

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

**SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE**

**Rachel Greene, Chair**

Tenth District PTSA

**Dr. Bevin Ashenmiller, Vice-Chair**

LAUSD Student Parent

**Chris Hannan, Secretary**

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

**Margaret Fuentes, Executive Committee**

LAUSD Student Parent

**Araceli Sandoval-Gonzalez, Executive Committee**

Early Education Coalition

**Tracy Bartley**

31<sup>st</sup> District PTSA

**Neelura Bell**

CA Charter School Association

**Jeffrey Fischbach**

CA Tax Reform Assn.

**Melanie Freeland**

American Institute of Architects

**Greg Good**

L.A. City Mayor's Office

**Karen Krygier**

L.A. City Controller's Office

**Dolores Sobalvarro**

AARP

**Alvin Trotter, Jr.**

L.A. Area Chamber of Commerce

**Roger Uy**

Assoc. General Contractors of CA

**Guy Zelenski**

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

**Celia Ayala (Alternate)**

Early Education Coalition

**Dr. Clarence Monteclaro (Alternate)**

Tenth District PTSA

**Connie Yee (Alternate)**

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

**Joseph P. Buchman – Legal Counsel**

Burke, Williams & Sorensen, LLP

**Lori Raineri and Keith Weaver – Oversight Consultants**

Government Financial Strategies

**Timothy Popejoy**

Bond Oversight Administrator

**Perla Zitle**

Bond Oversight Coordinator

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**RESOLUTION 2021-19**

**BOARD REPORT NO. 365-20/21**

**FISCAL YEAR 2022 OIG WORK PLAN/STRATEGIC EXECUTION PLAN**

WHEREAS, District Staff proposes that the Board of Education approve the Fiscal Year 2022 Office of the Inspector General (OIG) Work Plan; and

WHEREAS, in March 2003, the Board of Education authorized the OIG to conduct audits of bond funded new construction and modernization programs and related bond expenditures with BB and Measure K bond funds; and

WHEREAS, in March 2004, June 2005 and November 2008 additional bond funds were programmed for audits in Measures R, Y and Q as approved by the electorate; and

WHEREAS, the associated Fiscal Year 2022 OIG Work Plan/Strategic Execution Plan proposes to use School Upgrade Program (SUP) funds in the amount of \$4,904,874 to provide audit and investigative services, staffing, training, and equipment.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Citizens' Bond Oversight Committee recommends that the Board of Education adopt the Fiscal Year 2022 OIG Work Plan/Strategic Execution Plan as defined in Board Report 365-20/21, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.

**RESOLUTION 2021-19**

**FISCAL YEAR 2022 OIG WORK PLAN/STRATEGIC EXECUTION**

2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Bond Oversight Committee and the District.

ADOPTED on May 27, 2021, by the following vote:

AYES: 13

ABSTENTIONS: 0

NAYS: 0

ABSENCES: 2

*/Rachel Greene/*

Rachel Greene  
Chair

*/Bevin Ashenmiller/*

Dr. Bevin Ashenmiller  
Vice-Chair



## Board of Education Report

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**File #:** Rep-365-20/21, **Version:** 1

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### **Fiscal Year 2022 OIG Work Plan**

**June 8, 2021**

### **Office of the Inspector General**

#### **Action Proposed:**

Staff proposes that the Board of Education approve the Fiscal Year 2022 Office of the Inspector General (OIG) Work Plan.

#### **Background:**

The Office of the Inspector General (OIG) performs its work in accordance with professional standards including the *Principles and Standards for Offices of Inspector General* and *Government Auditing Standards*. These standards require the efficient and effective use of resources as well as keeping appropriate officials informed of OIG activities. The attached Work Plan is a comprehensive intention that incorporates the results of our robust risk assessment process, utilizing Board Member, Bond Oversight Committee, District Management, and public input. This Work Plan sets forth how OIG resources will be used during Fiscal Year 2022.

#### **Expected Outcomes:**

With Board approval of this item, the planned work of the OIG will be deemed approved by the appropriate governing body.

#### **Board Options and Consequences:**

If the Board does not approve this item, then the OIG will lack evidence that its annual work plan was approved by the appropriate governing body.

If the Board approves this item, then the OIG will be operating in accordance with professional standards and its Charter.

#### **Policy Implications:**

The OIG Charter requires the Inspector General to present an annual work plan for the Board of Education's review and approval.

#### **Budget Impact:**

None

#### **Student Impact:**

None

#### **Issues and Analysis:**

None

**Attachments:**

A - Fiscal Year 2022 Office of the Inspector General (OIG) Work Plan

B - Bond Oversight Committee Recommendation (Resolution)

**Informatives:**

Not Applicable

**Submitted:**

05/14/2021

**RESPECTFULLY SUBMITTED,**

**APPROVED & PRESENTED BY:**

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AUSTIN BEUTNER  
Superintendent

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WILLIAM STERN  
Inspector General  
Office of the Inspector General

**REVIEWED BY:**

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DEVORA NAVERA REED  
Interim General Counsel

\_\_\_ Approved as to form.

**REVIEWED BY:**

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TONY ATIENZA  
Director, Budget Services and Financial Planning

\_\_\_ Approved as to budget impact statement.

