

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

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Samantha Rowles (Alternate)

LAUSD Student Parent

Connie Yee (Alternate)

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

Vacant

31st District PTSA

Vacant

Assoc. General Contractors of CA

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

RESOLUTION 2022-24

COMPLETION OF THE WORK OF THE BOC 2021 TASK FORCE REGARDING
BOND PROGRAM PERFORMANCE AND FINANCIAL AUDITS

WHEREAS, In its Resolution 2021-22 adopted on September 2, 2021, the Bond Oversight Committee established the 2021 Task Force Regarding Bond Program Performance and Financial Audits; and

WHEREAS, In its Resolution 2022-02 adopted on January 27, 2022, the BOC accepted and approved the *Report of the 2021 Task Force Regarding Bond Program Performance and Financial Audits* ("*Report*"); and

WHEREAS, Also in its Resolution 2022-02 and *Report* adopted on January 27, 2022, the BOC identified multiple concerns about the District's process for review of bond eligibility for technology projects, inconsistencies between the draft and final audits, and the process for final determination of what was disclosed in the final audit reports;

WHEREAS, The *Report* made nine specific recommendations to the Board of Education and the Superintendent to address the concerns described in the *Report*; and

WHEREAS, In response to the *Report*, the BOC received two letters from the District, one dated February 17, 2022 and a follow up letter dated March 17, 2022, indicating the District's position regarding the BOC's concerns; and stated that the District would implement two of the nine recommendations, and not implement the other seven recommendations; and

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WHEREAS, The District indicated in its response that it recognizes the importance of the financial and performance audits to the BOC; that it remains confident that future audits will be timely, accurate and complete; and that District staff will continue to recognize the independence of the auditor and work with the BOC to ensure the integrity of the audit process.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The BOC thanks the Audit Task Force members and commends them for their diligent efforts in support of purposeful oversight.
2. The BOC directs BOC staff to remain engaged with District leadership and the District's audit team in its efforts to ensure a transparent audit process that complies with legal requirements and best practices and provides for appropriate oversight from the BOC regarding the use of bond proceeds.
3. The BOC remains concerned about the permissibility of the use of bond funds for technology expenditures and wishes to explore ways to have a more productive dialogue with District staff regarding consideration of these projects.
4. The BOC looks forward in the coming months to working with the signatories to the Charter and Memorandum of Understanding (MOU) to consider amendments to the MOU that more clearly define the roles, responsibilities and duties of the parties in the District's bond audit process.
5. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Oversight Committee's website.

ADOPTED on June 2, 2022 by the following vote:

AYES: 10

ABSTENTIONS: 0

NAYS: 0

ABSENCES: 3

/Rachel Greene/

Rachel Greene
Chair

/Chris Hannan/

Chris Hannan
Vice-Chair