORRY THAT
15 NELSON IS NO LONGER HERE. WE HAVE NOT GOTTEN BOARD REPORTS
16 IN A TIMELY FASHION FOR MONTHS. THEY TYPICALLY COME IN TWO
17 DAYS OR ONE DAY BEFORE OUR MEETINGS. UNDER THE LAW WE'RE
18 SUPPOSED TO POST THESE THINGS 72 HOURS IN ADVANCE, NOT JUST
19 THE AGENDA, BUT THE MEETING MATERIALS, AND WE CAN'T COMPLY
20 UNLESS WE GET THEM IN TIME. NELSON COMPLAINED A LITTLE
21 WHILE AGO THAT THE INFORMATION THAT KIM PUT TOGETHER WAS
22 NOT TIMELY UNDER THE BROWN ACT AND THAT'S TRUE. BUT OUR
23 INABILITY TO GET THOSE BOARD REPORTS ON A TIMELY BASIS HAS
24 BEEN A RECURRING PROBLEM. IT HAS NOT BEEN JUSTIFIED. IT
25 JUST HAPPENS.

1 GRETCHEN.

2 MS. VANCE: SO HERE'S THE DEAL. THE DISTRICT HAS
3 TO -- YOU CORRECT ME IF I'M WRONG. THE DISTRICT HAS TO
4 PREPARE THE BOARD REPORTS 48 HOURS BEFORE THE BOARD
5 MEETINGS. THEY HAVE TO BE POSTED 48 HOURS BEFORE THE BOARD
6 MEETINGS.

7 MR. CATES: 72.

8 MS. KENNE: TO FACILITIES.

9 MS. VANCE: RIGHT. FACILITIES IS THE SAME DAY AS THE
10 BOARD MEETINGS. SO NELSON HAS TO GET ALL HIS S-H-I-T
11 TOGETHER TO GET IT ALL READY TO PRESENT 72 HOURS TO THE
12 SCHOOL BOARD. THEY HAVE CREATED A FACILITIES MASTER OR A
13 FACILITIES SUBCOMMITTEE THAT MEETS THE SAME DAY AS THE
14 SCHOOL BOARD MEETINGS JUST THREE HOURS BEFORE. FOR HIM
15 IT'S LIKE A WIN-WIN. 72 HOURS BEFORE THE BOARD MEETING AND
16 THE FACILITIES. UNLESS YOU CHANGE YOUR MEETINGS, I WOULD
17 NEVER ASK NELSON TO DO ANYTHING -- I WOULDN'T EXPECT HIM TO
18 DO THEM 72 HOURS BEFORE OUR MEETING BECAUSE THAT'S NOT
19 FAIR. IF I WERE IN NELSON'S POSITION, I WOULD SAY IF I
20 HAVE UNTIL 72 HOURS BEFORE, I'M GOING TO DO AS MUCH AS I
21 CAN AND PRESENT THEM 72 HOURS BEFORE. IF YOU WANT TO HAVE
22 THEM IN A TIMELY MANNER, YOU'RE GOING TO HAVE TO CHANGE OUR
23 MEETING SO YOU CAN HAVE THEM 72 HOURS BEFORE.

24 WHEN MIGUEL SENDS THEM TO US, IT'S WHEN HE GETS
25 THEM FROM NELSON, AND NELSON IS TRYING TO CHECK AS MUCH OFF

1 HIS LIST TO BE ABLE TO PRESENT. HE HAS TO KEEP MOVING WITH
2 THESE PROJECTS AND GET THEM TO THE BOARD SO THE BOARD CAN
3 APPROVE THEM. HE HAS TO FOLLOW ALL THE AUDIT PROCEDURES.
4 I JUST THINK -- I DON'T THINK THAT WE SHOULD -- I DON'T
5 THINK THIS IS A BATTLE WE SHOULD BATTLE. I DON'T THINK WE
6 SHOULD ASK HIM TO DO ANYTHING ELSE BECAUSE HE ALREADY HAS
7 TO DO ALL THAT TO GET THEM TO THE FACILITIES.

8 MR. CATES: WHY CAN THE BOARD REPORTS NOT BE PREPARED
9 FIVE DAYS IN ADVANCE INSTEAD OF THREE?

10 MS. VANCE: BECAUSE HE'S STILL GETTING CONTRACTS IN.

11 MR. CATES: OTHER THAN FOR LAST MINUTE ITEMS, BUT
12 THAT'S THE EXCEPTION, NOT THE RULE.

13 STEVE.

14 MR. COLE: IF I WAS IN THIS POSITION, AND I'M IN THIS
15 POSITION A LOT IN MY DAY-TO-DAY WORK, I WANT TO GET STUFF
16 DONE RIGHT UP TO THE WIRE AND GET AS MANY THINGS OUT AS I
17 CAN. IF I'M NELSON, HE CAN GIVE US AS MUCH AS HE CAN, BUT
18 HIS RESPONSIBILITY IS TO GET THINGS GOING AND PROJECTS
19 MOVING, AND SO, YEAH, IT BEHOOVES US TO GET AS MUCH. THIS
20 IS KIND OF WHAT I WAS TALKING ABOUT BEFORE ABOUT BUTTING
21 HEADS AND BEING COMBATIVE. WE NEED TO JUST BE ABLE TO
22 RECOGNIZE THAT THE GUY IS TRYING TO DO A JOB. HE MAY BE
23 DOING IT IN SOMEWHAT OF A BELLIGERENT FASHION FROM TIME TO
24 TIME, BUT THAT'S NOT OUR CONCERN. OUR CONCERN IS TO GET
25 THROUGH AS MUCH AS WE CAN AND MAKE SURE HE CAN GET THROUGH

1 AS MUCH AS HE CAN. IF WE MISS A COUPLE BOARD REPORTS AND
2 WE HAVE TO DO THEM AFTER THE FACT, THE SKY IS NOT GOING TO
3 FALL.

4 MR. CATES: STEVE, I RESPECTFULLY DISAGREE. THIS IS
5 NOT AN ACADEMIC PROBLEM. IT TAKES TIME TO REVIEW THESE
6 REPORTS, AND 24 HOURS ARE NOT ENOUGH.

7 MS. VANCE: THEN YOU CAN HAVE YOUR 72, BUT YOU'RE
8 GOING TO HAVE TO CHANGE YOUR MEETING DATE.

9 MR. BOLAND: CAN YOU JUST MOVE THE BOARD REPORTS BACK
10 A MONTH?

11 MS. VANCE: NO. WE'RE APPROVING THEM BEFORE THEY GO
12 TO BOARD.

13 MR. BOLAND: BUT WHY? THAT'S MY QUESTION.

14 MS. VANCE: YOU DON'T WANT TO DO IT AFTER THE FACT.

15 MR. BOLAND: YOU'RE A COMMENTARY BODY.

16 MS. VANCE: I THINK THE BOARD WANTS TO KNOW OUR
17 OPINION.

18 MR. COLE: IT'S BEST TO GET DONE AS MUCH AS WE CAN,
19 BUT IF WE DON'T GET EVERY LITTLE THING DONE, IT'S NOT A
20 MASSIVE ISSUE.

