



REPORT OF THE LOS ANGELES COMMUNITY COLLEGE DISTRICT BOND PROGRAM MONITOR

**Activities
July 1 – September 30, 2024**





Report of the Activities of Bond Program Monitor
(July – September 30, 2024)



Affiliated Monitors, Inc.
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October 28, 2024

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Introduction

This report represents a high level summary of activities undertaken by the Los Angeles Community College District’s (“LACCD” or “the District”) Bond Program Monitor (the “BPM”). The BPM serves as the eyes and ears of the District’s stakeholders – the District Board of Trustees, the Chancellor, BuildLACCD, LACCD faculty, students and staff, contractors, consultants and the citizens of greater Los Angeles – to identify and respond to allegations of fraud, waste, and abuse, and/or violations of laws, regulations and rules occurring within the District’s Bond Construction Projects, and to help the District maintain the integrity of its public-funded Bond Construction program, BuildLACCD and the projects it undertakes.

In monitoring for potential misconduct such as corruption, collusion, manipulation of bids, fraudulent billing, conflicts of interest, and other forms of fraud, waste, abuse as well as violations of laws and regulations, the Monitor has the power to take complaints from anyone with information about possible failures of integrity occurring within the Bond Construction Program at any of the District’s nine college campuses. The Monitor does not hold enforcement power, but rather provides recommendations for actions to the District. The BPM is focused solely on the Bond Construction program, and is not tasked with monitoring the greater District. The role of the BPM is to function as an impartial invigilator responsible for helping to ensure the District’s multi-billion-dollar capital program funded by Propositions A, AA, J, CC and LA is performing with the utmost integrity.

On May 2, 2024, Affiliated Monitors, Inc. (“AMI”) was selected by the Los Angeles Community College District (“LACCD” or “the District”) to serve as the Interim BPM on a one-year contract. Since assuming the Interim BPM role, focus has been on establishing the requisite policies, procedures, infrastructure, systems and protocols that serve to underpin a robust and independent monitoring structure that can address the size and complexity of the District’s Bond Construction Program; messaging the BPM hotline and complaint channels; educating stakeholders on the role of the BPM and how to contact the Monitor; reviewing; fielding and evaluating complaints; conducting investigations; and providing recommendations to the District with respect to identified gaps or possible improvements in controls related to the Bond Construction program.



Executive Summary

In the period July 1st through September 30th, 2024 (“activity period”), the BPM has, among other activities, conducted several investigations; created a signage campaign to raise awareness of the BPM Hotline via posters and banners around the college campuses; issued monthly updates to the District Chancellor; issued written reports to the Office of General Counsel (OGC); provided written recommendations to the District relating to actions the BPM believes will strengthen the integrity of the District’s Bond Construction program; attended meetings with stakeholder groups including the District Citizen’s Oversight Committee (DCOC), the District’s Board of Trustees Facilities Master Planning and Oversight Committee (FMPOC), and BuildLACCD’s monthly Roundtable for the PMO and College Project Directors; conferred with the District’s Bond counsel; reviewed District policies and procedures relevant to the Bond Construction Program (BCP); and continuously met and conferred with District and BuildLACCD officials. The BPM also now holds regularly scheduled calls with BDO, the Internal Audit function to BuildLACCD’s PMO and KPMG, the District’s Bond Performance Auditor. These regular touch-points allow the Office of the BPM to coordinate and create synergies of oversight of the greater Bond Construction program.

I. Summary of Activities of the Bond Program Monitor July 1 – September 30, 2024

- The BPM team has spent much of this quarter focused on reviewing new allegations, and conducting investigations. One of these investigations related to the health and safety of individuals working on a campus construction site and was thus prioritized, with a satisfactory resolution swiftly achieved. A second investigation with the potential to impact the award of the re-compete of the PMO contract that was in progress by the District kept the Office of the BPM busy in the month of September. As discussed below, other investigations remain on-going.
- The BPM spent much of August and September meeting with the College Project Directors at the District’s college campuses for the purposes of gaining a better understanding of any concerns they have with respect to the Bond Construction program and gaining a better



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understanding how the College Project Team Leader’s (“CPTL’s”) define perceive the integrity of operations and activities of Bond Construction program.

