



Midpeninsula Regional
Open Space District



**MEASURE AA BOND OVERSIGHT COMMITTEE OF THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**

Administrative Office
330 Distel Circle
Los Altos, CA 94022

Thursday, February 7, 2019

DRAFT MINUTES

ROLL CALL

Chair Gilbert called the meeting to order at 5:30 p.m.

Members present: Paul Betlem, Carla Dorow, Denise Gilbert, Tom Scannell
Timothy Tomlinson, Bruce Tolley, and Jo Zientek

Members absent: None

Staff present: Chief Financial Officer/Director of Administrative Services Stefan
Jaskulak, General Counsel Hilary Stevenson, Finance Manager Andrew
Taylor, Budget & Analysis Manager Carmen Narayanan, Executive
Assistant/Deputy District Clerk Maria Soria, Budget Analyst I Elissa
Martinez, Budget Analyst I Lupe Hernandez

ORAL COMMUNICAITONS

No speakers present.

Public comments opened at 5:30 p.m.

No speakers.

Public comments closed at 5:30 p.m.

VOTE: 7-0-0

COMMITTEE BUSINESS

- 1. Approve January 16, 2019 Measure AA Bond Oversight Committee Minutes**

Committee member Tomlinson commented that he submitted grammatical corrections to the Deputy District Clerk, which have been revised.

Public comments opened at 5:33 p.m.

No speakers present.

Public comments closed at 5:33 p.m.

Motion: Committee member Tomlinson moved, and Committee member Dorow seconded the motion to approve the amended January 16, 2019 Measure AA Bond Oversight Committee minutes.

VOTE 5-0-2 (Committee members Betlem and Scannell abstained.)

2. Review documentation supporting the Selected Sample Transactions

Chair Gilbert summarized the sample expenditures selected at the January 16, 2019 meeting and reviewed the charge of the Committee.

Stefan Jaskulak, Chief Financial Officer/Director of Administrative Services indicated Committee members provided staff with questions, and Mr. Jaskulak reviewed the questions submitted and their responses.

Committee member Tomlinson requested supporting documents be provided for land transactions to confirm the trustee received a wire transfer.

Mr. Jaskulak agreed to amend the Agreed-Upon Procedures for land transactions to include a copy of the wire transfer request to the Santa Clara County Treasurer's office, escrow receipt, and the final statement as part of the back-up documentation.

Committee member Scannell expressed concern that the Committee was not provided with the project managers' signatures who approve invoices as requested last year.

Mr. Jaskulak stated it is not feasible to release the signatures of the project managers to the Committee due to fraud because they would then be in a public document.

Committee member Dorow suggested including the project manager's name and title on the invoice cover sheet for the transaction sample documentation to verify that the appropriate project manager approved the invoice payment.

Committee member Scannell agreed with Committee Dorow but also asked staff to bring the binder that contains the project managers' signatures to a subsequent meeting so the Committee can review them.

Mr. Jaskulak requested clarification on whether this would be for the current or next year.

Committee member Scannell stated that the procedure should start this year since the Committee requested the signature verifications for this year.

Finance Manager Andrew Taylor stated he would provide the Committee with the name and title for the current year's sample expenditures.

Committee member Zientek requested inclusion of the program manager's alternate on the invoice cover sheet. Ms. Zientek also suggested providing the invoice cover sheet as a fillable form for future years.

Committee member Scannell suggested adding a checkbox to the invoice cover sheet for the Committee to confirm the totals of the Expenditure Report match the Accountability Report.

Committee member Scannell stated the Annual Accountability Report lists the project amount by the net amount and the Auditor's Report numbers are listed by gross amount. Mr. Scannell inquired which is the official expenditure for Measure AA the Committee should confirm - the net or gross.

Mr. Jaskulak stated it would be the net amount of the \$300 million and stated going forward, staff will provide both gross and net expenditures by portfolio in Section 1 of the Annual Accountability Report.

Committee member Dorow stated the labor reimbursement expenditure she reviewed was missing documentation and suggested reviewing an additional labor reimbursement expenditure to verify if the system in place is reliable.

By consensus, the Committee agreed and selected an additional labor reimbursement expenditure for Committee member Dorow to review.

Mr. Jaskulak explained the timecards for the last fiscal year were completed manually, but the District now uses a fully automatic timekeeping system with an audit trail.

Committee member Scannell stated additional backup documentation is needed to verify the labor cost, such as the project manager's pay rate. Mr. Scannell suggested staff develop a process on how the Committee can verify the amount.

Committee member Tomlinson stated that for credit card charges the actual amount approved by the project manager is not listed by line item but is listed as a total sum under the vendor name Bank of the West.

Mr. Jaskulak stated Bank of the West had limitation on how staff entered the information, so staff was not able to list the vendors by line item. Mr. Jaskulak reported the District switched to a new credit card vendor for next year's documents, the Committee will have three quarters of

the fiscal year using the new credit card vendor which may assist the Committee in verifying the credit card charges.

Public comments opened at 7:01 p.m.

No speakers present.

Public comments closed at 7:01 p.m.

3. Appointment of Bond Oversight Committee Ad Hoc Committee

Committee Chair Gilbert called for volunteers to serve on a three member ad hoc subcommittee to prepare a draft Measure AA Bond Oversight Committee Report for submittal to the Board of Directors.

Committee members Gilbert, Tolley and Dorow volunteered to serve on the ad hoc committee.

The ad hoc committee members agreed to meet on February 13, 2019 at 10:00 am.

Committee member Gilbert suggested staff provide the Committee the Auditor's Report yearly, which include the testing amounts and testing percentage of the Measure AA expenditures.

Public comments opened at 7:06 p.m.

No speakers present.

Public comments closed at 7:06 p.m.

4. Review of Timeline and Future Meetings

Chair Gilbert reviewed the Committee meetings currently scheduled and the Committee actions planned for those meetings.

Committee member Dorow suggested the ad-hoc committee review the project manager signature binder, the committee agreed.

Public comments opened at 7:09 p.m.

No speakers.

Public comments closed at 7:09 p.m.

ADJOURNMENT

Committee Chair Gilbert adjourned the meeting of the Measure AA Bond Oversight Committee at 7:10 p.m.

Maria Soria
Executive Assistant/Deputy
District Clerk