21 MR. CATES: I AGREE IF WE DON'T GET EVERY LITTLE THING
22 DONE. WHAT I'M SAYING IS IT'S BECOME THE REGULAR PRACTICE
23 FOR THE DISTRICT NOT TO DELIVER THESE BOARD REPORTS TO US
24 IN TIME FOR US TO BE ABLE TO COMPLY WITH THE LAW.

25 MIGUEL.

1 MR. PEREZ: YOU MENTIONED FIVE DAYS, AND IN THIS CASE
2 TODAY IS THE 18TH; CORRECT?

3 MR. HOCUTT: YES.

4 MR. PEREZ: IF YOU WANT IT TO BE PUBLICIZED, IT SHOULD
5 HAVE BEEN BY FRIDAY. WHAT DATE WAS FRIDAY?

6 MR. CATES: 13TH.

7 MR. PEREZ: AND THE COMMISSION MEETS WHEN, MS. KENNE?
8 ON THE 28TH?

9 MS. KENNE: THE FACILITIES COMMITTEE?

10 MR. PEREZ: BOTH.

11 MS. KENNE: ON THE 26TH.

12 MR. PEREZ: SO FROM THE 14TH TO THE 26TH TAKE THREE
13 DAYS. YOU ARE TAKING US HOW MANY? ALMOST TWO WEEKS OF
14 POSSIBILITIES TO PRESENT THINGS TO THE COMMITTEE. SO WHAT
15 THAT MEANS THAT THE LAST MEETING, THE BOARD MEETING, WAS ON
16 THE 20TH, AND THERE WAS JUST YOU HAVE TO ASK FOR THEM, THEY
17 HAVE TO BE REVIEWED, NOT JUST BY NELSON. IT GOES UP. AND
18 THEN THE TIME IS JUST -- IT'S NOT HIM. WE AS A DEPARTMENT
19 WOULD HAVE MAYBE TEN DAYS TO DO EVERYTHING. YOU HAVE TO
20 UNDERSTAND WHAT HAS BEEN SAID MANY TIMES. IT'S PHYSICALLY
21 IMPOSSIBLE BECAUSE OF THE TIMING. YOU WOULD HAVE TO MOVE
22 YOUR MEETINGS CLOSER TO THOSE OF THE BOARD OR THE
23 FACILITIES; OTHERWISE, YOU WILL BE KEEPING WITH THE SAME
24 ISSUE OVER AND OVER AND OVER.

25 AND JUST A QUESTION. WHERE DOES IT SAY THAT WE

1 HAVE THE DUTY TO PROVIDE THE BOARD REPORTS TO THE COC?

2 MR. CATES: IN THE BYLAWS.

3 MS. VANCE: NO I DON'T THINK IT SAYS BOARD REPORTS,
4 DOES IT?

5 MR. PEREZ: I'VE READ THEM, AND I HAVEN'T FOUND IT. I
6 DON'T WANT TO MAKE A BIG MESS ABOUT IT. I SPOKE TOO MUCH.
7 SORRY.

8 MR. HOCUTT: THAT'S ALL RIGHT.

9 FOR THE GROUP BECAUSE I WOULD LOVE TO THROW THIS
10 ON THE TABLE AND SEE WHAT YOU THINK. I'M NOT AS CONCERNED
11 ABOUT THE TIMELINESS OF THEM AS I AM ABOUT THE CONTENT OF
12 THEM. WHAT BOTHERS ME IS LIKE AT 1243, AND MAYBE I'M
13 WRONG, AND IF NELSON COULD EXPLAIN IT TO ME I COULD GO HOME
14 HAPPY. WHEN THEY THROW ALL THESE NUMBERS ON HERE WHICH
15 I'VE NEVER SEEN, NEVER HEARD OF, DON'T KNOW WHERE THEY COME
16 FROM, THEN THAT TO ME IS WHAT THIS COMMITTEE SHOULD BE
17 TALKING ABOUT AND GETTING IN FRONT OF THE FACILITIES
18 COMMITTEE. AM I WRONG ON THIS?

19 MS. KENNE: THE FACILITIES COMMITTEE MEETING MOVED
20 FROM THE THIRD THURSDAY TO THE FOURTH THURSDAY. SO AT
21 LEAST WHEN FACILITIES MET THE DAY AFTER THE COC, THERE
22 WAS --

23 MR. HOCUTT: STEVE, PLEASE DON'T RUN.

24 MR. COLE: I REALLY DO. I HAVE AN APPOINTMENT, AND MY
25 WIFE IS DOWN THERE WAITING FOR ME SO UNFORTUNATELY I HAVE

1 TO GO.

2 MR. HOCUTT: I REALLY DID WANT TO TALK TO YOU.

3 MS. KENNE: SO WE WILL SOMEHOW COMMUNICATE TO STEVE
4 WHAT WE WANT --

5 MR. COLE: DESIGNATE ONE PERSON AND HAVE THEM EMAIL TO
6 ME WHAT THEY WANT ME TO SAY, AND I'M HAPPY TO SAY IT.

7 MS. KENNE: EVEN THOUGH IT IS 72 HOURS, THE ENTIRE
8 BOARD AGENDA GETS POSTED ON THE FRIDAY BEFORE THE BOARD
9 MEETING. SO FACILITIES, THE COMMITTEE SEES IT AT THE SAME
10 TIME AS THE PUBLIC SEES IT ALTHOUGH WE DID GET THE BOARD
11 REPORTS. NADIA DID SEND THEM TO THE FACILITIES COMMITTEE
12 MEMBERS THE DAY AFTER YOU GOT THEM. SO THERE HAS BEEN A
13 TIMING CHANGE WHEN FACILITIES MEETS WHICH MAY BE WHY
14 THERE'S LESS OF A CHANCE TO GET THEM TO THE COC, AND I
15 DON'T KNOW THAT THERE'S ANY REQUIREMENT BY LAW THAT THE COC
16 LOOKS AT FACILITIES EXPENDITURES, TT EXPENDITURES PRIOR TO
17 THE BOARD APPROVING THEM, BUT THE VAST MAJORITY OF THE
18 PUBLIC CANNOT UNDERSTAND HOW YOU CAN ONLY PROVIDE OVERSIGHT
19 AFTER MONEY HAS ALREADY BEEN SPENT. I KNOW WHEN I'VE SAID,
20 HOW DOES THE COC WORK? HOW COME THEY ONLY LOOK AT MONEY
21 AFTER IT'S SPENT? THAT'S STUPID. THERE ARE PEOPLE FOR THE
22 LETTER OF THE LAW WHO WILL SAY IT'S NONE OF YOUR DAMN
23 BUSINESS TO LOOK AT BOARD REPORTS BEFORE THEY'RE APPROVED
24 BY THE BOARD. YOU ALSO HAVE TO KNOW THAT THAT'S GOING TO
25 HAPPEN BECAUSE THERE'S NOTHING IN THE LAW THAT BACKS IT UP.

