



City College of San Francisco

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MINUTES

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT CITIZENS' BOND OVERSIGHT COMMITTEE

PROP A 2005 / PROP A 2020

February 18, 2025

3:00 PM – 5:00 PM

**City College of San Francisco
Ocean Campus- Harry Britt Building (Multi-Use Building) Room 238**

1. Call to Order – Chair Fadeke Richardson called the meeting to order at 3:09 pm
2. Roll Call: all members present
 - A. Chair Fadeke Richardson
 - B. Member Hanson
 - C. Member Chineseaman Lai (arrived 2:19 PM)
 - D. Member Martin
 - E. Vice Chair Havey
3. Approval of the Agenda
 - A. Discussion – none.
 - B. A motion to approve the agenda was made by Member Hanson, seconded by Member Martin.
 - C. Voice vote:
 - i. Nay Votes 0
 - ii. Abstentions 0
 - iii. Aye votes 5
 - iv. Motion passed.
4. Approval of the Meeting Minutes for January 22, 2025
 - A. Discussion – Member Havey proposed the following changes to the minutes:
 - i. Item 7A, amend second-to-last sentence to read "*Member Havey asked if the scope of services increased to include review of internal control.*"
 - ii. Item 7B, section i. – to the Series A Bonds reference add the language: *(no 3-year spending limit)*
 - iii. Item 7B, section i. – to the STEAM Building reference add the language: *(also the Student Success Center)*
 - B. A motion to approve the minutes as amended by Member Martin, seconded by Member Hanson.
 - C. Voice vote:
 - i. Nay votes 0
 - ii. Abstentions 0
 - iii. Aye votes 5
 - iv. Motion passed.
5. Updates from the Chair – Chair Fadeke Richardson
 - A. Communications Received via email: there were no email communications.
6. Public Comment on Items not on the Agenda
 - A. There were no public comments.

BOARD OF TRUSTEES

ANITA MARTINEZ, PRESIDENT • LUIS ZAMORA, VICE PRESIDENT
ALIYA CHISTI • ALAN WONG • SUSAN SOLOMON • VICK VAN CHUNG • HEATHER McCARTY • HEATHER BRANDT, STUDENT TRUSTEE
MITCHELL BAILEY, INTERIM CHANCELLOR