- The BPM designed signs and posters advertising the Whistleblower hotline. After conferring with campus project directors regarding materials, sizes and available site locations, the BPM placed an initial order with a professional sign-making company to manufacture signage for both outside (on construction site fencing) and inside PM trailers. The signs have begun to go up around each of the nine college campuses. *(See II below)*
- The BPM has met with certain BuildLACCD PMO personnel focused on risk and quality to gain an understanding of their methodology and processes and how they interact with Build’s Internal Audit function (outsourced to BDO) and the Bond Construction Program’s Performance Auditor, KPMG.
- The BPM requested and received four BuildLACCD laptops with the requisite Build VPN and DocView software in mid-August 2024. Whilst this has improved access to needed documentation somewhat, the BPM was dismayed to learn that BPM staff have not been granted the more reliable and comprehensive DocView software, but rather has been given WebDoc, an inferior piece of software that limits regular access to Build information. WebDoc frequently has difficulty connecting; is precluded from accessing needed vendor/Build firm contracts, and sometimes is just completely unavailable. *Please see discussion below.*
- The BPM, with the agreement of the Chancellor, and in conjunction with the District’s Office of General Counsel (“OGC”), has begun an effort to formally identify and collect all prior District Bond Construction program oversight materials from prior BPMs (including previously monikered Inspector Generals) dating back to approximately 2008 through present. These collected documents will be organized within a District-controlled SharePoint folder. The BPM will work with the OGC to draft appropriate data governance rules over access controls related to the folder once materials have been collected. This initial effort first appeared as Recommendation R-1 in the BPM’s First Report. The effort is in-process.
- The BPM issued its first Quarterly Report to the Chancellor, Board of Trustees, and the DCOC on July 5, 2024.
- The BPM submitted its First Quarter Work-Plan to the Chancellor on July 19, 2024.
- The BPM issued five formal Recommendation Memos on July 19, 2024, referenced as:
 - R-2: Policy on Use of AI for District Official Business
 - R-3: PMO Inappropriate Charging for Mobile Devices
 - R-4: NDAs for Seated Bid Review Committees



