



Long Beach Community College District

Citizens Oversight Committee Annual Report for Year Ending December 2008 to the Board of Trustees

Board of Trustees

Jeffrey A. Kellogg, President
Mark Bowen, Vice President
Dr. Thomas J. Clark
Douglas Otto
Roberto Uranga

Superintendent-President

Eloy O. Oakley

Vice President, Administrative Services

Ann-Marie Gabel

Citizens Oversight Committee

Thru June 30, 2008

J. C. Squires, Chairperson
Ken Velten, Vice-Chairperson
Angel J. Perea, Secretary
Patricia L. Lofland
William H. Marmion
Sherri Ortman
W. Gary Westling
Debra A. Williamson
Tom Chek, ASB President

Effective July 1, 2008

Ken Velten, Chairperson
Lexi Donovan, Vice-Chairperson
Barbara Long, Secretary
Gary Cooper
William H. Marmion
Sherri Ortman
LaTonya Neal, ASB President

January 13, 2009

Citizens Oversight Committee 2008 Annual Report to the Board of Trustees

January 13, 2009

Background

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. In conjunction with the passage of Proposition 39, the Legislature passed a series of bills both restricting and mandating actions of local governing boards under Proposition 39. Proposition 39 went into effect on November 8, 2000 and the statutory measures went into effect January 1, 2001.

The District has issued two bonds under Proposition 39: Measure E - 2002 and Measure E – 2008.

Measure E - 2002

On December 4, 2001, The Board of Trustees of the Long Beach Community College District (District) called for a general obligation bond election. The ballot language for the Measure E Bond funds reads, “In order to renovate, repair, and replace aging educational facilities, including replacement of electrical, plumbing and sewer systems, add classrooms, acquire equipment, construct job training facilities and high tech computer labs, upgrade restrooms, renovate heating and ventilation system, install fire safety equipment, replace outdated classrooms and libraries and establish a Citizens Oversight Committee, shall the Long Beach Community College District issue \$176 million in bonds, at interest rates within the legal limit?” On March 5, 2002, the District’s resident voters passed the general obligation bond, Measure E.

Measure E - 2008

On February 5, 2008, voters residing in the District were asked: “to qualify for State matching funds that will better prepare Long Beach college students for high demand jobs, shall Long Beach Community College District renovate science, nursing, police, and firefighting classrooms, upgrade classroom technology and high-tech training labs; repair aging roofs, electrical, plumbing, heating, and ventilation; and upgrade/construct/equip/acquire classrooms, facilities, sites; by issuing \$440 million in bonds, at legal rates, with citizens oversight, mandatory audits, and all funds staying local to improve Long Beach City College facilities?”

The voters overwhelmingly approved the measure with a 73.22% pass rate.

Citizens Oversight Committee Charge

It is the charge of the Citizens Oversight Committee (COC) to monitor the expenditures of the Measure E 2002 and 2008 Bond funds and report to the public on the District's compliance with Proposition 39. It is the committee's role to: 1) review quarterly expenditure reported produced by the District to ensure that (a) bond proceeds are expended only for the purposes set forth in the ballot measure and no bond proceeds are used for any teacher or administrative salaries or other operating expenses; 2) present to the Board, in public session, an annual written report; 3) receive and review copies of the District's annual independent performance audit and annual independent financial audit; 4) inspect school site facilities and grounds for which bond proceeds have been or will be expended; 5) review copies of capital outlay plans developed by the District; 6) review the Districts efforts to maximize use of Bond proceeds in ways designed to: a) reduce costs of professional fees or site acquisition; b) incorporate efficiencies in school site design; c) encourage joint use of core facilities; or d) involve cost-effective and efficient reusable facility plans.

Long Beach Community College District's Projects List

The Board of Trustees approved the following list of projects for which bonds issued under Proposition 39 would be expended:

Completed Construction Projects - Measure E 2002

Child Development Center at PCC
Automotive and Aviation Complex (Tech 2) at PCC
Large Gym Façade and Renovations at LAC
Small Gym Renovations at LAC
Language Arts Building Renovation at LAC
District Facilities and Warehouse Complex at LAC
Utility Infrastructure throughout LAC & PCC
Learning Resource Center at PCC
Central Plant at LAC

Current Construction Projects – Measure E 2002

South Quad Complex at LAC – Expected Completion Spring 2009
Learning Resource Center at LAC – Expected Completion January 2009
Central Plant at PCC – Expected Completion January 2009
Industrial Technology Center Phase 1 at PCC – Expected Completion Summer 2009

Upcoming Construction Projects – Measure E 2002

Multi-Disciplinary Academic Building at PCC – Estimated Start of Construction 2009