1 MS. VANCE: BUT WE'RE SEEING THEM WHEN THE PUBLIC SEES
2 IT.

3 MS. KENNE: BUT THERE'S NOTHING TO STOP YOU EITHER.
4 THOSE ARE THE TWO SIDES. YOU CAN DECIDE YOU WANT TO DO
5 THAT, AND AS LONG AS THE DISTRICT WILL PLAY BALL WITH YOU
6 AND GET THEM TO YOU IN A TIMELY FASHION, BUT I'M NOT CLEAR
7 IT'S THEIR MAJOR INTEREST TO GET THEM TO YOU IN A TIMELY
8 FASHION, BUT THEY MUST GET THEM TO THE FACILITIES COMMITTEE
9 AND THE BOARD.

10 MR. HOCUTT: TIMELINESS ASIDE, IS IT OF VALUE FOR A
11 FACILITIES COMMITTEE OF THE BOARD TO HAVE A GROUP OF
12 UNPAID, HIGHLY PROFESSIONAL, HIGHLY CARING PEOPLE TAKE A
13 LOOK AND SAY WHAT THE HELL IS THIS? IS THAT OF VALUE?

14 MS. KENNE: TO BE PERFECTLY HONEST, YOU'RE GOING TO
15 GET MIXED OPINION. SOME BOARD WILL SAY POOSH; SOME WILL
16 SAY GREAT. WHAT I WILL SAY TO YOU IS AND WHEN I LOOK AT
17 THESE BOARD REPORTS, I SEE THINGS THAT I WANT TO QUESTION
18 AS A BOARD MEMBER THAT I DON'T THINK THE COC NEEDS TO
19 QUESTION FROM A IS-THIS-A-VALID-TT EXPENSE. I LOOK AT THEM
20 AND GO, OH, MY GOD, AS A BOARD MEMBER I HAVE AN ISSUE WITH
21 THIS. I VALUE YOUR INITIAL LAYER, BUT THERE'S A SECOND
22 LAYER THAT I'M GOING TO BE LOOKING AT, BUT I DON'T KNOW
23 THAT WE WANT TO DISCUSS THAT HERE.

24 MR. HOCUTT: YOUR SCOPE, I THINK, IS MUCH BROADER THAN
25 OURS. I'LL GRANT YOU THAT.

1 MS. KENNE: SO TO ANSWER THE VERY SPECIFIC PHS
2 QUESTION, IF I UNDERSTAND IT, AND I'VE READ THE SAME THING
3 YOU DID SO I MAY BE UNDERSTANDING, WELL, THIS ARCHITECT
4 BASED THEIR FEES ON A CONSTRUCTION BUDGET NUMBER THAT THEY
5 PUT ON A PIECE OF PAPER WHICH MAY HAVE ABSOLUTELY NO
6 BEARING TO THE 2008 OR 2012 OR ANY OTHER NUMBER IN OUR
7 SYSTEM. BUT THEY CREATED A BUDGET ESTIMATE THAT THEY BASED
8 THEIR FEES ON, AND THEY'RE SAYING THE BUDGET IS DIFFERENT
9 NOW. WE WANT MORE MONEY. THEY'RE SAYING THE ACTUAL ENDING
10 UP BUDGET IS MORE; THEREFORE, YOU OWE US MORE MONEY BECAUSE
11 YOUR FEE IS BASED ON THE BUDGET.

12 MS. VANCE: MIGUEL, I'M ASSUMING THAT NELSON -- WHO IS
13 THE FINAL DRAFTER OF THE BOARD REPORTS? IS IT NELSON?

14 MR. PEREZ: YES.

15 MS. VANCE: I DON'T THINK IT WOULD BE A DIFFICULT
16 QUESTION TO ASK NELSON WHERE DID YOU GET THAT NUMBER?
17 SHOULDN'T THAT BE --

18 MR. HOCUTT: IT'S NOT A DIFFICULT QUESTION TO ASK, BUT
19 I WISH OUR TWO PROTAGONISTS WERE HERE. IT'S A DIFFICULT
20 QUESTION TO GET ANSWERED.

21 MR. PEREZ: LET ME EXPLAIN TO YOU WHY THE ARCHITECT
22 CHARGES ADDITIONAL FEES. BECAUSE LET'S SAY HE
23 WANTED -- THE DISTRICT WANTED TO BUILD BUILDING A, AND THE
24 ARCHITECT SAYS, WELL, MY EXPENSES WILL BE SUCH AND SUCH,
25 BUT THEN THE DISTRICT SAYS, NO, I WANT A POOL, AND I WANT A

1 GYM, AND I WANT TO PUT FLOWERS HERE THAT ARE METALLIC, AND
2 THE ARCHITECT WILL HAVE TO SUPERVISE AND WORK ON ALL OF
3 THAT.

4 MS. KENNE: THAT'S NOT WHAT THIS IS FOR.

5 MR. HOCUTT: THAT IS NOT WHAT THIS SAYS.

6 MR. PEREZ: LET ME FINISH. YOUR QUESTION IS
7 ARCHITECTURAL FEES ARE BASED ON CONSTRUCTION COSTS. YES,
8 THEY ARE. THE CONTRACT WE HAVE THE ARCHITECT HAS SPECIFIED
9 THAT 5 PERCENT FOR THE FIRST SO MUCH, 6 PERCENT FOR SO AND
10 SO. THE FEE STRUCTURE IS BASED ON THE CONSTRUCTION COST.
11 IF CONSTRUCTION COST RISES, THE ARCHITECT CHARGES MORE.
12 CHARGES MORE WHY? BECAUSE THERE IS MORE WORK TO DO.

13 MR. HOCUTT: REALLY?

14 MS. VANCE: BUT I THINK HE'S TALKING ABOUT THE BUDGET.

15 MS. KENNE: SO IF COPPER PRICES GO UP AND THE SAME
16 AMOUNT OF COPPER SUDDENLY COSTS DOUBLE, WE HAVE TO PAY MORE
17 TO THE ARCHITECT. THERE'S NO MORE WORK TO HIM. WE'RE NOT
18 CLEAR ENOUGH ON THIS WHAT THE PRICE WILL BE.