**LOS ANGELES UNIFIED SCHOOL DISTRICT  
OFFICE OF THE INSPECTOR GENERAL**

**ANNUAL WORK PLAN  
FISCAL YEAR 2022**



**WILLIAM STERN  
INSPECTOR GENERAL**

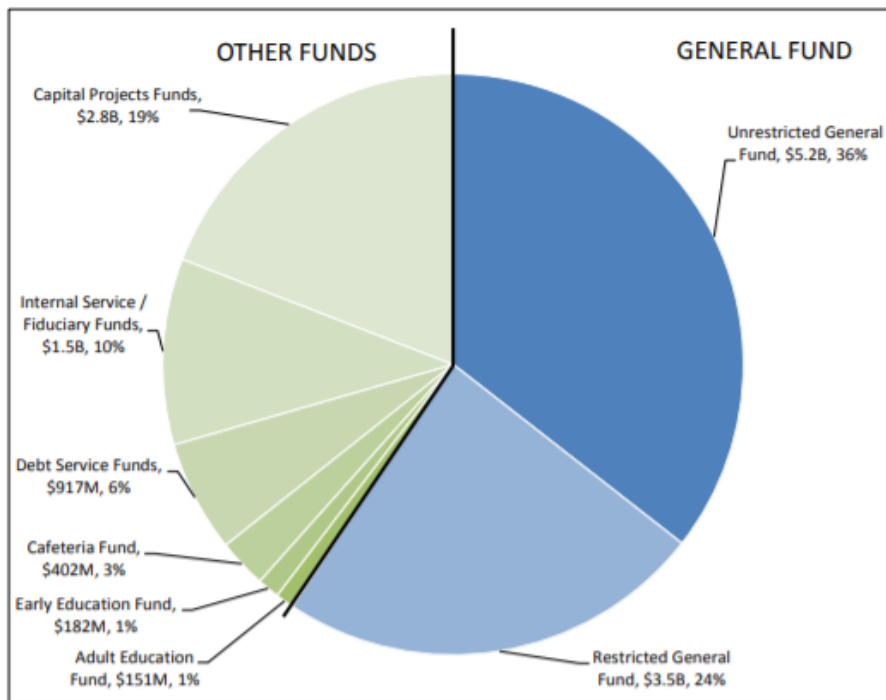
# ATTACHMENT A FY 2022 OIG Work Plan

## Our District at a Glance



Los Angeles Unified School District

## 2020-21 Revised Budget at a Glance



### Summary (all amounts in millions\*)

BUDGET BY FUND	Expenditure	% of Budget
Unrestricted General Fund	\$5,244.07	35.6%
Restricted General Fund	\$3,508.27	23.8%
Capital Projects Funds	\$2,817.67	19.1%
Internal Service / Fiduciary Funds**	\$1,527.15	10.4%
Debt Service Funds**	\$916.92	6.2%
Cafeteria Fund	\$401.86	2.7%
Early Education Fund	\$181.67	1.2%
Adult Education Fund	\$151.48	1.0%
<b>Total Authorized Budget for FY 2020-2021</b>	<b>\$14,749.10</b>	<b>100%</b>

## **OFFICE OF THE INSPECTOR GENERAL Annual Work Plan for Fiscal Year 2022**

### **INTRODUCTION**

This is the Office of the Inspector General's (OIG) Annual Work Plan for Fiscal Year 2022 (FY 2022). Our Work Plan presents the Audit and Investigative activities we plan to undertake in the upcoming fiscal year. The OIG's audit work focuses on contracts and activities predominantly funded by school bond measures as well as District-wide programs, processes and systems. A significant portion of our investigative work focuses on allegations of District employee misconduct and policy violations. The OIG also identifies proactive and strategic activities that we believe will provide the District with added protection of public resources.

Our Work Plan is intended to provide a slate of specific work, but also be dynamic and flexible, so that we are able to respond to emerging risks and changing priorities. Board of Education requests, Senior Management interests and unforeseen events such as the ongoing COVID-19 pandemic may require that we perform activities not listed in this Work Plan, or that projects listed in this Work Plan be deferred or not performed at all, based on new information received during the year and the availability of resources.

The COVID-19 pandemic, with all of its challenges, has created opportunities for us at the OIG to reimagine how we deliver our services in a safe, efficient and impactful way. We continue to identify means that better leverage our resources to deliver oversight to LAUSD while holding paramount the health and safety of our employees.

The OIG remains dedicated to providing valuable services that promote continuous improvement and positive change for the students, families, employees, vendors and public which are the Los Angeles Unified School District.

William Stern  
Inspector General



## AUDIT ACTIVITIES



Audit activities are performed primarily to (i) evaluate the efficiency and effectiveness of District operations, (ii) determine if activities are being carried out in accordance with District policies, applicable laws and regulations, and (iii) ensure that District vendors and contractors comply with the requirements of their contracts and that contracted funds, especially bond funds, are expended as intended.

The OIG developed its work plan by means of a comprehensive risk assessment process (see Exhibit A). This systematic process involved the definition, identification, and categorization of risks applicable to the District. It also organized District operations into auditable areas, developing risk factors and assessing the likelihood and impact of those risk factors relative to each auditable area. The OIG also surveyed LAUSD stakeholders and District management to consider risks and opportunities from multiple perspectives. Exhibit B provides a general summary of our stakeholder survey responses.

The work plan identifies audits and activities for several divisions within the District. The FY 2022 work plan includes 56 projects with a total contract value of \$395 million. The following are descriptions of the types of audit activities that will be performed as part of the FY 2022 Work Plan as well as descriptions of other planned oversight work that we expect to perform on an *ad hoc* basis.

**1. Incurred Cost Audits (30)**

These audits examine the actual costs incurred by the contractor to determine whether the costs were allowable, allocable and reasonable in accordance with the Federal Acquisition Regulation (FAR) and contract terms.

**2. Performance Audits (12)**

These audits are an objective and systematic examination of evidence for the purpose of providing an independent assessment of the performance of an organization, program, activity, or function in order to determine if it is performing efficiently and effectively and in compliance with policies, procedures, laws and regulations.