Current and Upcoming Projects – Measure E 2008

Infrastructure Improvements at LAC Phase 3–Estimated Start of Construction July 2009
Building A–Student Services Retrofit at LAC – Estimated Start of Construction July 2009
Parking Structure in Lot J at LAC – Estimated Start of Construction 2009
Building C Retrofit at PCC – Estimated Start of Construction Spring 2010
Math Technology Building at LAC – Estimated Start of Construction 2011
District Wide Building Needs Assessment Project - Ongoing

General Improvements

At both the Liberal Arts Campus (LAC) and Pacific Coast Campus (PCC), the District intends to use bond proceeds for any project on the list below, and to: make improvements to internal walkways, access roads and parking lots; install new and safer exterior lighting, signage, and security systems; landscape and install sprinklers in open areas, between buildings, and at physical education facilities; install modern infrastructure and utilities, including water, sewer, heating, ventilation, and air conditioning systems; install or upgrade fiber-optic cables and related technological equipment/systems; improve access ways in compliance with the Americans with Disabilities Act; remove and replace hazardous building materials; and purchase and install furnishings and equipment at all facilities being constructed, renovated, improved or remodeled with the proceeds of bonds in accordance with each project list.

Project List – Measure E 2002

The project listing does not suggest any particular priority for construction amongst the proposed projects, which remains a province of the Board of Trustees.

Liberal Arts Campus (LAC) Improvements: The District intends to undertake the following specific projects at LAC, each of which involves major renovations, remodeling and improvements, and some of which involve removing old hazardous building materials and making, where required, seismic safety improvements:

- Administration Building (Building A)
- Technical Building (Building B)
- Nursing, Health and Technology Building (Building C)
- Math/Science Building (Building D)
- College Center (Building E)
- Family Consumer Studies Building (Building F)
- Music Building (Building G)
- Theater Arts Building (Building H)
- Auditorium (Building J)
- Library/Learning Center (Building L)
- Business, Computer, Social Sciences Building (Building M)
- Administrative Services Building (Building N)
- Language Arts Building (Building P)
- Physical Education Building
- Small Gymnasium (Building Q)
- Large Gymnasium (Building R)

- Construct new Bookstore/Student Services Building
- Replace and construct new Child Development Center
- Construct new classroom building or buildings to accommodate student growth and future program demands

Pacific Coast Campus (PCC) Improvements: The District intends to undertake the following specific capital improvement projects at PCC, each of which involves major renovations, remodeling and improvements, and some of which involve repairing fire damage, removing old hazardous building materials, and making, where required, seismic safety improvements:

- General/Administration Building (Building AA)
- Humanities/English as a Second Language Building (Building BB)
- Fitness Center (Building CC)
- Social Science Building (Building DD)
- Student Center/Bookstore (Building EE)
- Fine Arts/Senior Center (Building FF)
- Library/Learning Resource Center (Building GG)
- Construction Trades Building (Building MM)
- Welding Shop (Building VV)
- Parent Education Building (Building OO)
- Replace and construct new Diesel Shop, Automotive Shop, Aeronautics Shop and Auto Body Shop (Buildings, RR, SS, TT, and QQ)
- Construct new classroom building or buildings to accommodate student growth and future program demands

Project List – Measure E 2008

Long Beach City College – Liberal Arts Campus

- Repair/renovate/expand nursing and medical career job training classrooms and labs (Bldg. C)
- Repair/renovate/expand Science Building including science classrooms, labs, technology, instrumentation, furniture and equipment (Bldg. D)
- Upgrade all campus facilities to improve access for students with disabilities and to meet Americans with Disabilities Act requirements
- Upgrade classroom technology and computer labs throughout campus
- Repair, renovate, replace, upgrade, expand, furnish and/or equip **existing** classrooms and buildings including but not limited to:
 - Liberal Arts classrooms/facilities (Bldg. M, N)
 - Tech Studies job training classrooms/labs/facilities (Bldg. B)
 - Language Arts classrooms (Bldg. P)
 - Art instructional classrooms, labs and studios (Bldg. K)
 - Relocate/improve Family/Consumer Education classrooms/facilities
- Construct, furnish and equip **new** academic classrooms and job training facilities including but not limited to:
 - A Mathematics, Technology & Culinary Arts classroom building
 - Classrooms for police and public safety job training
 - A new Child Development Center
 - A new campus Tutorial Center with adequate space for individual and small group study, basic skills labs, and instructional assistance