19 MR. HOCUTT: THIS IS WHY I WISH THE ENTIRE GROUP WOULD
20 STAY.

21 MS. KENNE: I'M GOING TO BRING THIS UP IS THIS A COC
22 MATTER OR A BOARD-FACILITIES MATTER?

23 MR. HOCUTT: I THINK IT'S A COC.

24 MS. KENNE: YOU CAN CERTAINLY LIST YOUR CONCERNS. I'M
25 GOING TO FIGHT THIS AT THE FACILITIES MEETING, AND I'M

1 GOING TO FIGHT THIS AT THE BOARD MEETING BECAUSE SOMEONE
2 NEEDS TO EXPLAIN. AND MAYBE IT'S JUST -- AND JAMES HAD
3 BROUGHT UP SOMETIMES OUR CONTRACTS TO HIM LOOKED LIKE THEY
4 MIGHT LEAD TO DISADVANTAGEOUS THINGS LIKE THIS.

5 MR. HOCUTT: THAT'S WHY I WOULD LOVE FOR THE COC TO BE
6 ABLE TO SAY, GUYS, IT'S YOUR DECISION, BUT IT MIGHT BE
7 PRUDENT IF YOU TAKE A LOOK AT YOUR CONTRACTS BECAUSE IT
8 SEEMS LIKE SOMEONE IS EATING YOUR LUNCH.

9 MS. KENNE: GIVE US THAT ADVICE.

10 MR. HOCUTT: I WILL SAY FOR MIGUEL I WOULD WITH AGREE
11 IF WE DECIDE WE WANT TO ADD A SWIMMING POOL, NEW TREES, A
12 THIRD STORE TO PHS, THEN WE OWE THE ARCHITECT SOME FEES TO
13 GO FIGURE THAT OUT. BUT JUST THE FACT THAT YOU'VE GOT A
14 CONTRACTOR THAT CAN'T MANAGE A BUDGET AND HE RUNS OVER BY
15 \$5 MILLION WHICH IS WHAT THIS THING --

16 MR. PEREZ: WHO IS GOING TO SIGN ON TO HAVE THE
17 RESPONSIBILITY OF SIGNING ON THOSE PAY APPLICATIONS OF THE
18 LOUSY CONTRACT THAT NOW HAS TO BE \$5 MILLION MORE? THE
19 ARCHITECT. THE ARCHITECT SIGNS ON THE PAY APPLICATIONS;
20 CORRECT?

21 MR. HOCUTT: I DON'T EVEN KNOW WHAT THAT MEANS.

22 MR. PEREZ: THE PAY APPLICATION. THE BILL. THE
23 CONTRACTOR --

24 MR. VITALE: CLIFF, EVERY MONTH THEY RECEIVE AN
25 INVOICE THAT IS REVIEWED BY THE ARCHITECT AND SIGNED OFF AS

1 BEING THAT IS THE PERCENTAGE OF WORK THAT WAS DONE DURING
2 THAT PERIOD OF TIME, AND IF IT WASN'T AND IF HE DOESN'T
3 SIGN OFF AND HAS JUSTIFICATION FOR DISAGREEING WITH WHAT
4 THE CONTRACTOR HAD SUBMITTED, THEN HE'S SUPPOSED TO SAY SO.
5 BUT WHAT I'M ALSO HEARING IS THERE WAS A SIGNIFICANT CHANGE
6 OF SCOPE BETWEEN THE ORIGINAL \$15 MILLION CONTRACT PRICE
7 AND THE CHANGE ORDERS THAT RESULTED FROM THIS CHANGE OF
8 SCOPE BASED ON EITHER CONCEALED CONDITIONS OR ADDITIONAL
9 ITEMS THAT WERE ADDED TO IT. THAT'S WHAT WE'RE TRYING TO
10 GET TO THE BOTTOM OF. WHAT WAS THE JUSTIFICATION FOR THIS
11 COST DIFFERENCE?

12 MR. HOCUTT: I WISH I HAD THE DETAIL DOCUMENTS HERE
13 WITH ME.

14 MR. PEREZ: EVERYTHING HAS BEEN BOARD APPROVED.

15 MR. HOCUTT: IF I RECALL IT CORRECTLY, AND I MAY BE
16 WRONG, THIS WAS SIMPLY AN OVERRUN -- I'LL CALL IT -- DUE TO
17 CONTRACTOR INEFFICIENCY. WHY WOULD THAT CAUSE US TO PAY
18 THE ARCHITECT?

19 MR. VITALE: THERE AGAIN THE CONTRACT FOR CONSTRUCTION
20 SHOULD HAVE HAD A TIME CRITICAL SITUATION WHERE IF THE
21 CONTRACTOR FAILED TO COMPLETE WITHIN A TWO-YEAR PERIOD OR
22 WHATEVER IT WAS, THERE WOULD HAVE BEEN PENALTIES THAT WOULD
23 HAVE BEEN ASSIGNED TO HIM FOR HIS FAILURE TO COMPLETE, AND
24 IT WOULD HAVE BEEN TURNED OVER TO THE BONDING COMPANY. NOW
25 WE'RE ARGUING ABOUT CIRCUMSTANCES THAT OCCURRED PRIOR TO

1 OUR PARTICIPATION IN THE COC GOING BACK TWO OR THREE
2 FACILITIES DIRECTORS, AND UNFORTUNATELY, AND NOT IN DEFENSE
3 OF THE PRESENT FACILITIES DIRECTOR, BUT HE HAS INHERITED A
4 BAG OF SNAKES, IF YOU WILL, THAT WE'RE TRYING TO HELP HIM
5 GET THROUGH AND UNDERSTAND HOW IT CAME ABOUT WHILE AT THE
6 SAME TIME IDENTIFYING THE POSSIBILITY THAT MAYBE THIS
7 CONTRACTOR IS OWING THE DISTRICT MONEYS OR NOT OWING THE
8 DISTRICT MONEYS FOR THEIR INABILITY TO THE COMPLETE THE JOB
9 IN A TIMELY FASHION.

10 MR. BOLAND: I WAS GOING TO SAY YOU DON'T KNOW WHERE
11 THE 5 MILLION -- WHAT IT'S FROM. DON'T RANDOMLY ASSIGN IT
12 TO AN INEFFICIENCY.

13 MR. HOCUTT: NO. WHAT I SAID WAS I THINK THE
14 DOCUMENTS -- I COULD BE WRONG -- I THINK THE DOCUMENTS
15 SAID THAT IT WAS DUE TO A COST OVERRUN BY THE CONTRACTOR.