7. Updates from previous meetings
 - A. Banner Object Code – Prop A 2020 Bond Expenditures – Mr. Jeff Scogin, AKG
 - i. A chart of account codes was provided in the meeting packet.
 - ii. Member Hanson asked if the codes apply to 2005 as well. Mr. Scogin responded that the bonds are fairly consistent, but we can pull the 2005 codes as well to present at a later meeting. Member Hanson asked if the codes relate to the purchase orders. Mr. Scogin replied that every expenditure within the District system must be coded according to the account code string usage. If a purchase order lists the account code string it would be tie to that.
8. Financial and Performance Audit Report for Fiscal Year 2023-2024 – Steven Currie, Audit Partner, CDWL
 - A. 2023-2024 Financial and Performance Audit
 - i. AVC Vasquez noted that the CCSF Interim Vice Chancellor of Finance, Yulia Ligosio, was supposed to be on the call but may be caught in a meeting. CCSF Associate Vice Chancellor Adil Ahmed and Steven Currie from CDWL are here to present.
 - ii. Mr. Currie presented the reports to the committee, noting that there are 2 audits combined into one: the Financial Audit and the Performance Audit.
 - iii. Independent Auditor's Report of the Financial Statements – we issued the unmodified opinion that the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the general obligation bond funds of the District. We also have an emphasis saying the financials are materially accurate. The opinion is solely on the bond funds, Fund 44 and Fund 45, and not on the District as a whole. We worked with management, going through the financials, making any and all necessary adjustments so that they were materially accurate.
 - iv. Financial information was presented – as of 6/30/24 there are still funds to be spent, especially with the new \$270 bond issuance.
 - v. Report on Internal Controls – The auditors don't issue an opinion on internal controls. They test internal controls to help test the balances to issue the Financial Statement opinion.
 - vi. They look at a lot of different expenditures and pull a sample to make sure the funds are being spent according to the bond language.
 - vii. One of the major things they do is test to make sure the expenses have object codes.
 - viii. They did not issue any internal control findings. The internal controls work for the audit selection and evaluation thereof.
 - ix. There were no findings for the financial side for this year. There was a material weakness finding for last year, which was removed for this year. They did work with management to make any and all necessary adjustments.
 - x. Performance Section – this is where they look at the expenditures, making sure they are spent within the bond ballot language, that larger capital outlay expenses were bid out, that the Board of Trustees approved the bidding procedures, and ultimately that the expenses appear with the projects tested.
 - xi. The sample included 60.3%, which was about \$77 million.
 - xii. Member Hanson noted that previous audits had a more fleshed-out Performance Audit and asked if there was additional information we hadn't seen. Mr. Currie responded that it might just be the presentation of the audit. The previous auditors might have had some additional schedules, and we can work with AVC Ahmed in the future to look at additional information the committee would like in the Performance Report. Ultimately, they are the college's financial statements; the auditor's role is to render the opinion.
 - xiii. Member Hanson requested more detailed lists regarding what was tested – expenses, change orders, bids. Mr. Currie did not have that information at hand, but indicated they could provide all the actual testing work papers that were involved.
 - xiv. Vice Chair Havey asked about internal controls and the relationship between that and the services the auditors provide. Mr. Currie responded that they are testing internal controls, but don't render an opinion on them. For example, on purchase orders, are expenses pre-approved, and are they coded to a proper capital outlay account. That would be part of the normal audit operation. Audits are sample-based, and they would bring forth a finding if something were a big enough issue.
 - xv. Chair Fadeke Richardson asked what the implications of CCSF's pattern of turnover of administration and staff are. Mr. Currie replied that there are procedures in place to look for items that might be caused by turnover in management. He believes that AVC Ahmed's team gave the auditors everything they needed to get to the opinion that is being rendered.

- xvi. AVC Vasquez commented, as a clarification, that no testing subsets are 100%. Mr. Currie added that an audit is not “absolute assurance” but uses a sample large enough to draw a conclusion.
- xvii. AVC Vasquez also mentioned that the audit was presented to the Board of Trustees last Thursday, and any follow up will just be backup to review at the next meeting. Any additional information can be provided just to the CBOC and will not change the audit report as was presented to the Board of Trustees.
- xviii. Member Lai asked if the added scope that is being requested for next year would affect the budget. AVC Vasquez replied that it could change the audit fees going into next year. Mr. Currie added that they would advise if there were a significant change that would affect fees, but what has been requested in this meeting would not have a significant impact on fees.
- xix. Member Hanson asked what would be defined as a “big enough” issue to be noted. Mr. Currie responded that audits have a deviation rate, so there might be an item that the deviation is so low as not to be a notable item, for example an individual purchase that was approved a couple of days after the purchase date. An issue related to compliance would be a notable matter.
- xx. Vice Chair Havey asked for clarification on some items on the balance sheet that Mr. Currie addressed.
- xxi. Chair Fadeke Richardson recapped the information to bring back – Member Hanson requested additional schedules (which will not change the audit). There was also a recommendation to look at the previous year’s audit to use as a template for the additional information the committee would like to see. Percentages of change orders, bids, etc. would be helpful.

B. 2023-2024 Final Governance Letter

- i. Mr. Currie explained that this essentially covers the responsibilities of the auditors, the college and the CBOC. Mr. Currie reviewed the contents of the letter.
- ii. Member Hanson asked if the items under “Significant Risks Identified” are risks identified or theoretical. Mr. Currie responded that these are theoreticals; this is general boiler plate.
- iii. VCF Ligosio spoke to thank the auditors. Due to the change of auditors, we started about six months late, so it was a very short time frame to complete the District, Bond and Property Tax Audits. Bond Audits are also part of the District Audit. While the auditors do not opine on internal controls they do have to report deficiencies. None were identified. Financial reports are done according to standards. The questions posed are drilling down to the details, which is good, but audits are not 100% of transactions. What you are seeing here is a clean bill of health from our auditors and that spending is in line with the bond guidelines. All three audits received clean opinions.

