

**Los Angeles Unified School District  
Office of the Inspector General**

**Incurred Cost Audit  
Ninyo & Moore  
Contract No. 4400008553**

**CA-25-1458  
June 30, 2025**

**Sue Stengel  
Inspector General**





## Los Angeles Unified School District Office of the Inspector General

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*Inspector General*

June 30, 2025

Mr. Matthew Friedman  
Chief Procurement Officer  
Procurement Services Division  
Los Angeles Unified School District  
333 S. Beaudry Avenue, 28th Floor  
Los Angeles, CA 90017

RE: Ninyo & Moore  
Contract No. 2190010/4400008553

Dear Mr. Friedman:

This is the final report on our audit of Ninyo & Moore Geotechnical & Environmental Sciences Consultants - Contract No. 4400008553.

Please contact our office if you have any questions.

Sincerely,

*Mark H. Pearson*  
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Mark H. Pearson, CPA, CFE, CIGA  
Assistant Inspector General

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Sue Stengel, Esq., CIG  
Inspector General

c: Andrea Reyes, Special Assistant to Chief Facilities Executive  
Jorge Ballardo, Deputy Chief Procurement Officer  
Cheri Thomas, Principal Analyst  
Ivory King, Procurement Policy Officer  
Dana Greer, Deputy Chief Procurement Officer  
Lissette Pacheco, Principal Administrative Analyst  
Julie Woessner, Contract Administration Manager

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## **Audit of Ninyo & Moore Contract No. 2190010/4400008553**

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### **EXECUTIVE SUMMARY**

The Office of the Inspector General (OIG) audited contract number 4400008553 (Contract)<sup>1</sup> awarded by the Los Angeles Unified School District (District) to Ninyo & Moore Geotechnical & Environmental Sciences Consultants (Ninyo & Moore)<sup>2</sup> to provide material testing and special inspection services. This audit was to assess whether the amounts billed were adequately supported and in accordance with the contract's terms and conditions. It also determined whether services were provided as required by the task orders. The OIG performed this audit to ensure that public funds were used appropriately, that the District received the contracted material testing and special services that support construction projects that ultimately benefit the students and staff, and that the contractor complied with contract terms. Effective oversight in this area helps safeguard the District's financial resources, promotes accountability, and ensures the integrity of construction projects.

### **Audit Conclusion**

- Ninyo & Moore's billings were adequately supported and allowable under the Contract. Labor hours and laboratory costs were properly documented, matched the contract rates, and followed all contract requirements. No exceptions were found in the sample tested.
- Ninyo & Moore provided the required services for the task orders reviewed. For 10 out of 28 task orders, Ninyo & Moore completed the work according to the contract scope and submitted the necessary reports. The remaining 18 task orders were in progress.

### **INTRODUCTION**

Contract number 4400008553 was awarded to Ninyo & Moore Geotechnical & Environmental Sciences Consultants (Ninyo & Moore) with an original not-to-exceed amount of \$2,000,000 for the period from November 1, 2020, through October 31, 2023, with two (2) one-year option periods. Per amendment No. 1, Ninyo & Moore exercised the Year 2 Option, which increased the contract amount to \$5,500,000, and extended the contract term to October 31, 2024.

### **SCOPE AND OBJECTIVES**

The objectives of this audit were to determine whether:

1. The amounts billed by Ninyo & Moore were adequately supported and in accordance with the Contract's terms and conditions.
2. Ninyo & Moore provided services as required by the task orders.

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<sup>1</sup>

<https://www.lausd.org/cms/lib/CA01000043/Centricity/domain/184/audit%20files/2190010%204400008553%20Ninyo%20and%20Moore%20fully%20executed%20copy.pdf>

<sup>2</sup> <https://ninyoandmoore.com/>



## Audit of Ninyo & Moore Contract No. 2190010/4400008553

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### METHODOLOGY

To accomplish our examination objectives, we performed the following procedures:

- Interviewed District staff to obtain an understanding of the District's internal controls and processes.
- Inquired with Ninyo & Moore's management about their internal controls and business operations.
- Obtained a copy of selected invoices together with the supporting documents, such as timesheets, Field Daily Report sheet, and payroll register.
- Recalculated the mathematical accuracy of the billed invoices.
- Verified that the OAR/Project Sponsor signed off on invoices as an indication of review.
- Validated the number of labor hours billed against timesheets and daily inspector reports.
- Verified that rates billed were from the approved rate schedule and aligned with the task order period.
- Verified that the test report results were signed off by the Inspector of Record (IOR) and Ninyo & Moore Project Manager as an indication of review.
- Obtained the list of Task Orders that were completed.
- Reviewed the Task Orders to obtain an understanding of the requirements of the services.
- Reviewed the supporting documents to determine whether the contractor completed the required services under the Task Orders.
- Inquired and confirmed with the District staff whether the services provided were as required by the task orders.