16 MR. BOLAND: A COST OVERRUN COULD MEAN A LOT OF
17 THINGS. I'M SAYING OUR CONVERSATION STARTED TO BRANCH OFF
18 TO THAT, AND WE DON'T KNOW IF THAT'S TRUE.

19 COULD NELSON ANSWER THAT QUESTION?

20 MR. PEREZ: YES.

21 MR. BOLAND: LET'S JUST ASK HIM.

22 MR. CATES: HE'S GONE.

23 MS. KENNE: THIS IS A LETTER FROM THE ARCHITECT.

24 MR. BOLAND: LET'S ASK HIM WHEN WE CAN. DO YOU WANT
25 ME TO WRITE IT DOWN?

1 MR. VITALE: FRANCIS, IF I MAY. THIS IS A CLASSIC
2 CIRCUMSTANCE THAT HAPPENS TIME AND AGAIN ON CONSTRUCTION
3 PROJECTS WHERE THIS WAS FORESEEABLE. THE AMOUNT OF MONEY
4 THAT WAS BEING PAID OUT DURING THE COURSE OF CONSTRUCTION
5 SHOULD HAVE BEEN TRAPPED ON A DOLLAR LOADED CPM WHICH WOULD
6 HAVE INDICATED THAT THE CONTRACTOR WAS OR WAS NOT PUTTING
7 ENOUGH MANPOWER OUT THERE ON THE JOB. THE INSPECTORS OF
8 RECORD WOULD HAVE BEEN NOTIFYING THE DISTRICT AND/OR THE
9 ARCHITECT THAT HIS FEELING WAS THAT THIS JOB WAS NOT
10 PROGRESSING IN A TIMELY FASHION, AND IT NEVER SHOULD HAVE
11 BEEN ALLOWED TO HAVE GOTTEN AS FAR ALONG AS IT DID FOR THIS
12 TO HAPPEN IN THE FIRST PLACE.

13 MR. BOLAND: RIGHT. I AGREE. WHAT I'M SAYING IS
14 LET'S ASK NELSON. WE DON'T KNOW RIGHT NOW. WE'RE SPENDING
15 A LOT OF TIME ON --

16 MR. HOCUTT: BY THE TIME WE ASK NELSON, THIS WILL BE
17 APPROVED. IT WILL BE HISTORY.

18 MS. KENNE: SO I AM BEING REMINDED THAT THE CUSTODIAN
19 GETS OFF AT 10:00, AND HIS OVERTIME HAS TO BE PREAPPROVED.
20 HE HAS TO LOCK UP THE BUILDING.

21 MR. PEREZ: THEY CALLED ME, AND THEY WERE COMPLAINING
22 ABOUT 10:00. WELL, LAST ONE WENT TO 9:55 SO I BOOKED UNTIL
23 10:00.

24 MS. VANCE: FOR ME IT'S MORE ABOUT THE TIMELINESS OF
25 GETTING THESE. I KNOW, QUINCY, YOU DO A BUNCH OF WORK, AND

1 MY ONLY SUGGESTION IS CHANGE OUR MEETINGS. I KNOW IN MY
2 JOB I DO IT ALL IN A BATCH. I WOULDN'T PIECEMEAL THESE OUT
3 BECAUSE YOU PUT THEM ALTOGETHER AND THEN YOU SEND THEM TO
4 BE PUBLISHED OR POSTED, AND I THINK THAT IF WE WANT TO HAVE
5 THEM, I'M FINE WITH CHANGING OUR MEETINGS, BUT I REALLY DO
6 THINK THAT'S THE ONLY LOGICAL EXPLANATION TO BE ABLE TO GET
7 THESE IN THE TIME THAT WE FEEL LIKE WE NEED THEM.

8 MR. HOCUTT: EVEN IF WE CHANGED OUR MEETING AND WE HAD
9 THE COC AGREE THAT, YES, THIS IS APPROVED, NO, THIS ISN'T,
10 WOULD THAT HAVE AN AFFECT ON THE FACILITIES COMMITTEE? IF
11 IT DOESN'T, WHY BROTHER.

12 MS. VANCE: WE DON'T KNOW BECAUSE WE HAVEN'T DONE
13 THAT. I DON'T KNOW HOW MUCH OF THAT STEVE HAS DONE. I'VE
14 ONLY BEEN TO ONE FACILITIES MEETING, AND IF STEVE IS
15 BRINGING THIS PAPER AND SAYING WE RECOMMEND THIS, WE DON'T
16 RECOMMEND THIS, IT SEEMS LIKE --

17 MS. KENNE: HE DOES.

18 MS. VANCE: IT SEEMS LIKE THE THREE OF THEM OR AT
19 LEAST ONE OF THEM, WHICH I KNOW ONE OF THEM DOES, PULLS IT
20 OUT AND SAYS LET'S TALK ABOUT THE ONE THAT THE COC
21 DISAPPROVED.

22 MS. KENNE: ALSO THE QUESTIONS THAT THE COC RAISES AND
23 I THINK SOMETIMES YOU HAVE SENT YOUR RESPONSES TO THE WHOLE
24 FACILITIES COMMITTEE, AND THEY CAN CHOOSE TO READ IT OR NOT
25 READ IT, BUT I THINK IT HELPS THEM. PEOPLE HAVE JOBS AND

1 THEY DON'T ALWAYS HAVE TIME TO READ EVERYTHING WITH DETAIL
2 LIKE YOU DO. SO THAT'S A HELP.

3 MS. VANCE: I THINK IT'S HELPFUL. IT'S MY OPINION.

4 MR. CATES: LADIES AND GENTLEMEN, WE JUST LOST OUR
5 QUORUM.

6 MIGUEL, WOULD YOU PLEASE MAKE THE NECESSARY
7 ARRANGEMENTS FOR THE CUSTODIAN HENCEFORTH TO STAY AS LONG
8 AS THESE MEETINGS CONTINUE?

9 MR. PEREZ: YOU HAVE TO GIVE A PRECISE TIME.

10 MR. CATES: 11:00 P.M. I PROMISE THAT WE WON'T GO
11 PAST 11:00 P.M. YOU KNOW, I WOULD LIKE TO HAVE DINNER AND
12 A DRINK, NEITHER OF WHICH I HAVE HAD SO FAR.

13 ANYWAY, WE CAN'T CONDUCT ANYMORE BUSINESS. I
14 THINK WE PROBABLY OUGHT TO WRAP IT UP GIVEN THE FACT THAT
15 THE CUSTODIAN IS ONLY AUTHORIZED TO STAY AROUND UNTIL
16 10:00.

