LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Stephen English, Chair L.A. City Controller's Office Pamela Schmidt, Vice-Chair Early Education Coalition **Quynh Nguyen, Secretary LAUSD Student Parent Scott Folsom, Executive Committee**

Tenth District PTSA Stuart Magruder, Executive Committee

American Institute of Architects

Joseph P. Buchman - Legal Counsel Burke, Williams & Sorensen, LLP Thomas A. Rubin, CPA Oversight Committee Consultant

Bill Brewington

Thirty-First District PTSA

Paul Escala

CA Charter School Association

Garrett Francis

Assoc. General Contractors of CA

Elizabeth Lugo

LAUSD Student Parent

Abigail Marguez

L.A. City Mayor's Office

L.A. Co. Federation of Labor AFL-CIO

John Naimo

L.A. Co. Auditor-Controller's Office

Scott Pansky

L.A. Area Chamber of Commerce

Barry Waite

CA Tax Reform Assn.

Susan Linschoten (Alternate)

L.A. Co. Auditor-Controller's Office

Garv C. Anderson, PhD **Bond Administrator Daniel Hwang** Administrative Analyst

RESOLUTION 2014-06

SUPPORTING ASSEMBLY BILL 1825 TO EXTEND THE AUTHORITY OF THE LOS ANGELES UNIFIED SCHOOL DISTRICT INSPECTOR GENERAL

WHEREAS, the Rational Audit Program (RAP), as conceived and advanced by the Los Angeles Unified School District (LAUSD) School Construction Bond Citizens' Oversight Committee (BOC) and adopted by the LAUSD Board of Education, is a vital component of the oversight and control process for the LAUSD bond program; and

WHEREAS, the LAUSD Inspector General of the Office of Inspector General (IG) has a key role in the conduct of the RAP; and

WHEREAS, existing law as codified in Education Code §35400, until January 1, 2015, authorizes the IG to conduct audits and investigations, as specified, including administering oaths or affirmations; and

WHEREAS, existing law makes it a misdemeanor, punishable as specified, for a person, after the administration of an oath or affirmation by the IG, to state or affirm as true any material matter that he or she knows to be false; and

WHEREAS, existing law also requires the IG to submit an interim report to the Legislature by July 1, 2000, annual interim reports by July 1 of each succeeding year, and a final cumulative report by December 1, 2014, that includes specified information;

WHEREAS, Assembly Bill 1825 ("AB 1825"), introduced by Assembly Member Nazarian on February 18, 2014, would extend the IG's authority as codified at Education Code §35400 through January 1, 2025; and

WHEREAS, Jess Womack, former LAUSD Deputy General Counsel, Interim IG and IG, advised the BOC at its February 27, 2014 meeting that he supports AB 1825 and encourages the BOC to express its support for AB 1825 to appropriate members of the State Legislature. In addition, Mr. Womack urged the BOC to support three (3) amendments to AB 1825 as it is currently proposed, as follows – (a) to reinstate a statutory requirement that in the absence of good cause for removal, the LAUSD IG's term of office shall be three (3) years; (b) that a

RESOLUTION 2014-06 SUPPORTING ASSEMBLY BILL 1825 TO EXTEND THE AUTHORITY OF THE LOS ANGELES UNIFIED SCHOOL DISTRICT INSPECTOR GENERAL Page 2

finding of "good cause" for removal of a sitting IG must be made by 2/3 of the Board of Education (5 members); and (c) amending the language in the legislation to make it clear that the IG may subpoena witnesses or compel the production of information, documents, etc., that reasonably relate to an "inquiry, audit or investigation" undertaken by the IG in accordance with the statute.

NOW, THEREFORE, BE IT RESOLVED THAT:

ADOPTED on February 27, 2014, by the following vote:

- 1. The BOC supports the extension of the authority granted to the IG pursuant to Education Code §35400 as it serves to assist the IG in the conduct of audits and investigations performed pursuant to the RAP and related to LAUSD's bond-funded school construction and modernization program.
- 2. The BOC hereby authorizes the BOC Chair to send a letter to appropriate members of the State Legislature informing them of the BOC's support of AB 1825 and the extension of the authority of the IG it would enact.
- 3. The BOC also authorizes the BOC Chair to form a Task Force (ad hoc subcommittee) with the scope and authority (i) to study possible amendments to AB 1825 that would enhance the IG's ability to conduct independent and trustworthy audits and investigations related to LAUSD's bond-funded school construction and modernization program, and (ii) to report back to the BOC regarding the pros and cons of such possible amendments to AB 1825 for the full BOC, after further discussion, to consider recommending to appropriate members of the State Legislature.
- 4. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the BOC's website.

AYES: 11	ABSTENTIONS: 0
NAYS: 0	ABSENCES: 3
Stephen English	Pamela Schmidt
Stephen English	Pamela Schmidt
Chair	Vice-Chair