I. Meeting called to order – 3:50 p.m.

II. Attendance:
   - Committee Members – Bob Sternshein, Collen Knerr, Martin Frank, Terry White, Marilyn Gallup
   - Board Member – Howard Goldstein
   - Staff Members – Angeli Villaflor, Steve Kessler, Shemia Moore
   - District Consultant: Colleen Patterson

III. APPROVAL OF AGENDA – Agenda Approved

IV. APPROVAL OF MEETING MINUTES – September 30, 2015 - Approved

V. SUPERINTENDENT’S REPORT
   - Reviewed Administrative Goals
   - Reviewed items that will be presented at the December Board Study Session
   - Reviewed construction updates at El Rodeo

VI. BUDGET UPDATE
    Administration will be presenting the budget update for the Budget Study Session in December.
    The budget has not been approved. We were given a conditional approval in July 2015.
    The committee should have been informed about the conditional approval received in July.

VII. INTERNAL CONTROLS (Exhibit A)
    The purpose of the Executive Summary was to assist the District in the processing of payment warrants in conformance with current legal requirements. It was found that some payments were made on the statement vs. the invoice. There were only two of these instances found for a one year time period, which is good. Some payments did not have approved invoices /packing slips attached to the warrants. Angeli Villaflor will follow up on this.

    There is a settlement with a parent of a special education student. The settlement agreement terms show that she will be reimbursed by the district for certain items. The District was reimbursing this parent without back up or proof of attendance which is required per the contract.
We did find a lot of requisitions not issued prior to the service being rendered. That is a training service. Putting in the requisition you allow purchasing to find lower prices. We will require training not just at the accounts payable level but also at the sites.

Travel and conference is done by purchasing. This has to be in writing as a part of the employees assigned duties.

Another concern was that there were two incidents where the non-detailed credit card receipt had been turned in for reimbursement. Per California Education Code the receipt has to show a detailed listing of purchases.

This is a draft and open for comments.

VIII. PROPERTY TAX REVENUE CALCULATION
1. The committee would like to know how we are doing with finding an auditor on the property tax revenues.
2. The committee will need a more definitive report regarding tax revenue.

IX. BOARD REQUEST ITEM/ISSUES TO DISCUSS WITH COMMITTEE
The committee would like to recommend to the Board of Education that the Board utilize the committee to its full degree. The committee is not being utilized to give input before Board items/actions are passed. When a financial issue comes up between the Board of Education it would be good to send an email to the committee to chime in.

X. PUBLIC COMMENT
No public comments.

XI. OTHER ITEMS

Special Education
How much do we spend on Special Education?
The figures are not exact but close to $10M. Is there any way to work smarter when it comes to Special Education expenditures?
Has anyone really looked into what it costs the District to do these kinds of things or if it would be cheaper to handle some of these things in-house? Is there a way to cut our expenses and still meet the requirements?

The Individual Education Program (IEP) dictates the type of services the child requires. The District has children that are moderate to severe. There are students who may have issues that are more severe than the District can manage. When the district cannot manage a student's requirements we will begin talking about a non-public school for that student. Non-public schools are extremely
expensive, they normally cost somewhere near $30,000 per year. Students that live in our District are our responsibility, so the District has to pay that fee.

Superintendent Kessler will do some research to find out if he can connect with Superintendent’s in other Districts to find out what measures they may use to cut Special Education costs.

Financial Statements
What is the status of the financial statements for 2015?
The auditors will be here on November 9th to complete the field audit.

Comment from Terence White
While I appreciate that a political campaign is a lot of rhetoric. There has been a lot of discussion about the senior finance staff in the district, in terms of whether or not they are doing a good job. This information was printed in the newspapers. I reserve judgement on all of that. I think that we for the last year or so have had a pretty good senior staff. Things have also gotten better over the last year or so. I think the Board and the District would make a huge mistake to not give credit to maintaining continuity. Our Business Division is starting to stabilize and it is doing so at a good level. Things are improving. It is my opinion that decisions regarding senior staff should be based on merit and if the job is getting done vs. political reasons. As a member of this committee it was troubling that these comments were being made about our senior finance employees.

Superintendent Kessler
Politics would never play a role in employee decisions. I believe that you sink or swim on your own merits.

Future Meetings
The meeting for November 19th will be canceled. The next meeting is scheduled for December 17th.
Meeting for November 19th canceled

Committee Members
This February will be the end of the second term for Marty Frank. The Board will discuss increasing the member terms to three consecutive terms as is done with the Citizens Oversight Committee.

XII. FUTURE ITEMS FOR DISCUSSION

XIII. ADJOURNMENT: 5:02 p.m.