**3. Special Reviews (4)**

Special reviews are conducted as a result of special requests from the Board of Education, District Management, findings identified in the course of an audit, or concerns reported to the OIG. The reviews are limited in scope and address the specified concerns only. These types of reviews are NOT conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS).

**4. Technical Evaluations (4)**

Technical Evaluations are tests or studies conducted to determine the technical suitability of a structure, equipment, material, product, process or system for the intended objectives. Completed projects will be evaluated to ensure compliance with contract documents, specifications and State Code requirements.

**5. Change Order Audits (1)**

These audits examine contract change orders for allowability, allocability and reasonableness of the proposed or claimed change order costs. These include changes due to added or deleted work, equitable adjustments for delay, disruption, inefficiencies, contract terminations and other claims. We will perform audits of construction change orders based on management requests.

**6. Rate Reviews (5)**

These types of reviews determine an existing contractor's actual direct labor and overhead rates in order to assist Procurement officials with determining the reasonableness of provisional billing rates. These reports are not published.

A complete list and description of the 56 projects planned for FY 2022 is attached as Exhibit C to this document.

## INVESTIGATIVE ACTIVITIES



For FY 2022, in addition to responding to allegations of District employee misconduct and policy violations, we will continue to proactively focus on certain strategic areas and investigative activities that we believe will provide the District with added protection of public resources.

The OIG will continue to concentrate on the high-risk areas that have the greatest potential for exposing the District to fraud, waste, and abuse. Where practical, we will work collaboratively with federal, state and local law enforcement agencies in more complex criminal matters through the Education Fraud Working Group.

### **1. The OIG Hotline**

The OIG manages the District's OIG Hotline, which generates whistleblower complaints, allegations of misconduct, and District policy violations from a myriad of internal and external sources each year. The OIG has expanded the operational value of the Hotline to not only respond to allegations of fraud, waste and abuse, but also to ensure that matters referred to other departments within the District are adequately addressed and responded to promptly. The OIG will continue to promote awareness of the OIG's Hotline and webpage among District personnel primarily at the Community of Schools (CoS) level as well as via public platforms such as Board of Education and Bond Oversight Committee meetings.

### **2. Proactive Investigations Leveraging Data Analytics**

The OIG will utilize data analytics to proactively identify potential abuse and efficiently perform audit and investigative work. This includes use of specialized equipment and software that allow for robust analysis of District enterprise and function specific systems such as SAP, MiSiS and COLIN.

### **3. Employee Integrity**

Employee misconduct investigations will continue to be a focus area due to the number of allegations received. These investigations largely center on conflicts of interest, misappropriation of funds, embezzlement, payroll fraud, falsification of documents, property and equipment misuse, theft of property, misuse of District-issued computers and tele-communication equipment, nepotism, forgery, misconduct, and ethics violations.

The OIG will also continue its oversight efforts with investigative activity relevant District contractors, consultants, and vendors. Allegations of theft, misappropriation of public funds, and bid-rigging are among the more common complaints.

To enhance District-wide awareness of employee integrity issues, we will further engage and include relevant District management and staff into the various types of fraud awareness training that we secure throughout the year and encourage the use of deterrent products such as the Inspector General Fraud Warning currently included in LAUSD procurement packages.

### **4. Whistleblower Allegations**

Persons who report improper governmental activity involving the District are protected against retaliation, interference, intimidation, threats or similar acts. The OIG has the authority to investigate violations of the Whistleblower Protection Policy. The OIG will endeavor to thoroughly investigate any and all credible complaints of violations of the District's Whistleblower Protection Policy.

### **5. School Construction and Modernization Program**

In November 2020, voters passed Measure RR, a \$7-billion bond to upgrade, modernize and replace aging and deteriorating school facilities. As with prior bond measures, the OIG will concentrate on deterring and detecting corruption in bond related activities by focusing on allegations of conflicts of interest, impropriety, and employee and consultant malfeasance. The increased use of contracts awarded through the Job Order Contracting (JOC) process will also require more District and OIG oversight to mitigate the risks of improper conduct. To assist with these efforts, the OIG will continue investing in fraud and awareness training and reporting mechanisms for referring suspected fraud, waste, and abuse to the OIG.

### **6. Due Diligence and Background Investigations**

The OIG's due diligence services and background investigations support the District in its efforts to identify potential problems before entering into contracts and agreements. The OIG will continue to support the District by providing relevant information to the District on companies and individuals involved with the District's school construction and modernization program, its charter schools, and senior management.



## 7. Workers' Compensation and Benefits Fraud

As a self-insured organization, costs associated with fraudulent workers' compensation claims impact the District's budget directly. Similarly, the District pays the cost of unemployment insurance, so ineligible unemployment claims also negatively impact the District's budget. To mitigate the fraud risk in this area, the OIG will coordinate comprehensive efforts with the Division of Risk Management and Insurance Services to uncover and deter employee duplicitous and fraudulent claim filings.

# OTHER OIG ACTIVITIES

## Fraud Alerts

Fraud Alerts are an important tool for deterring the continuation of fraudulent activities that have been identified by the OIG. Fraud Alerts will be issued during the fiscal year as a means of informing District management of issues of concern and to leverage OIG findings of individual acts to a broader District audience.