17 MR. PEREZ: I DON'T KNOW IF YOU WANT TO TAKE A LOOK AT
18 THE PRESENTATION.

19 MS. VANCE: I FEEL REALLY BAD BECAUSE YOU GOT THIS
20 READY, AND I REALLY WANT TO SEE IT.

21 MR. CATES: NOTE AS OF 9:52 WE LOST A QUORUM AND,
22 THEREFORE, CANNOT CONDUCT ANYMORE BUSINESS.

23 MS. VANCE: FOR THE NEXT MEETING CAN WE PUT SCHOOL
24 SITE COUNCIL UP AHEAD A LITTLE BIT?

25 MR. CATES: YES, PLEASE. I REALIZE MOST PEOPLE ARE

1 GONE. I PUT ON THE AGENDA WHATEVER PEOPLE REQUEST. GET IT
2 TO ME PLEASE IN WRITING.

3 AND, DIANA, I WOULD LOVE TO DO THAT BECAUSE
4 YOU'RE ALWAYS -- I WON'T USE A VULGAR TERM. YOU ALWAYS
5 COME UP SHORT.

6 MS. VERDUGO: I AM SHORT.

7 MR. PEREZ: HERE WE GO. BLAIR. DEMOLITION STILL
8 ONGOING. AND WE'RE BUILDING THE FOUNDATIONS ON THE EAST
9 SIDE FOR NEW CONSTRUCTION. HERE ANOTHER VIEW OF THE SAME.
10 THIS IS IMPORTANT SO YOU REALIZE WHEN WE'RE DOING THE
11 PLUMBING HOW MUCH OR HOW COMPLICATED IT IS. IT IS JUST NOT
12 A LITTLE THING THAT WE DO. IT'S VERY COMPLICATED. THE
13 SAME WITH THE MEP, MECHANICAL ELECTRICAL AND PLUMBING. WE
14 SEND A LOT OF TIME TRYING TO PREPARE EVERYTHING THAT YOU
15 DON'T SEE. YOU SEE THIS HERE, BUT YOU DON'T KNOW HOW MUCH
16 WORK HAS BEEN IN PLACE. THIS IS THE PARAPET WALL ON THE
17 ROOF. IT'S GOING TO BE A WALL AROUND THE PERIMETER, AND
18 THIS IS THE STRUCTURE FOR IT. THIS IS ANOTHER VIEW. ALL
19 THE ROOF HAS BEEN -- THE PARAPET WALL AND STRUCTURE HAS
20 BEEN COMPLETED. WE ALSO INSTALL NEW DRAINS ON THE ROOF.

21 AND THIS IS JOHN MUIR. THIS IS THE FRAMING FOR
22 THE WALLS IN THE KITCHEN. DUCT INSTALLATION AT MUIR. DUCT
23 INSTALLATION AT MUIR. THIS IS THE EXCAVATION AND FRAMING
24 OF THE AMPHITHEATER SLAB. YOU SEE THIS WAS TAKEN --
25 THERE'S LIKE A THIRD FLOOR BALCONY. THESE ARE THE STEPS

1 FOR THE AMPHITHEATER. THIS IS THE GROUND FLOOR OF THE
2 AMPHITHEATER. THIS HAS THESE FOUNDATIONS THAT ARE 10 FEET
3 BY 30 INCHES. SO YOU DON'T SEE MUCH BECAUSE THE WORK IS
4 UNDERNEATH. THIS IS THE AUDITORIUM. WE ARE DOING STILL
5 SOME FRAMING AT THE WALLS. THE SAME ON THE RIGHT-HAND
6 SIDE.

7 THIS IS WASHINGTON. IF YOU REMEMBER, THE FACADES
8 ARE BEING FINISHED. WE STILL HAVE A LITTLE BIT HERE. YOU
9 SEE HERE ALL THE REST OF THE FACADE HAS BEEN PAINTED. THIS
10 IS THE SOUTH FACADE.

11 MS. VANCE: SO THERE IS WORK BEING DONE EVEN WITH ALL
12 THE ISSUES?

13 MR. PEREZ: YES. I TRY TO GO EVERY WEEK TO THE
14 MEETINGS, AND NOW WE ARE, AS WE'RE TALKING ABOUT
15 TRANSPARENCY, WE HAVE -- I HAVE BEEN ASSIGNED A TASK TO
16 COMPILE THE WEEKLY MEETING MINUTES. THESE ARE DOCUMENTS
17 THAT ARE FROM A COUPLE PAGES TO SOMETIMES 40, AND TELL THE
18 STORY OF ALL THE WORK OF ALL THE PROJECTS. I'VE BEEN
19 COMPILING IT, AND IT'S GOING TO BE PUBLISHED. I HAVE IT.
20 SO YOU CAN GO, HEY, WHAT HAPPENED LAST WEEK AT MUIR, AND
21 YOU CAN READ THE ARCHITECT, WHAT ARE THE RFIS, WHICH MEANS
22 REQUEST FOR INFORMATION, AND THE SUBMITTAL LOG AND WHAT'S
23 PENDING. SO YOU CAN DETERMINE IF THE ARCHITECT IS HOLDING
24 UP THE PROJECT OR THE CONTRACTOR THAT HASN'T SUBMITTED
25 WHATEVER IS REQUESTED.

1 MR. HOCUTT: IS THAT GOING TO BE PUBLISHED INTERNALLY
2 TO FACILITIES?

3 MR. PEREZ: IT IS GOING TO BE PUBLIC.

4 MR. HOCUTT: IT WILL BE POSTED SOMEWHERE?

5 MR. PEREZ. YES. I ALREADY PREPARED THAT INFORMATION,
6 AND THAT'S GOING TO BE POSTED ON THE COC.

7 THIS IS THE MPR, MULTI-PURPOSE ROOM, AT
8 WASHINGTON THAT'S AT THE MOMENT HOLDING SOME FURNITURE.
9 YOU SEE THAT MACHINE THAT IS DRILLING CAISSONS FOR THE
10 LIGHT POLES IN THE NORTH FACADE.

11 THIS IS PHS. THE POOL DECK HAS ALREADY BEEN
12 Poured AND HAS ALREADY BEEN FILLED. IF YOU NOTICE, THIS
13 PICTURE WAS TAKEN ON THE 10TH, AND I JUST HAVE MORE RECENT
14 ONES BECAUSE AS WE HAVE TO PUBLISH THESE, SO PICTURES HAVE
15 TO BE TAKEN BEFORE LAST FRIDAY AND NOT -- I DON'T HAVE ALL
16 THE DATES.

17 MS. VANCE: THANK YOU FOR THE POOL. MY BOYS LOVE IT.
18 OPENED ON MONDAY. THEY STARTED SWIMMING. THE HEATERS WERE
19 IN. THE POOL WAS FILLED. THE POOL DECK WAS DONE. I MEAN
20 THANK YOU, THANK YOU, THANK YOU.