- An Economic Development program center
- Music, fine arts and performing arts instructional classrooms and studios
- Classrooms/facilities to accommodate student growth and future program/functional demands
- Replace aging portables with permanent academic and job training classrooms and faculty offices
- Complete Library/Learning Resource Center improvements including building, technology, furniture and equipment upgrades
- Repair or replace aging roofs
- Improve outdated cable, fiber-optics, hardware, technology and telecommunications infrastructure
- Repair or replace deteriorated electrical, plumbing, water/sewer, mechanical, heating, cooling, ventilation and utility systems
- Improve energy efficiency to save energy and money
- Upgrade fire safety, security, and emergency communications systems
- Improve indoor/outdoor lighting, signage, fencing and security systems for improved safety/security
- Renovate faculty workrooms and offices throughout campus
- Provide safety, ergonomic, instructional and lab equipment for classrooms, labs and faculty offices
- Construct additional parking space to accommodate student/faculty/staff demand and relieve overcrowding on neighborhood streets adjacent to campus
- Relocate student bookstore and renovate space to accommodate improved access
- Renovate the College's historic 975-seat auditorium originally constructed in 1956
- Renovate Administration and Student Services space (Bldg. A) and College Center (Bldg. E) to improve one-stop access for student support services
- Repair and renovate the Foundation Building (Bldg. I)
- Repair or replace deteriorating campus athletic fields and the College's 55-year old swimming pool and infrastructure
- Rehabilitate 60-year old physical education instructional classrooms and faculty offices (Bldgs. R, Q)
- Repair/renovate/expand 59-year old Veterans Stadium Building (Bldg. S)
- Landscape and sprinkler open areas at and between buildings and at physical education facilities
- Replace and consolidate deteriorated warehouse and maintenance and operations facilities and portables (Bldgs. U and Z)
- Upgrade walkways, internal roadways and parking lots for improved safety
- Provide seismic and structural building improvements for earthquake safety
- Fund acquisition of land for new academic, job training or parking facilities

Long Beach City College - Pacific Coast Campus

- Upgrade all campus facilities to improve access for students with disabilities and to meet Americans with Disabilities Act requirements
- Upgrade classroom technology and computer labs throughout campus
- Repair, renovate, replace, upgrade, expand, furnish and/or equip **existing** classrooms and buildings including but not limited to:
 - Construction Trades classrooms/labs/facilities (Bldg. M)
 - Auto Body/Diesel Technology job training classrooms/labs/facilities (Bldgs. Q, R)
 - Aviation and Automotive job training classrooms/labs/facilities (Bldg. J)
 - Fine Arts / Senior Center classrooms/facilities (Bldg. F)
 - Horticulture classrooms and greenhouse (Bldg. N)
 - Multi-disciplinary classrooms/facilities (Bldgs. A, B, D and E)

- Physical Education & Fitness classrooms/facilities (Bldg. C)
- Construct, furnish and equip **new** academic classrooms and job training facilities including but not limited to:
 - Construction Trades job training classrooms/labs
 - Auto Body/Diesel Technology job training classrooms and labs
 - Machine Tool/Welding Technology job training classrooms and labs
 - Humanities classrooms
 - Economic Development program space
 - Indoor and outdoor physical education/fitness/wellness instructional facilities
 - Classrooms/facilities to accommodate student growth and future program/functional demands
- Replace aging portables with permanent academic and job training classrooms and faculty offices
- Complete Library/Learning Resource Center improvements including building, technology, furniture and equipment upgrades and convert the existing Library into a one-stop Student Service Center
- Repair or replace aging roofs
- Improve outdated cable, fiber-optics, hardware, technology and telecommunications infrastructure
- Repair or replace deteriorated electrical, plumbing, water/sewer, mechanical, heating, cooling, ventilation and utilities
- Improve energy efficiency to save energy and money
- Upgrade fire safety, security, and emergency communications systems
- Improve indoor/outdoor lighting, signage, fencing and security systems for improved safety/security
- Renovate faculty workrooms and offices throughout campus
- Construct additional parking space to accommodate student/faculty/staff demand and relieve overcrowding on neighborhood streets adjacent to campus
- Landscape and sprinkler open areas at and between buildings and at physical education facilities
- Upgrade walkways, internal roadways and parking lots for improved safety
- Provide safety, ergonomic, instructional and lab equipment for classrooms, labs and faculty offices
- Consolidate Maintenance and Operations into one building/location
- Provide seismic and structural building improvements for earthquake safety
- Fund acquisition of land for new academic, job training or parking facilities