OFFICE OF THE INSPECTOR GENERAL

**AWARENESS BULLETIN**

Date: March 3, 2021

**Topic: Compromised LAUSD Email Accounts and Email Scams**

The Office of the Inspector General (OIG) has received a recent spike in hotline complaints regarding e-mail scams that originated from LAUSD e-mail accounts. At first glance, these e-mails may appear harmless because the communication is coming from a legitimate LAUSD e-mail account. However, an LAUSD e-mail account can be compromised if an employee clicks on a malicious link, opens an attachment, or completes a form in a phishing email that tricks the employee into providing their username and password, or an employee uses the same password on an unsecure website that was leaked. When an employee's username and password are obtained, hackers may gain unauthorized access, allowing them to send fraudulent emails from that employee's email account.


Social engineering attacks, such as phishing and spoofing, begin with the hacker pretending to be someone or something you know and trust. You can help protect yourself, your family, and our District by recognizing social engineering attacks and mitigating them before they are successful. A good place to start is by watching the following videos from LAUSD IT Security regarding social engineering attacks and passwords.

**Social Engineering and Phishing**  
<https://lausd.wistia.com/medias/40isd8wvlf>

**Passwords**  
<https://lausd.wistia.com/medias/tunkm8lcbm>

If your LAUSD e-mail account receives an e-mail that you believe is a social engineering attack, or you believe that your LAUSD e-mail account has been compromised, please report your concern to LAUSD IT Security. You may call the ITD Helpdesk at (213) 241-5200 or send an email to [information.security@lausd.net](mailto:information.security@lausd.net).

**FRAUD IS INVESTIGATED BY THE  
OFFICE OF THE INSPECTOR GENERAL**



The Inspector General of the Los Angeles Unified School District has statutory authority to audit and investigate persons and companies that do business with the District. Identified criminal acts including fraud, kickbacks, theft, and conspiracy are pursued to the greatest extent of the law, in conjunction with Federal, State, and Local law enforcement partner agencies.

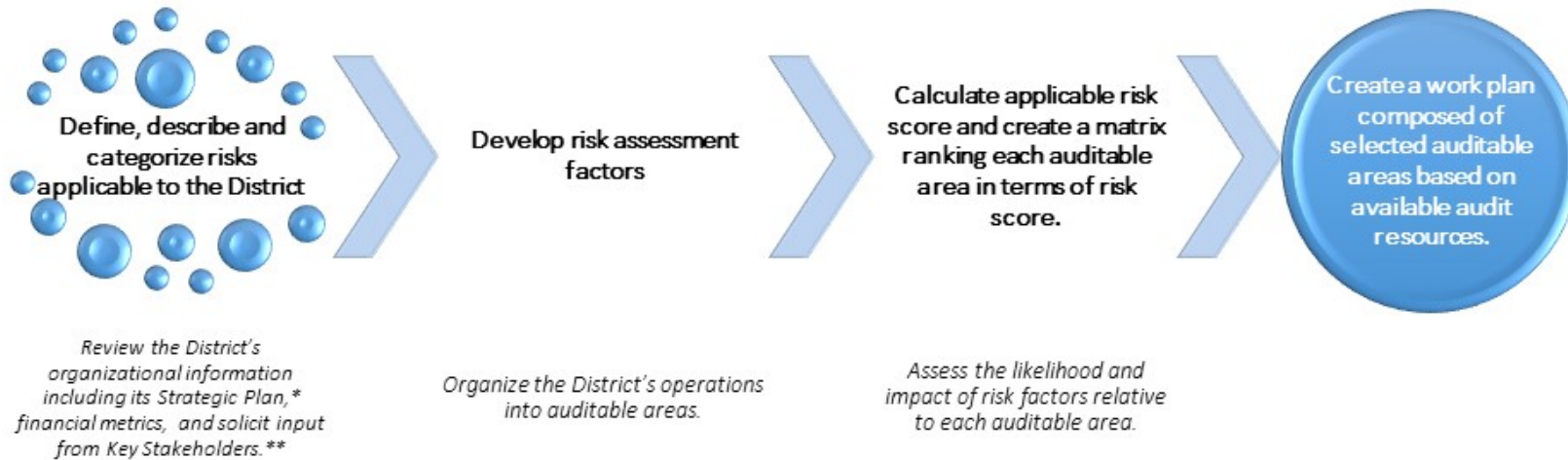
Examples of offenses and corresponding maximum sentences are:

- 15 U.S.C. §1 Conspiracy to Restrain Trade - 10 years
- 18 U.S.C. §1341 Mail Fraud - 20 years
- 18 U.S.C. §1344 Bank Fraud - 30 years
- 18 U.S.C. §1349 Conspiracy to Commit Wire Fraud - 20 years
- 18 U.S.C. §1956 Money Laundering - 20 years
- California Penal Code §487 Grand Theft – 3 years

Offenses carry potential fines of up to \$1,000,000.

