

WCCUSD Subcommittee on Clay Investigation
Alvarado Adult Education Campus

September 23, 2015

Minutes (as amended November 30, 2015)

A. OPENING PROCEDURES

A.1 Call to Order

The meeting was called to order at 9:10 AM by Chairperson Liz Block.

A.2 Roll Call

Committee Members Present: Liz Block, Valerie Cuevas, Yvette Ricco

Staff Attendees: Lisa LeBlanc, Associate Superintendent for Operations; K. Kawahara, Special Counsel; Jackie Kim, CPA, Internal Auditor; Sylvia Garfield, Administrative Assistant

A.3 Approval of Agenda

Item B.1. Ms. Block requested that the presentations be structured to allow team members to provide introductions to include any new team members present, provide a recap of their previous presentation, and then present any new information.

Item B.3. Ms. Block requested that the discussion include what types of information and updates the subcommittee would like to receive on a regular basis from the forensic team and in what timeframe.

MOTION: Ms. Ricco moved to approve the Agenda as amended Ms.

Board Comment:

Ms. LeBlanc commented that one of the subcontractors on the BCA, Lori Raineri, has done consulting work for Kronick Moskowitz, a law firm that has done work for our district. Ms. Block added that Kronick Moskowitz has contributed to the district bond campaign.

B.1 Presentations from Selected Firms

EisnerAmper LLP / Ueltzen & Co LLP

Dana Trexler Smith, Tim Van Noy, Patrick DeLangis and Heather Lyons provided a presentation to the Subcommittee. The presentation was followed by questions from Ms. Block, Ms. Cuevas and Ms. Ricco, and responses from The EisnerAmper Team

BCA Watson / Government Financial Strategies / Williams, Adley & Co.

Michael de Castro, Lori Raineri and Robert Griffin provided a presentation to the Subcommittee. The presentation was followed by questions from Ms. Block, Ms. Cuevas and Ms. Ricco, and responses from The BCA Watson Team

Vicenti, Lloyd & Stutzman LLP (VLS)

Ernest Cooper, Dan Warden, Linda Saddlemire, Scott Saddlemire, Ana Rodriguez and Jennie Dominguez provided a presentation to the Subcommittee. The presentation was followed by questions from Ms. Block, Ms. Cuevas and Ms. Ricco, and responses from The VLS Team.

A break was taken at 1:15 PM. The meeting resumed at 1:35 PM.

B.2 Discuss / Approve subcommittee selection of forensic audit firm for recommendation to the Board of Education

Public Comment:

Ms. Lozito said that one question that did not come up was if the audit teams have ever done an audit with a district and found possible fraud with the district. She said she still liked VLS and what they said about taking interviews.

Board Comment:

Ms. Block asked Ms. Ricco to share her prior reservations about VLS. Ms. Ricco said her concern was with Mr. Cooper's discussion of his background and whether that could be intimidating in the course of interviews, but that after further investigation she now believes it could be a positive. She added she was grateful to hear comments from Mr. Saddlemire today. She said she is confident that VLS could do the job.

Ms. Block commented she thought that VLS's approach was generic and that what she expected and Ms. Ricco agreed.

Ms. Cuevas said VLS has a strong team with regard to skill set, although the description of their deliverable work product feels less intrusive than the other firms. By comparison, she said Eisner provided a clearer sense of the actual product.

Ms. Ricco said that one thing troubling with VLS is the cost.

MOTION: Ms. Cuevas moved to accept VLS as the subcommittee's top recommendation to the Board, with EisnerAmper as the alternate. Ms. Ricco seconded. Ms. Block, Ms. Cuevas and Ms. Ricco voted yes, with no abstentions and no absences. Motion carried 3-0-0.

B.3 Discuss / Approve next steps

Board Comment:

Ms. LeBlanc recommended moving forward to make a recommendation to the Board on behalf of the subcommittee and in the interim begin contract negotiations with S, with the contract subject to Board approval

Discussion followed regarding the timeframe in which to bring the recommendation and the fully negotiated contract to the Board.

It was decided that Ms. Block would communicate with Board President Cuevas about when the VLS recommendation could be brought to the Board, with October 7th as the targeted date set for submitting the contract.

Discussion followed regarding the parameters of the contract.

Ms. Block opened the discussion regarding establish a template or form that itemized the information that the subcommittee wants to be apprised of and the timeframe for being updated.

Mr. Kawahara said it would be helpful to decide on a template to include in the contract.

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C. FUTURE MEETINGS:

Ms. LeBlanc said she will provide the subcommittee with progress on the contract negotiations in order to determine the timing on the next meeting date.

D. AJOURNMENT

Chairperson Block adjourned the meeting at 2:45 PM.