District-wide Improvements

- Where major repair, renovation and/or new construction is to be undertaken: Remove hazardous materials (e.g. asbestos, lead, mold, mildew, etc.) where necessary; demolition of existing buildings to be replaced with new construction; necessary site preparation/restoration in connection with new construction, renovation or remodeling, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to property; provide temporary (interim) classrooms and other educational facilities as needed to accommodate students and campus functions displaced during construction
- Purchase/install new telecommunication infrastructure and/or enterprise-wide computer system
- Pay or pre-pay certain existing long term debt obligations of the District
- Reimburse the District for qualified land/property acquisition expenses

Proposition 39 Mandate

The following is a summary of reports made to and actions made by the COC during the 2007 calendar year to meet its obligations:

Receive and Review the Annual Independent Performance Audit

The Citizens Oversight Committee (COC) received and reviewed the annual independent Performance Audit as it relates to the Measure E Bond funds.

The performance audit firm of Moss Adams was selected to conduct the Performance Audit for Fiscal Year Ended June 30, 2007. The performance audit team evaluated the Long Beach Community College District's (District) Measure E Bond Program compliance, and controls established to assure efficiency and effectiveness of the construction Program. The audit team evaluated whether an appropriate control structure has been developed for implementation of the Measure E Construction Bond Program. The audit team also tested expenditures during the period July 1, 2006 through June 30, 2007 for compliance with Bond Program objectives.

The audit team validated construction program expenditures against Bond Program requirements, contract terms and conditions, and analyzed program level controls. The team conducted over 20 in-depth interviews and reviewed key program documentation including a draft copy of the Facilities Master Plan, District Measure E Bond Program Policies and Procedures, the Program Management Plan, and evaluated policies and procedures as put in practice by both the District and the Bond Management Team. A sampling of other Bond Program documents reviewed included:

- Voter materials and bond documents
- Facilities planning documentation
- Procurement bid and award documentation
- Contracts
- Payment applications and invoices
- Relevant financial records and transaction support
- Board of Trustees and Citizen Oversight Committee reports
- Staff plans

Good practices and improvement opportunities, as identified at the time of report issuance, were identified in the Performance Audit Report. In summary, the performance audit report reflected procedural changes and actions taken through June 30, 2007 by the District and the Bond Management Team (BMT) since the last performance audit. In summary, key good practices included: 1) reconciliation between PeopleSoft and Expedition is conducted quarterly and at project close-out; 2) the District is using an independent third party to provide review of Cordoba's Bond Management Team invoices; 3) staff for the Bond Management Team is dynamic and is responsive to needs as determined by the construction schedule; 4) access to PeopleSoft has improved the Bond Management Team's ability to analyze information; and 5) the District has augmented Facilities staff. The department reorganization has improved communication and District Facilities involvement in projects. The audit team identified opportunities for improvement in which the District and the BMT will respond to during the course of the year.

The audit team conducted its audit in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants. The audit team reported that the District has implemented and continues to improve controls for use of school construction bond proceeds to comply with Measure E requirements and are recorded on the District's books and records. Total Bond Program fund expenditures were \$32,084,228 from July 1, 2006 through June 30, 2007. The audit team evaluated expenditures for that period totaling \$18,408,973 (57.4%) and found no exceptions with the use of Bond Program funds for approved Measure E purposes.

Moss Adams presented its performance audit findings to the COC at its meeting of January 28, 2008. The Performance Audit for Fiscal Year Ended June 30, 2007 was received by the COC unanimously.

Receive and Review the Annual Independent Financial Audit as it Relates to the Bond Funds

The Citizens Oversight Committee (COC) received and reviewed the annual independent Financial Audit as it relates to the Measure E Bond funds.

The financial audit firm of Vicenti, Lloyd, & Stutzman, LLP conducted the Financial Audit for Proposition 39, General Obligation Bonds, Measure E Bond for the Year Ended June 30, 2007. The financial audit team conducted its audit of the Bond Construction Fund in accordance with auditing standards generally accepted and the standards applicable to financial audits contained in Governmental Auditing Standards.

The financial audit team planned and performed its audit to obtain reasonable assurance that the financial statements for the Bond Construction Fund are free of material misstatement. The audit included examining, on a test basis, evidence supporting the amounts and disclosures in the Bond Construction Fund financial statements. It also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The audit team attests that its audit provided a reasonable basis for its opinion.

It is the opinion of the financial audit team that the financial statements present fairly, in all material respects, the financial position and results of operations for the Bond Construction Fund of the Long Beach Community College District as of June 30, 2007, in conformity with accounting principles generally accepted.

Vicenti, Lloyd, & Stutzman, LLP presented its financial audit findings to the COC at its January 28, 2008 meeting. The Financial Audit for Proposition 39, General Obligation Bonds and Measure E Bond for the Year Ended June 30, 2007 was received by the COC unanimously.