### RESULTS OF AUDIT

- 1. Determine whether the amounts billed were adequately supported and allowable according to the Contract terms and conditions.**

*The amounts billed by Ninyo & Moore were adequately supported and allowable according to the Contract's terms and conditions.*

Between November 1, 2020, and October 31, 2024, Ninyo & Moore billed the District 262 invoices totaling \$5,685,032. We statistically selected 47 invoices totaling \$2,705,908 (48% of the



## Audit of Ninyo & Moore

### Contract No. 2190010/4400008553

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total billed) for testing. We judgmentally selected 10 line items per invoice, where applicable, for detailed testing of professional services, laboratory, and miscellaneous services.

#### Testing of Billed Services

- **Professional Services**

Ninyo & Moore's employees report the number of hours worked on weekly timesheets by project, staff type, labor codes, etc. We validated direct labor hours billed against individual timesheets and daily inspector reports. We also verified that the labor hours billed were from the approved rate schedule and within the task order's period of performance. Our review found that the billed hours were adequately supported, within the applicable task order period, and used appropriate labor hour rates.

- **Special Inspections**

We reviewed supporting documentation, including special inspections reports, laboratory reports, and vendor invoices, to confirm the number and type of special inspections provided. We verified that the billed rates for testing and inspections were accurately applied based on the test method or category per the Contract's Fee and Payment Schedule. The Contract required Ninyo & Moore to conduct special inspections at school site construction projects and associated laboratory tests. Our review found no exceptions or overcharges.

#### 2. Determine whether the contractor provided the services as required by the task orders.

*The contractor provided services as required by the task orders.*

The task orders issued under this contract required Ninyo & Moore to perform special inspections and any associated laboratory testing and to submit a Division of the State Architect (DSA) Laboratory of Record Verified Report Form 291 (Final Verified Report), a report that certifies that the related material/work was compliant with DSA-approved construction documents and that any non-compliance issues have been resolved.

The 47 invoices randomly selected for review were associated with 28 task orders, 10 of which were completed at the time of our fieldwork and 18 of which were related to projects that are still ongoing. We reviewed documentation for the 10 completed task orders and validated that Ninyo & Moore issued and submitted Final Verified Reports and that the reports were accepted by the DSA.

#### **AUDIT TEAM**



## **Audit of Ninyo & Moore**

### **Contract No. 2190010/4400008553**

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This audit was performed by the following auditors:

Maria Thomas, Audit Manager  
Kien Hong, Principal Auditor  
Sandy Chan, Senior Auditor  
Damon Melfi, Senior Auditor



## Los Angeles Unified School District Office of the Inspector General

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*Inspector General*

### Independent Auditor's Report

We have examined the amounts billed by Ninyo & Moore Geotechnical & Environmental Sciences Consultants (Ninyo & Moore) under contract number 2190010/4400008553 (Contract) for the period from November 1, 2020, through October 31, 2024, and Ninyo & Moore's compliance with the terms and conditions of the Contract. Ninyo & Moore management is responsible for the amounts billed and for complying with the terms and conditions of the Contract. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and accordingly, included examining, on a test basis, evidence supporting Ninyo & Moore's compliance with the contract requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of Ninyo & Moore's compliance with the specified requirements.

In our opinion, the amount billed by Ninyo & Moore against the Contract for the period from November 1, 2020, through October 31, 2024, was supported and allowable in accordance with the contract terms and conditions, in all material respects. The scope of work was completed and deliverables submitted as required by the task orders.

*Mark H. Pearson*  
Digitally signed by Mark H. Pearson  
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Mark H. Pearson, CPA, CFE, CIGA  
Assistant Inspector General

June 12, 2025



# **Know about fraud, waste, or abuse?**

## **Tell us about it.**

Maybe you are a school District employee, a parent, or just a concerned citizen. Regardless, you can make a difference!

Maybe you know something about fraud, waste, or some other type of abuse in the school district.

The Office of the Inspector General has a hotline for you to call. You can also email or write to us.

If you wish, we will keep your identity confidential. You can remain anonymous if you prefer. And you are protected by law from reprisal by your employer.

## **Whistleblower Protection**

The Board approved the Whistleblower Protection Policy on February 12, 2002. This policy protects LAUSD employees who make allegations of improper governmental activity from retaliation or reprisal. To ensure the reporting of any activity that threatens the efficient administration of the LAUSD reports that disclose improper governmental activities shall be kept confidential.

## **General Contact Information**

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**Fraud, Waste, and Abuse Hotline**  
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