Call the OIG Hotline at (213) 241-7778 or visit <http://achieve.lausd.net/oig>

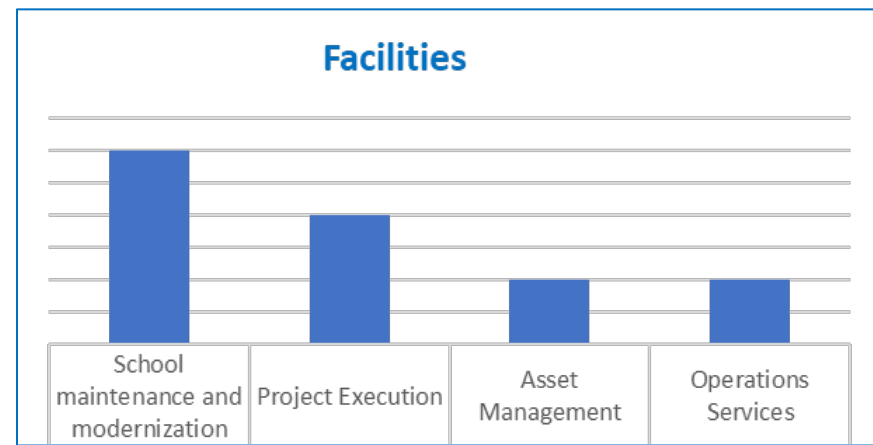
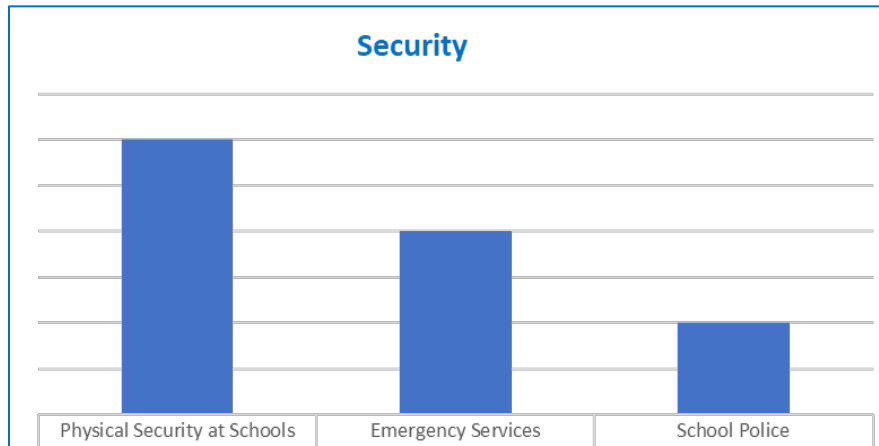
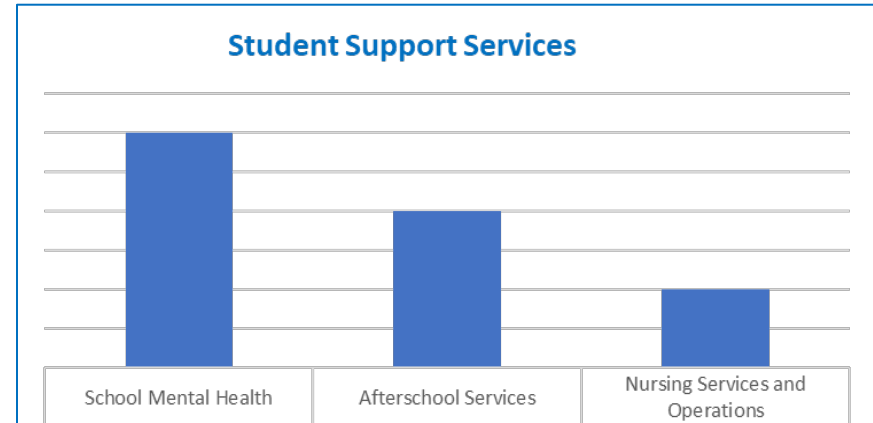
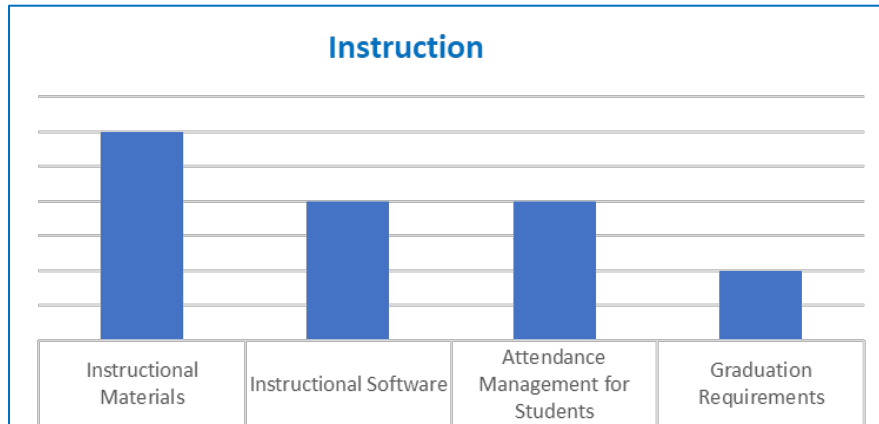
## RISK ASSESSMENT PROCESS