21 MR. PEREZ: HERE'S ANOTHER POOL DECK, AND THIS IS THE
22 STATUS OF THE LOCKER ROOMS.

23 MS. VANCE: THOSE ARE THE NEW LOCKER ROOMS?

24 MR. PEREZ: YES.

25 MS. VANCE: AND THAT'S THE NEW GYM?

1 MR. PEREZ: NO. THE SAME GYM, BUT IT HAS BEEN
2 REPAIRED. THE FLOOR HAS COMPLETELY BEEN REMOVED. THIS IS
3 EXCAVATION FOR A NEW SEWER LINE. IT'S GOING TO SAVE US
4 MONEY. THAT'S THE REASON WHY IT WAS DONE. AND THIS IS THE
5 ROOF WHERE YOU SEE THOSE WOODS. AND WE HAD TO OPEN A WHOLE
6 NEW SLAB TO PUT SOME NEW EQUIPMENT. THERE WAS NO OTHER WAY
7 TO ACCESS IT. WE HAD TO OPEN A WHOLE NEW SLAB.

8 THIS IS NORMA COOMBS. NORMA COOMBS IS GOING
9 SMOOTHLY. THIS IS THE FORMING OF THE FOUNDATIONS. AND YOU
10 WILL SEE -- LOOK AT HOW COMPLICATED THE FOUNDATIONS. ALL
11 THE REBARS HAVE TO BE IN PLACE ACCORDING TO DRAWINGS, AND
12 YOU ALSO SEE THE VAULTS ALREADY PLACE IN PLACE, AND THIS
13 HAS ALREADY BEEN POURED. THAT'S WHAT YOU SEE. ALL THE
14 PRIOR WORK IS HIDDEN, YOU KNOW, BECAUSE YOU JUST SEE THE
15 FINISHED PRODUCT. AND WE NORMALLY DO QUALITY CONTROL, AND
16 THESE ARE THE CYLINDERS. THESE ARE SAMPLES OF THE CONCRETE
17 THAT WAS USED SO WE CAN BE SURE THAT THE CONCRETE IS GOOD
18 ENOUGH TO SUPPORT ITS FUNCTION. SO EVERY TIME WE POUR
19 CONCRETE, WE HAVE TO TAKE SAMPLES AND TWO SLIDES. THESE
20 ARE DUCT VAULTS THAT WE RUN THE PIPES UNDERGROUND, AND WHEN
21 THERE IS A CONNECTION, THERE'S A DUCT VAULT, SO WE CAN GET
22 IN AND CONNECT PIPES AND WIRING. OKAY.

23 MS. VANCE: I WORK AT FOREST LAWN. I'M VERY FAMILIAR
24 WITH VAULTS.

25 MR. PEREZ: AND THERE'S SOME LUMBER ALREADY INSIDE,

1 AND THAT'S IT.

2 MS. VANCE: THANK YOU.

3 MS. KENNE: TWO MINUTE REPORT. THE REMAINING TT
4 PRIORITIES. WE DISCUSSED IT OUR LAST BOARD MEETING ON
5 9-28, AND NELSON HAD SOME OPTIONS THAT HE BROUGHT FORWARD,
6 AND I WOULD SAY THAT THAT WAS KIND OF OUR FIRST DISCUSSION
7 BECAUSE WE'VE BEEN TABLING IT, ET CETERA, ET CETERA.

8 SO THE NEXT STEP IS TO HAVE STAFF BRING TWO OR
9 THREE SCENARIOS, LIKE A SET OF PROJECTS AND THEN A SCENARIO
10 WITH A DIFFERENT SET OF PROJECTS TO THE FACILITIES
11 COMMITTEE ON 10-26, AND THE COMMITTEE WILL BRING A
12 RECOMMENDATION TO THE BOARD IN NOVEMBER. I HOPE WE'RE ALL
13 ON THE SAME PAGE ABOUT WHAT THOSE SCENARIOS -- THAT THERE'S
14 NOT JUST ONE SCENARIO BECAUSE WE ASKED FOR SOME CHOICES.

15 AT THAT SEPTEMBER MEETING THERE WAS A DISCUSSION
16 BY STAFF ABOUT DOING ALL THE NEEDED HVAC WORK, BUT IT'S
17 ABOUT \$13 MILLION, AND ONE OF THE IDEAS WAS THAT WE WOULD
18 BORROW AN ADDITIONAL \$13 MILLION BECAUSE THERE'S NOT ENOUGH
19 MONEY LEFT TO DO DON BENITO AND ROOSEVELT AND 13 MILLION OF
20 HVAC, AND NELSON LISTED SOME OTHER ADA WORK, BUT IT WASN'T
21 SPECIFIED OR A QUANTITY SO IT WASN'T QUITE READY FOR US TO
22 VOTE ON.

23 MR. CATES: KIM, BORROW FROM WHOM?

24 MS. VANCE: THEY'RE GOING TO FINANCE IT?

25 MS. KENNE: IT'S FINANCING BY A COMPANY. IT WAS

1 PRESENTED ALL OF THE MATERIAL THERE, AND I WASN'T CLEAR
2 THAT I UNDERSTOOD IT, BUT I BELIEVE THAT THERE ARE SOME --

3 MS. VANCE: I DON'T THINK ANY OF THEM UNDERSTOOD IT.

4 MS. KENNE: -- HVAC-TYPE COMPANIES THAT WOULD FINANCE
5 AND DO THE WORK, BUT I COULD BE WRONG.

6 MS. VANCE: AND THEN HE SAID YOU WOULD COME OUT ON TOP
7 BASED UPON YOUR UTILITY COSTS. SOUNDS LIKE A SOLAR PANEL
8 DISCUSSION.

9 MR. CATES: YOU KNOW, I JUST WENT UNDER THE BROOKLYN
10 BRIDGE, AND I'M WILLING TO SELL IT TO YOU AT A BARGAIN
11 PRICE.

12 MS. KENNE: WE HAVEN'T HEARD MUCH ABOUT ANY PROGRESS
13 ON THE FUTURE BONDS OR REFINANCING TO SAVE TAXPAYER MONEY
14 THAT WAS DISCUSSED BACK AT THE SEPTEMBER 14TH MEETING. WE
15 HAVEN'T SEEN ANY OTHER PAPERWORK AUTHORIZING OTHER
16 CONSULTANTS TO WORK ON ANY PART OF GOING OUT FOR THE BOND,
17 AND EVEN THOUGH THERE WAS AN OPPORTUNITY TO SAVE TAXPAYER
18 MONEY, THAT HASN'T COME BACK TO US EITHER.

