

February 14, 2006

Dr. Omero Suarez, Chancellor  
Members of the Governing Board  
GCCCD  
Grossmont-Cuyamaca CCD  
8800 Grossmont College Drive  
El Cajon, CA 92020

Dear Dr. Suarez and Honorable Members of the Governing Board:

The purpose of this letter is to bring you up to date on four (4) items in advance of our presentation to the Board of our third Annual Report of the Proposition R (Prop. R) Citizens' Bond Oversight Committee (CBOC).

First, at its regular quarterly meeting on January 18<sup>th</sup> the CBOC voted unanimously to recommend that the Governing Board accept both the required annual Independent Auditor's Report on Performance and the Independent Auditor's Financial Audit of the Prop. R Bond Fund for 2005. Mr. Robert Wilkinson of the CPA firm of Wilkinson Hadley and Co. presented the required Annual Audits. Both Audits were "unqualified opinions" without any adverse findings or comments. According to the audits, all proceeds of the sale of the bonds were used for the purposes as set forth in the ballot measure.

In presenting the audits Mr. Wilkinson complimented the CBOC for its comprehensive and easy to navigate web site. He also complimented the district for the organization and completeness of its financial records and overall exceptional organization of the program. We commend the Governing Board and district staff for its management of the Prop. R Program, thereby receiving unqualified and exemplary audits for the third year in a row.

Secondly, although not expressly required by statute, last year the district accepted the CBOC's recommendation and also contracted with a highly respected facilities expert to provide an overall non-financial program evaluation and review. The report was an extremely valuable tool for the CBOC and for the district administration. The CBOC again voted unanimously to request that the Governing Board formalize a yearly program review such as that provided by Anthony Fulton in December 2004. The Boards concurrence in this additional expert analysis will aid us in completing our fiduciary responsibilities and fulfill the requirements of the performance audit.

The CBOC formally requests the Governing Board to authorize the Chancellor to:

- work with the CBOC to draft the scope of engagement for a performance review similar to the December 2004 report
- conduct a process to solicit proposals to conduct the review
- execute a contract at a cost not to exceed \$7,500 annually
- in future years, provide for this performance review on the same annual schedule as the two required audits

The review that the CBOC is requesting would have the following general characteristics:

- *not* duplicate work already being accomplished

- a narrow scope with minimal costs
- raise issues not customarily included in the CPA's audits
- *not* necessarily repeat the same topics each year
- only sufficient analysis to raise yellow or red flags for subjects needing deeper review or investigation
- contracted for and provided to the district, but reviewed by and subject to CBOC comment.

The CBOC looks forward to working with district staff on developing the scope of engagement for the initial program review, and to the review of the resulting report.

Thirdly, at its regular quarterly meeting on January 18<sup>th</sup> the CBOC voted unanimously to move its quarterly meeting from the third Wednesday, which usually follows a regularly scheduled meeting of the board, to a day and time preceding a board meeting. The reason for this change is to allow the CBOC to more adequately fulfill the role specified in Exhibit B of the Prop. R ballot measure.

The last sentence of bond Exhibit B states, "The Governing Board will establish the timing of projects after review by the Citizens' Bond Oversight Committee." The Governing Board generally approves the timing of projects at the meeting immediately following its annual capital projects workshop. During the course of the year the Governing Board receives quarterly reports and may make project timing decisions based upon those reports. By reviewing the quarterly reports, before the governing board meetings and by receiving the annual funding plan updates prior to governing board action, the CBOC will be able to exercise the review specified in the ballot language.

Finally, pursuant to a unanimous vote, the CBOC is requesting the board, before taking a final vote on a plan to address the parking capacity challenge at Grossmont College (and other remaining Prop. R projects), to consider a list of considerations identified by the CBOC. The CBOC would be prepared to submit that list of considerations after the Chancellor formally recommends a plan to the Governing Board.

The CBOC members do not believe that the CBOC should be involved in the process to develop a recommendation to the Governing Board because that participation could compromise the CBOC's ability to exercise its independent oversight duty. At the same time, however, members of the CBOC have issues that are important to the constituent groups they represent and want to ensure that those issues are addressed by the Governing Board before it makes its final decision on this subject. Therefore, as the chair of the CBOC I request that the Governing Board accept input concerning the Chancellor's recommendation concerning the Grossmont parking issue before you take a final vote.

Please do not hesitate to contact me if you have any questions concerning this information.

Respectfully yours,

Ernest Ewin  
CBOC Chairman, Prop. R Citizens' Bond Oversight Committee