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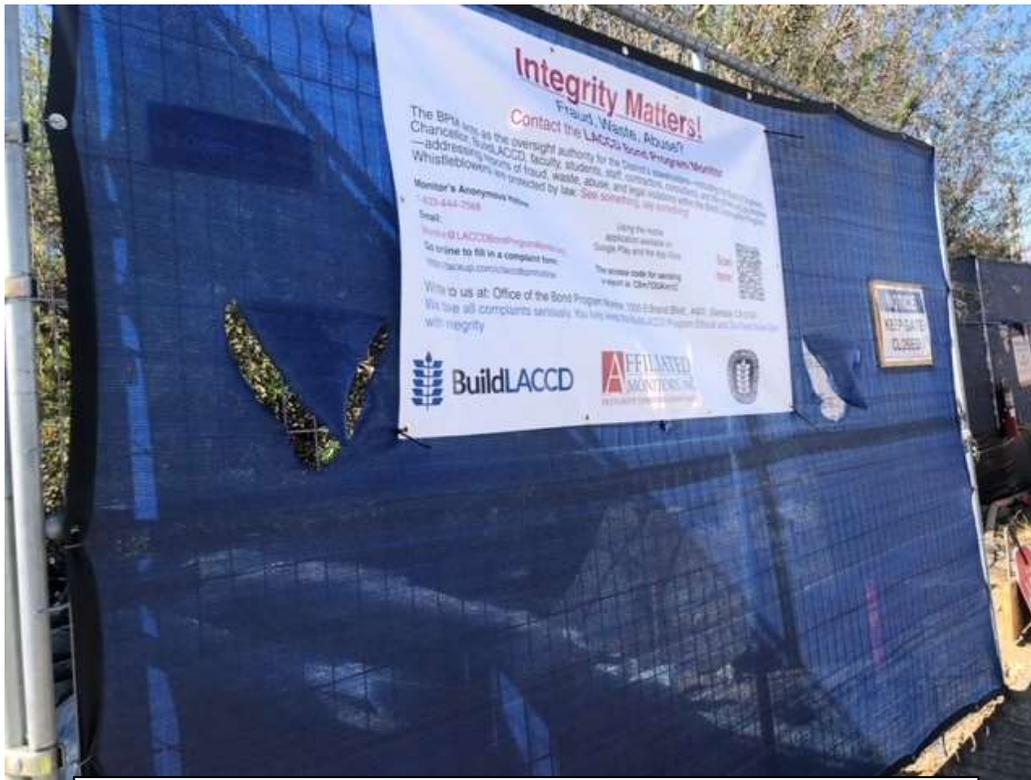
- R-5: Data Retention
- R-7: Addressing Architectural & Engineering Contractor Work Product
- One recommendation from the BPM, incorporated within the BPM's First Quarterly Report, and discussed in meetings with the Chancellor, is currently in-process. This recommendation seeks to address the recurrent retention of individuals and vendors who have failed in some way to adequately perform their contracts with the District. The BPM is currently reviewing the feasibility of instituting a more robust vendor debarment process for the District Bond Construction program.
- The BPM continued to meet and communicate with District leaders, including the Chancellor, various Vice-Chancellors, the CFO, General Counsel, personnel from District Procurement, and IT, as well as with KPMG, the Bond Program Performance Auditor, BDO, the Internal Audit function to Jacobs, the PMO for BuildLACCD, and BuildLACCD personnel on a regular basis.

II. Website, Hotline and Communication Efforts

The Office of the BPM has been taken proactive steps to message the BPM hotline, website, and its core mission. As part of the messaging and advertising to make the widest range of District stakeholders aware of the BPM and channels by which to lodge complaints or concerns relating to the Bond Construction program, the BPM designed posters for display in all relevant locations such as campus-level PM trailers and the BuildLACCD office in Monterey Park. Additionally, the BPM designed banners to be hung on the college campus construction sites. The posters and banners advertise the Whistleblower Hotline, and provide the many ways in which the Monitor may be contacted. The banners, designed for the active Bond construction projects on the nine campuses, are made of Tyvek and hung on the outside of fences surrounding the construction sites. The banners are large enough to be seen by construction crews entering and exiting the construction sites, students and faculty walking or driving by, and are sufficiently durable to last through sun, wind, and rain.



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Pierce College displays a BPM banner on its in-process Child Development Academic Facility site



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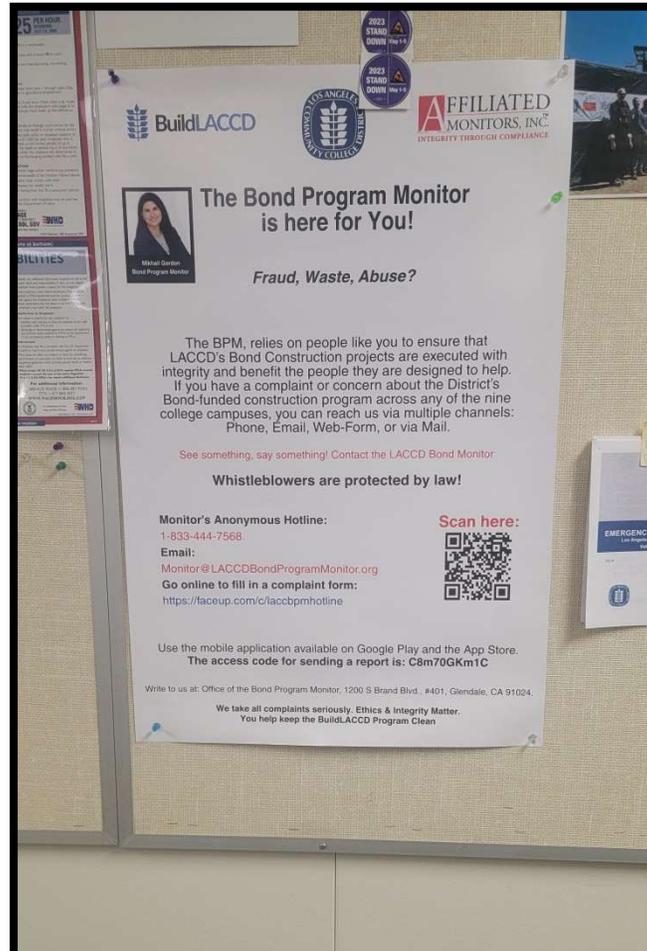
Valley College displays one of the three BPM banners they have hung on their active construction project sites.