19 FROM LAST TIME REMEMBER THAT I ASKED IF WE COULD
20 ADD THE TERMS OF MEMBERS ON THE MEMBER ROSTER ON THE
21 WEBSITE? I WASN'T SURE WHO WAS RESPONSIBLE.

22 MR. CATES: THE NEXT DAY I CONTACTED NADIA, AND I
23 SAID, "PLEASE SEND ME YOUR LIST OF MEMBERS WITH THEIR
24 TERMS," AND SHE DID, AND I BELIEVE THERE ARE ERRORS ON IT,
25 AND I WENT BACK TO HER AND SAID WHAT ABOUT THIS, AND I

1 HAVEN'T HEARD BACK. I WILL FOLLOW-UP ON THAT, BUT I DID
2 IMMEDIATELY AFTER THE LAST MEETING.

3 MS. KENNE: WE HAD THE FIRST MEETING OF THE SCHOOL
4 BOUNDARY CONSOLIDATION COMMITTEE, AND DR. RAHN IS ACTUALLY
5 A MEMBER OF THAT COMMITTEE. IT WAS MAINLY AN OVERVIEW OF
6 THE PROCESS AND A CHANCE FOR MEMBERS TO SHARE THEIR
7 EXPECTATIONS AND CONCERNS ABOUT THE PROCESS. THE
8 CONSULTANT SAID ALL SCHOOLS ARE ON THE TABLE AT THIS POINT
9 FOR POTENTIAL CLOSER.

10 MS. VANCE: YOU'RE TALKING ABOUT 7-11?

11 MS. KENNE: NO. I'M TALKING ABOUT THE SCHOOL
12 CONSOLIDATION. 7-11 IS WHEN YOU DECLARE SOMETHING SURPLUS.
13 THIS IS A SCHOOL BOUNDARY CONSOLIDATION. SO ONE OF THE
14 ISSUES IS TO RESOLVE WHEN EXACTLY THE COMMITTEE WILL MAKE
15 RECOMMENDATION AND WHEN DECISIONS WILL BE MADE BECAUSE HE
16 SAID THAT THE INTENT WAS TO HAVE DECISIONS THAT COULD BE
17 IMPLEMENTED FOR THE 18-19 SCHOOL YEAR, BUT I THINK WE ALL
18 REALIZE IF WE DON'T KNOW THAT IN THE NEXT MONTH, IT'S NOT
19 GOING TO HAPPEN. THE SECOND MEETING OF THAT COMMITTEE IS
20 TOMORROW. THEY SEEM TO BE KIND OF OPEN TO THE PUBLIC SO
21 I'LL GO AGAIN TOMORROW.

22 MS. VANCE: CAN YOU EMAIL US THAT PRESENTATION BECAUSE
23 I HAVE SCHOOL SITE COUNCIL FOR PHS.

24 MR. PEREZ: THE PRESENTATION IS --

25 MS. VANCE: IT'S ON THE ATTACHMENT?

1 MR. PEREZ: YES.

2 MS. VANCE: THANK YOU.

3 MS. KENNE: AND THE BUDGET I DIDN'T GET ANYMORE
4 UPDATES TO THE BUDGET. I THOUGHT AT OUR LAST COC THERE WAS
5 GOING TO BE A NEW ONE AT THE BEGINNING OF THE QUARTER.
6 THERE IS ONE ATTACHED TO WHAT WAS IN THE PACKET HERE
7 TONIGHT, AND THAT IS JUST FROM PEOPLESOFT. SO AS WE WERE
8 TALKING WITH THE AUDITOR, THIS IS THE BUDGET FOR THIS
9 CALENDAR YEAR. IF YOU LOOK AT ANY GIVEN PROJECT ON HERE,
10 IT DOES NOT HAVE ALL THE PRIOR MONEY SPENT ON THAT PROJECT
11 ON THIS REPORT.

12 MR. PEREZ: SORRY. I HAVE TO GO.

13 MR. CATES: DON'T LET THE CUSTODIAN LOCK US IN.

14 MS. VANCE: THAT WOULD BE FUNNY, BUT DOES ANYONE HAVE
15 ALCOHOL ON THEM?

16 MS. KENNE: THAT'S IT.

17 MY LAST COMMENT IS MICHELLE SAID WHEN DID THE COC
18 MEETING AGENDA COME OUT, AND I REALIZED THAT I GOT IT FROM
19 NADIA. I DON'T KNOW IF SHE NORMALLY SENDS IT TO DIANE IN
20 THE SUP'S OFFICE SO THAT GOES OUT TO THE SAME GROUP THAT
21 HEARS ABOUT EVERY OTHER BROWN ACT MEETING.

22 MR. CATES: IT'S POSTED.

23 MS. KENNE: I UNDERSTAND, BUT DIANE SENDS AN EMAIL OUT
24 WITH REGULAR BOARD MEETINGS, ALL OF OUR SUBCOMMITTEE
25 MEETINGS. SHE HAS A GROUP OF PEOPLE SHE EMAILS ALL THE

1 AGENDAS TO SO THAT THEY KNOW BECAUSE NOT EVERYONE CHECKS
2 THE WEBSITE EVERYDAY.

3 MR. CATES: WELL, A COUPLE MONTHS AGO THE NOTICE DID
4 NOT GO OUT TO THE MEMBERS OF THIS COMMITTEE WHICH WAS
5 UNFORTUNATE.

6 SO WOULD YOU LIKE TO GIVE US YOUR SITE COUNCIL
7 REPORT OR DEFER THAT?

8 MS. VERDUGO: LET ME MOVE IT, BUT THERE IS ONE POINT I
9 WANT TO MAKE. I'VE GOT CAMILLE WHO WOULD LIKE TO TAKE OVER
10 WHAT YOU'RE DOING AT ONE OF YOUR SCHOOLS BECAUSE SHE WORKS
11 THERE. I'M TALKING TO YOU, QUINCY.

12 MR. HOCUTT: WHAT WHERE YOU SAYING?

13 MS. DUDLEY: YOU'RE THE SITE PERSON FOR MUIR?

14 MR. HOCUTT: NO. I WAS A LONG TIME AGO.

15 MS. DUDLEY: BECAUSE I'M RIGHT ON THE CAMPUS.

16 MR. CATES: YOU GOT IT.

17 MS. VERDUGO: GREAT.

18 MS. DUDLEY: LET ME KNOW WHAT THE RESPONSIBILITIES
19 ARE.

20 MS. VERDUGO: I HAVE THE TIME FOR THE MEETINGS AND ALL
21 OF THAT. I'LL GIVE IT TO YOU.

22 MR. CATES: THANK YOU, EVERYONE. IT IS 10:07. THE
23 MEETING IS CONCLUDED.

24

25