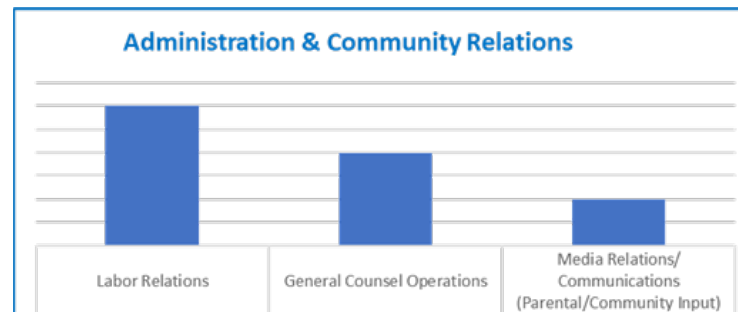
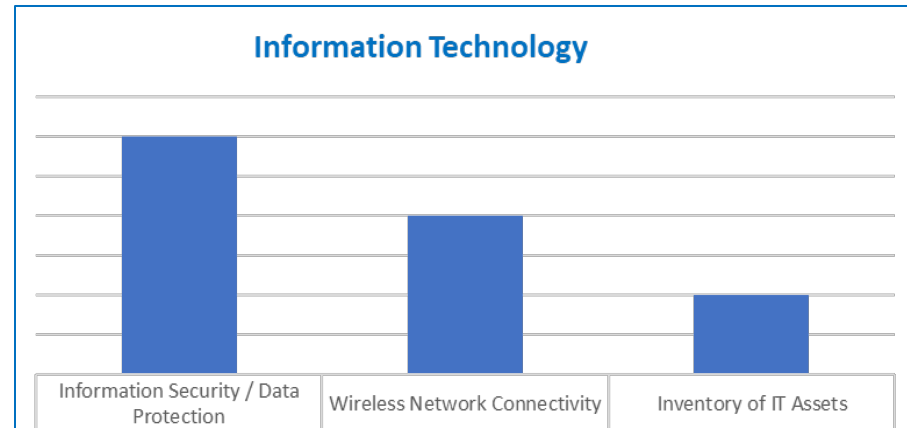
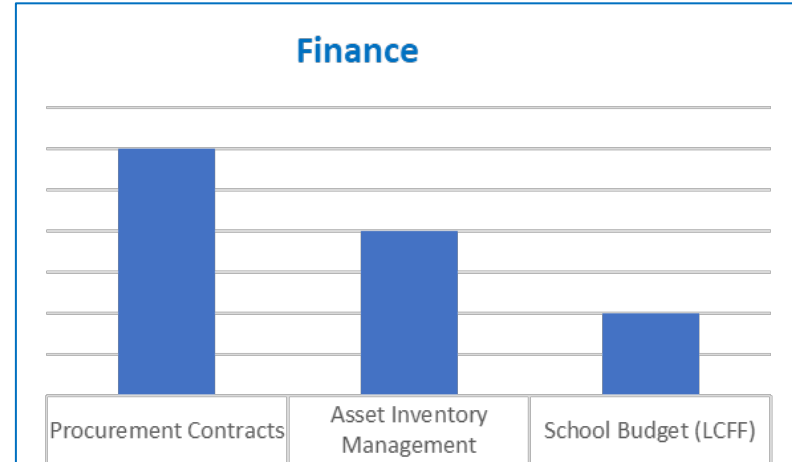
\*Most recent Strategic Plan (2016-2019) utilized.

\*\*The public, Board of Education, Bond Oversight Committee, and District Senior Management.

**FISCAL YEAR 2021/2022 RISK ASSESSMENT STAKEHOLDER SURVEYS  
TOP 3 CONCERNS BY AUDITABLE AREA**



**FISCAL YEAR 2021/2022 RISK ASSESSMENT STAKEHOLDER SURVEYS  
TOP 3 CONCERNS BY AUDITABLE AREA**





**ATTACHMENT A  
FY 2022 OIG Work Plan**

**Exhibit C**

FISCAL YEAR 2021/2022							
Item No.	Contract No.	Contractor/Project Name	Description	Contract Amount	Type of Audit	User Dept.	Bond Eligible
<b>Contract Audits</b>							
1	4400005807	Bitech Construction Co., Inc.	Construction project for Western Ave Elementary School.	\$3,493,572	Incurred cost	FSD-Project Execution	Yes
2	4400006688	USS Cal Builders, Inc.	Construction project for Webster Middle School.	\$9,445,321	Incurred cost	FSD-Project Execution	Yes
3	4400005885	Swinerton Builders	Design-Build contract for Roosevelt High School.	\$147,705,414	Incurred cost	FSD-Asset Management	Yes
4	4400006327	RMI-Airadyne, Inc.	Contract for walk-in refrigerators and freezers.	\$8,145,000	Incurred cost	FSD-M&O	Yes
5	4400004973	TMP Services, Inc.	Contract for building ramps.	\$20,000,000	Incurred cost	FSD-Project Execution	Yes
6	4400002201	UCLA - Office of Contract & Grant	Contract for school mental health & UC Regents child psychiatry program.	\$390,000	Incurred cost	Mental Health Svrs	No
7	4400007799	Digital Scepter Corporation	Contract for data center hardware, software and related services.	\$5,634,728	Incurred cost	ITD-IT Supp Services	Yes
8	4400005704	United Site Services of CA, Inc.	Contract for M&O Portable Toilets Rental and Service	\$1,050,000	Incurred cost	FSD-M&O	Yes
9	4400004919	AAA Solar Electric, Inc.	Contract for network equipment and related services.	\$35,000,000	Incurred cost	ITD-IT Supp Services	Yes
10	4400004960	Vega Business Technologies	Contract for network equipment and related services.	\$2,000,000	Incurred cost	ITD-IT Supp Services	Yes
11	4400004065	Owen Group, Inc.	Contract for architectural-engineering services.	\$8,150,000	Incurred cost	FSD-Design Department	Yes
12	4400006578	Virco, Inc.	Contract for various school and administrative office furniture.	\$4,000,000	Incurred cost	FSD-Project Execution	Yes
13	4400007357	AGM Container Controls, Inc.	Contract to provide permanent and portable wheelchair lifts for District schools and offices.	\$2,340,000	Incurred cost	FSD-Project Execution	Yes
14	4400004102	California Testing & Inspections	Contract for materials testing and special inspection services.	\$2,300,000	Incurred cost	FSD-M&O	Yes
15	4400004322	Lewis Soloff	Contract for land survey services.	\$1,050,000	Incurred cost	FSD-Design Department	Yes
16	4400004109	NV5 West, Inc.	Contract for materials testing and special inspection services.	\$2,100,000	Incurred cost	FSD-Design Department	Yes
17	4400004110	RMA Group, Inc.	Contract for materials testing and special inspection services.	\$4,450,000	Incurred cost	FSD-Design Department	Yes
18	4400004112	Twining, Inc.	Contract for materials testing and special inspection services.	\$2,500,000	Incurred cost	FSD-Design Department	Yes
19	4400006575	Smith System Manufacturing	Contract for various school and administrative office furniture.	\$8,000,000	Incurred cost	FSD-Project Execution	Yes
20	4400007101	VS America Inc.	Contract for various school and administrative office furniture.	\$6,000,000	Incurred cost	FSD-Project Execution	Yes
21	4400005514	Terraphase Engineering Inc.	Contract for site assessment service.	\$2,000,000	Incurred cost	OEHS	Yes
22	4400005484	Alisto Engineering Group	Contract for site assessment service.	\$1,000,000	Incurred cost	OEHS	Yes
23	4400007776	Sysco Food Service of LA	Contract for groceries and frozen items for student meal programs.	\$50,000,000	Incurred cost	Food Services Division	No
24	4400005411	Citadel Environmental Service, Inc.	Contract for comprehensive asbestos, lead-containing material, mold, and hazardous materials consulting services.	\$3,800,000	Incurred cost	FSD-M&O	Yes
25	4400005412	Clark Seif Clark, Inc.	Contract for comprehensive asbestos, lead-containing material, mold, and hazardous materials consulting services.	\$2,750,000	Incurred cost	FSD-M&O	Yes
26	4400006328	Par Engineering, Inc.	Contract for walk-in refrigerators and freezers.	\$1,455,000	Incurred cost	FSD-M&O	Yes
27	4400004891	CO Architects	Contract for architectural-engineering services.	\$14,269,842	Incurred cost	FSD-Asset Management	Yes
28	4400005421	Panacea, Inc.	Contract for comprehensive asbestos, lead-containing material, mold, and hazardous materials consulting services.	\$4,800,000	Incurred cost	FSD-M&O	Yes
29	4400007850	The Gordian Group, Inc.	Contract for providing job order contracting application program management services.	\$5,000,000	Incurred cost	PSD	Yes
30	4400008127	NV5 West, Inc.	Contract for geotechnical engineering services.	\$300,000	Rate Review	FSD-M&O	Yes
31	4400008124	Group Delta Consultants, Inc.	Contract for geotechnical engineering services.	\$2,200,000	Rate Review	FSD-M&O	Yes
32	4400008125	Koury Engineering & Testing Inc.	Contract for geotechnical engineering services.	\$1,600,000	Rate Review	FSD-M&O	Yes
33	4400008128	RMA Group, Inc.	Contract for geotechnical engineering services.	\$1,200,000	Rate Review	FSD-M&O	Yes
34	4400005975	ASSI Security, Inc.	Contract for new IP video surveillance, intrusion detection and access control hardware/software and related services	\$3,840,000	Incurred cost	ITD	Yes
35	TBD	Rate Reviews - as requested	Conduct rate reviews of professional services contracts.	TBD	Rate Review	PSD	Yes
36	TBD	Change Order Audits - as requested	Conduct audits of change orders.	TBD	Change Order	FSD-Project Execution	Yes