9. Project and Financial Update - Prop A 2005 and 2020

A. Fiscal Year 2023-2024 Project Update and Financial Report – Mr. Jeff Scogin, AKG

- i. Mr. Scogin stated that in the past when the committee was ready to produce the annual report, they asked for a list of financial expenditures and project names. This is the 3rd of 4th year we have provided this high-level overview report of how bond funds were spent. No questions were raised regarding the report presented.

10. Annual Report Fiscal Year 2023-2024

A. Review Draft Fiscal Year 2023-2024 Annual Report – Mr. Mike Chegini, AKG

- i. Mr. Chegini noted that this was put together right before the audit was received, so there are some items that are placeholders and noted therein.
- ii. Mr. Chegini reviewed the sections; the intro page has a date that is a placeholder for the date the committee approves the report.
- iii. Chair Fadeke Richardson commented that the format, which we have used before, is well put together and easy to understand.
- iv. Mr. Chegini noted that page 51 has a lot of placeholders waiting to be filled in from the current audit report.
- v. Chair Fadeke Richardson again brought up the turnover in leadership; this is something the committee would like to convey to the voters in some way.
- vi. Member Hanson mentioned that on page 48 there is a reference to the 2001 bond which might be confusing since it is not referenced anywhere else. AVC Vasquez responded that the 2001 bond was zeroed out several years back, so we may want to amend the CBOC name in the bylaws to

remove the reference to 2001. Mr. Chegini pointed out a location in the document where that is referenced.

- vii. Member Hanson asked if the committee wants to revisit the old Challenge of Changes document. Chair Fadeke Richardson responded that item could be looked at later, but for the sake of what we are doing today it is noted in the report. We want to be cautious because they are in compliance. Member Hanson opined that she would be writing a report on that if it were her committee. Chair Fadeke Richardson stated that we have quality staff that are overseeing the projects and spending. Member Hanson said she will update the last "Challenge of Changes" from several years ago that lists out the tenures of the various management positions.
- viii. AVC Vasquez clarified that for the next meeting Mr. Chegini will make some changes based on notes from today's meeting. The goal of the March meeting is to approve the final Annual Report with the Committee's Opinion Statement. Chair Fadeke Richardson noted that the next meeting should be simple, as we are just confirming the changes that were requested. Mr. Chegini will provide a list of what has changed with the final report.

B. Committee's Opinion Statement

- i. This item will be carried to the next meeting.

11. Review of Member Term Chart

- A. Member Lai's name went to the board last week and was approved for another 2 years; this is noted on the chart.

12. Election of Chair and Vice Chair

- A. Chair Fadeke Richardson nominated herself as chair and Vice Chair Havey for Vice Chair.
- B. There were no other nominations.
- C. Roll call vote:
 - i. Vice Chair Havey - yes
 - ii. Chair Fadeke Richardson - yes
 - iii. Member Martin - yes
 - iv. Member Hanson - yes
 - v. Member Lai - yes
 - vi. Appointments of Chair and Vice Chair confirmed unanimously.
- D. There will be a draft of a letter to Dennis Kelly's family for review at the next meeting.

13. Next Meeting's Agenda Topics

- A. Site Walk at Student Success Building
 - i. The site will still be under construction in March. The ribbon cutting ceremony scheduled for the end of May would be a good time to walk through the site a little more freely. May/June would be a safer time for the site walk.
- B. Annual Report approval
- C. 2005 Codes – requested by Member Hanson
- D. Challenge of Changes – from Member Hanson
- E. Close out of 2005 Bond
- F. Q2 Financial Reports
- G. Member Liability
- H. Future meetings – (including the possibility of other locations)
- I. VCF Ligosio commented that processes for permanent leadership positions are well along in the process. There are many initiatives in place to ensure we are addressing the leadership, financial and operational stability of CCSF moving forward.

14. Adjournment at 3:53 PM