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Posters identifying the Monitor, with a brief description of the BPM’s remit and the many communication channels by which to reach the BPM hotline have gone up at the BuildLACCD main office, and in Bond Construction Campus Project Team trailers at all of the nine campuses.



The Bond Program Monitor’s Information Poster displayed at Valley College Project Management office

The BPM’s dedicated website, LACCDBondProgrammonitor.org with full functionality went live on June 19, 2024. The site provides District employees, contractors, external stakeholders and the general public with information and links on how to contact the BPM with any complaints or concerns



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involving the District's Bond Construction Program via a dedicated online form, stand-alone toll-free telephone hotline, Email address, Mobile app, QR code, and physical mailing address.

Meeting and Conferring with Key Stakeholders

The BPM has established regular attendance at key District meetings, including that of District Citizens Oversight Committee (DCOC), BuildLACCD Roundtable, the fora for college campus PMOs, and the FMPOC, in addition to dialing into District Board meetings. Additionally, the BPM has continued to endeavor to become known widely in the District, offering an 'open-door' to any stakeholders wishing to discuss the Bond Construction program. This effort has helped to make the BPM known and accessible, whilst encouraging stakeholders to share any concerns they may have about the program.

The BPM holds monthly meetings with the District Chancellor, Dr. Rodriguez, and provides regular monthly summaries of monitoring activities, as well as maintaining regular communication with the Chancellor on investigative developments. This quarter, the BPM also held monthly meetings with the District's (then-)Vice Chancellor & Chief Facilities Executive, Dr. Smith in July and August, and subsequently with the Associate Vice Chancellor of Facilities Planning & Sustainability, Peggy Quijada de Fanke. Additionally, the BPM regularly communicates with District CFO, Jeanette Gordon, District General Counsel, Anne Diga and others from the OGC, personnel from across BuildLACCD, including Edwin Van Ginkel, Director of the PMO function, as well as campus-level PMs and their staff. The BPM would like to thank the many campus Project Directors who have warmly welcomed her to their job sites, shared their current projects and plans, and candidly discussed their programs.

The BPM holds regular monthly meetings with the BuildLACCD PMO Internal Audit function performed by BDO. These meetings allow the BPM and BDO to share developments and discuss ways in which to collaborate. So too, the BPM has arranged quarterly meetings with the Bond Performance Auditor, KPMG, providing the opportunity to share and exchange information and activities relative to each office's remit.

See *Section XIII* below for further outreach and communication efforts undertaken by the BPM this period.



II. Number of Complaints Received This Period

The Office of the Bond Program Monitor received eight new complaints during this period. Three complaints from confidential informants outside of the BPM hotline channels were received in the month of July, 2024; two new complaints were received by the Office of the BPM in the month of August, 2024; and three complaints were received in September.