Review Bond Expenditures and Ensure that Bond Proceeds are Spent in Accordance with the Ballot Measure

The Citizens Oversight Committee (COC) reviewed Measure E Bond fund expenditures in order to ensure that Measure E Bond funds proceeds were spent in accordance with the ballot measure and not on administrator or teacher salaries or other operating expenses.

The Bond Management Team (BMT) presented the Quarterly Expenditure Reports and the Quarterly Summary Reports to the COC at its January 2008, April 2008, July 2008, and October 2008 meetings. The Quarterly Expenditure Reports itemized expenditures for all construction, modernization, and renovation projects stipulated in the March 2002 and/or the February 2008 ballot language for the Measure E Bond funds. The reports summarized budget modifications that occurred during each quarter. A statement of verification accompanied the Quarterly Expenditure Reports and attested that all expenditures were spent appropriately.

As of June 30, 2008, \$115,617,975 has been spent on bond projects. Of this amount, \$36,074,443 was spent during fiscal year 2007-08.

Inspection of College Facilities and Grounds Where Bond Proceeds Are Being Spent

The Citizens Oversight Committee (COC) inspected the Long Beach Community College District's facilities and grounds where Measure E Bond proceeds were spent.

Construction, modernization, and renovation projects that the Long Beach Community College District residents voted for in both the 2002 and 2008 Measure E Bond funds ballots came to life in 2008 and are as follows:

Ribbon Cutting Ceremony for the Library and Learning Resource Center

September 17, 2008



Pictured above from left: Board of Trustee Members, Dr. Tom Clark, Roberto Uranga, Mark Bowen, Jeff Kellogg, Doug Otto, & President Oakley

The ribbon cutting ceremony for the Library and Learning Resource Center was held September 17, 2008 with local, District and Bond Team dignitaries in attendance.

COC Members in Attendance:

Lexi Donovan
Barbara Long
LaTonya Neal

Tour of the Library/LRC and South Quad at LAC with the COC

October 13, 2008



Tour of Library / LRC at LAC



Tour of South Quad at LAC

On October 13, 2008 Bill Adams, Project Manager for the Bond Management Team proudly lead a tour of the Library/LRC and South Quad Projects at LAC for COC members.

COC Members in Attendance:

William Marmion
Ken Velten

Ribbon Cutting Ceremony for the Central Plant & Public Safety Building at LAC

December 2, 2008

The ribbon cutting ceremony for the Central Plant & Public Safety Building at LAC was held December 2, 2008 with local, District and Bond Team dignitaries in attendance.



Pictured above; left front row: Chief Batts, Trustee Jeff Kellogg, President Oakley, Trustee Roberto Uranga; **back row:** Gerrie Schipske, L.B. City Council Member, District 5, Val Lerch, L.B. City Council Member, District 9 & Edward Wilson, Signal Hill Council Member.

COC Member in Attendance:

Lexi Donovan

2008 Completed Construction Projects – Measure E 2002



District Facilities & Warehouse-
LAC



Tech II – PCC



Large Gym Façade – LAC



Small Gym Renovation - LAC



Language Arts Bldg. Renovation
LAC



Central Plant - LAC



Learning Resources Center – PCC

2008 Current Construction Projects – Measure E 2002



Tech I – PCC



Central Plant – PCC



Learning Resources Center – LAC



South Quad – LAC

2008 Meeting Schedule

January 28, 2008



April 21, 2008



July 21, 2008



October 13, 2008



2008 Citizens Oversight Committee Members

Committee Members Thru June 30, 2008

J. C. Squires, Chairperson
Ken Velten, Vice-Chairperson
Angel J. Perea, Secretary
Patricia L. Lofland
William H. Marmion
Sherri Ortman
W. Gary Westling
Debra A. Williamson
Tom Chek

Representing

Community At Large
Senior Citizens Organization
Community At Large
Support Organization for the College
Additional Recommended Member
Bona-Fide Tax Payers Association
Additional Recommended Member
Local Business Community
Associated Student Body

Committee Members Effective July 1, 2008

Ken Velten, Chairperson
Lexi Donovan, Vice-Chairperson
Barbara Long, Secretary
Gary Cooper
William H. Marmion
Sherri Ortman
LaTonya Neal

Representing

Senior Citizens Organization
Community At Large
Local Business Community
Community At Large
Support Organization for the College
Bona-Fide Tax Payers Association
Associated Student Body

***Respectfully Submitted to the
Board of Trustees on January 13, 2009 by
Ken Velten, Chairperson***