**ATTACHMENT A  
FY 2022 OIG Work Plan**

**Exhibit C**

FISCAL YEAR 2021/2022							
Item No.	Contract No.	Contractor/Project Name	Description	Contract Amount	Type of Audit	User Dept.	Bond Eligible
Performance Audits							
37	N/A	English Learner Advisory Committee	To examine whether each District English Learner Advisory Committee is functioning as intended per District policy. Also to examine comments and suggestions provided to the Board of Education and Superintendent to assess whether the input of District Parents are reflected in the District’s Local Control and Accountability Plan.	N/A	Special Review	Parent and Community Services	No
38	N/A	Instructional Materials	To examine the purchase of instructional materials at the end of the school year and determine usage and necessity of such purchases.	N/A	Performance	Division of Instruction	No
39	N/A	School Mental Health (Crisis Counseling and Intervention Services)	To evaluate the mental health services the District offered to students and examine how the District can better identify and connect students with needed services.	N/A	Performance	Student Health and Human Services	No
40	N/A	Individual Contractors	To examine professional services contracts awarded to individuals to determine whether they were issued in accordance with District policy.	N/A	Performance	Procurement Services Division	Yes
41	N/A	Use of Low Value Purchase Orders (LVPO)	To examine the use of low dollar purchase orders Districtwide to determine if they were used for authorized purchases in accordance with Procurement policies and procedures.	N/A	Performance	Procurement Services Division	Yes
42	N/A	School Maintenance and Modernization	Examine how school improvement projects are determined to be bond-eligible and how projects are prioritized for completion.	N/A	Performance	Facilities Services Division	Yes
43	N/A	Payroll Deductions	To examine whether payroll deductions (i.e. 403B contributions, CalPERS and STRS payments, health benefits, charitable contributions) were remitted to third party agencies in a timely manner and terminated upon separation from the District.	N/A	Performance	Office of the Chief Financial Officer	Yes
44	N/A	Salvage and Recycling	To examine the salvaging process for computers and other equipment and the disposition of the salvaged property.	N/A	Performance	Procurement Services Division/Materiel Management	Yes
45	N/A	Election Invoices	To review City election invoices and determine the reasonableness of the billing to the District.	N/A	Special Review	Accounting and Disbursements	No
46	N/A	Help Desk Operations	To examine the operational efficiency of the ITD's Help Desk.	N/A	Special Review	Information Technology Division	Yes
47	N/A	Utility Accounts	To examine the accuracy of DWP billings and whether the District has availed itself of applicable rebates and discounts.	N/A	Performance	Facilities Services Division	Yes
48	N/A	Charter School: Fiscal Operations	To review whether the Charter School Division is providing the agreed-upon oversight activities over charter schools and collecting the appropriate oversight fees.	N/A	Performance	Charter School Division	No
49	N/A	Access Compliance (rapid access program)	To determine whether the projects performed under the Rapid Access Program were in compliance with District policy and completed within 90 days.	N/A	Performance	Facilities Services Division	Yes
50	N/A	Pest Management	To evaluate the functions of the District's Pest Management Team and determine whether the term limits of the members of the team and the operating guidelines are adhered to.	N/A	Performance	Facilities Services Division	Yes
51	N/A	External Auditor Rotation	To examine the pros and cons of external auditor rotations. It will also examine best practices in educational institutions and benchmark similar sized organizations with the District.	N/A	Special Review	Finance	No

**ATTACHMENT A  
FY 2022 OIG Work Plan**

**Exhibit C**

FISCAL YEAR 2021/2022							
Item No.	Contract No.	Contractor/Project Name	Description	Contract Amount	Type of Audit	User Dept.	Bond Eligible
Performance Audits							
52	N/A	Environmental Health and Safety (Chemical Safety, Hazardous Waste, Water and Air Safety)	To determine whether internal controls for the safe handling, collection, and disposal of hazardous waste generated by schools and the District facilities were working as intended.	N/A	Performance	Facilities Services Division	Yes
Technical Evaluations							
53	4400006240	Davis Reed Construction, Inc.	Calabash Charter Academy - Classroom Replacement - Portable Replacement Project	\$14,974,748	Technical Evaluation	FSD-Asset Management	Yes
54	4400006819	H A Lewis, Inc.	Marshall High School - Tower Repair	\$3,454,000	Technical Evaluation	FSD-Project Execution	Yes
55	4400007552	Fredrick Towers, Inc.	135th Street Elementary School - Paving and Low Impact Development Project	\$4,468,000	Technical Evaluation	FSD-Project Execution	Yes
56	4400007862	N S A Construction Group, Inc	Henry Middle School - ADA Improvements	\$4,757,000	Technical Evaluation	FSD-Project Execution	Yes
<b>Grand Total</b>				<b>\$395,622,626</b>			



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 available 24 hours a day, seven days a week. You can confidentially communicate with the LAUSD-OIG after submitting a report even if you select to remain anonymous.

If you wish, we will keep your identity confidential 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 assure 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

Office of the Inspector General  
333 S. Beaudry Avenue, 12th Floor  
Los Angeles, CA 90017  
<https://achieve.lausd.net/oig>

**OIG HOTLINE**  
Report fraud, waste and abuse

**ATTACHMENT B  
BOC Recommendation**

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

**SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE**

**Rachel Greene, Chair**  
Tenth District PTSA  
**Dr. Bevin Ashenmiller, Vice-Chair**  
LAUSD Student Parent  
**Chris Hannan, Secretary**  
L.A. Co. Federation of Labor AFL-CIO  
**Margaret Fuentes, Executive Committee**  
LAUSD Student Parent  
**Araceli Sandoval-Gonzalez, Executive Committee**  
Early Education Coalition

**Tracy Bartley**  
31<sup>st</sup> District PTSA  
**Neelura Bell**  
CA Charter School Association  
**Jeffrey Fischbach**  
CA Tax Reform Assn.  
**Melanie Freeland**  
American Institute of Architects  
**Greg Good**  
L.A. City Mayor's Office  
**Karen Krygier**  
L.A. City Controller's Office  
**Dolores Sobalvarro**  
AARP

**Alvin Trotter, Jr.**  
L.A. Area Chamber of Commerce  
**Roger Uy**  
Assoc. General Contractors of CA  
**Guy Zelenski**  
L.A. Co. Auditor-Controller's Office  
**Celia Ayala (Alternate)**  
Early Education Coalition  
**Dr. Clarence Monteclaro (Alternate)**  
Tenth District PTSA  
**Connie Yee (Alternate)**  
L.A. Co. Auditor-Controller's Office

**Joseph P. Buchman – Legal Counsel**  
Burke, Williams & Sorensen, LLP  
**Lori Raineri and Keith Weaver – Oversight Consultants**  
Government Financial Strategies

**Timothy Popejoy**  
Bond Oversight Administrator  
**Perla Zitle**  
Bond Oversight Coordinator

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**RESOLUTION 2021-**

**BOARD REPORT NO. 365-20/21**

**FISCAL YEAR 2022 OIG WORK PLAN/STRATEGIC EXECUTION PLAN**

WHEREAS, District Staff proposes that the Board of Education approve the Fiscal Year 2022 Office of the Inspector General (OIG) Work Plan; and

WHEREAS, in March 2003, the Board of Education authorized the OIG to conduct audits of bond funded new construction and modernization programs and related bond expenditures with BB and Measure K bond funds; and

WHEREAS, in March 2004, June 2005 and November 2008 additional bond funds were programmed for audits in Measures R, Y and Q as approved by the electorate; and

WHEREAS, the associated Fiscal Year 2022 OIG Work Plan/Strategic Execution Plan proposes to use School Upgrade Program (SUP) funds in the amount of \$4,904,874 to provide audit and investigative services, staffing, training, and equipment.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Citizens' Bond Oversight Committee recommends that the Board of Education adopt the Fiscal Year 2022 OIG Work Plan/Strategic Execution Plan as defined in Board Report 365-20/21, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.

**RESOLUTION 2021-XX**

2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Bond Oversight Committee and the District.

ADOPTED on May 27, 2021, by the following vote:

AYES:

ABSTENTIONS:

NAYS:

ABSENCES:

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Rachel Greene  
Chair

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Bevin Ashenmiller  
Vice-Chair