The BPM takes this opportunity to remind readers of this Report that allegations and rumors do not constitute facts. All allegations received by the Office of the BPM are taken seriously, but many do not warrant the opening of an investigation, failing on merit. That is, there is no reasonable support or evidence that the allegation appears to be based in any facts. An *allegation* of a potential violation does not mean such a violation has necessarily occurred. The BPM evaluates and weighs available facts prior to determining if additional action, such as the opening of a formal investigation, is warranted. An allegation of bid-rigging, for example, does not mean such activities have occurred, merely that someone has suggested there is a possibility of such activities. Rumors, innuendos, conspiracy theories, and gossip are unhelpful to the District, its reputation, and to the work of the BPM. The integrity of the Bond Monitoring program hinges on trust and accuracy. Some stakeholders may believe the details of all investigations by the BPM should be made public. The BPM reminds those who feel they are not seeing the details of investigations that they would not want their names made public in relation to a rumor or allegation of misconduct nor the potential reputational damage that could occur from such disclosure and so should respect that the Office of the BPM is not a judicial authority, nor an enforcement body entitled to disclose the names of parties associated with potential misconduct. The Office of the BPM is tasked with fact-gathering and making recommendations to the District predicated on supportable facts and findings. Attempting to publicly shame the District and demand details of investigations may actually serve to dissuade whistleblowers from coming forward, and/or generate attention to issues not yet fully resolved, thereby potentially harming investigative efforts.

The BPM also takes this opportunity to underscore that when it does publicly report allegations received and notes that it anticipates providing its investigative findings to the District in memo or report form, this does not mean the report will necessarily confirm any wrongdoing. Nor does it mean that the BPM, having observed real or possible malfeasance, just cites it and stands back taking no action. The BPM is tasked with investigating to the fullest extent possible any potential ethical or legal violations involving the District's Bond Construction program, and then making recommendations for remedial action to the District. In the highly unlikely event the District failed to act on a recommended remediation, the BPM has the authority to take the matter to external Bond counsel and/or external regulators. The BPM does not report observing a problem and then fail to act, as this would be



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completely contrary to the integrity of the program, and undermine the effectiveness of the Monitor. The Monitor takes the remit conferred upon it by the District Board of Trustees (BOT) extremely seriously and does not close an investigation until and unless it is resolved satisfactorily, or is confirmed to be completely without merit.

III. Number of Investigations Opened This Period

A total of nine investigations were opened in this period, seven from the complaints discussed in Section II above, and two new investigations derived from an already open one.

The BPM opened two new investigations in the month of July, 2024. The first investigation was in response to an allegation of unfair wages and hour concerns on certain construction job sites; the second related to the inappropriate use of interns related to Bond Construction program cost analysis and invoice processing.

The claim that campus-level interns were processing Bond Construction program invoices without supervision or appropriate expertise in cost accounting and analysis was found to have merit. The use of college interns for review and processing of Bond Construction program invoices without supervision, and without the knowledge of the PMO, was identified as both high-risk and inappropriate. The BPM raised its concern with the PMO and understands that on July 18, 2024, the PMO subsequently issued instructions to its Cost Analysts to take responsibility for the invoice review and approvals, returning the product back to direct PMO supervision, and to rescind intern access to PMO accounting systems, PMIIS and UII. The BPM, having conducted an initial assessment and request for information, validated the claim and will conduct a review to determine what, if any, negative integrity impacts this failure of oversight has resulted in with respect to invoices processed exclusively by interns.

Two new investigations were opened in the month of August, 2024. The first investigation related to a vendor on one of the college campuses associated with a specific construction project site. The vendor was suspected of being out of compliance with California Occupational Safety and Health (Cal/OSHA) regulations involving outdoor heat illness prevention and other labor laws. The complaint was deemed to have merit and the BPM opened a new investigation. Given the potential impact to human health and safety, the investigation was prioritized and within a matter of weeks, the possible OSHA violations were substantiated and the vendor was terminated for convenience.

The second complaint received in August alleged that certain members of the District Board of Trustees have engaged in inappropriate activities relating to small and mid-size



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vendors/contractors/sub-contractors to the District’s Bond Construction Program. The Office of the BPM conducted a preliminary review of relevant information and opened an investigation. *Please see discussion below.*

The BPM opened three new investigations in September, and opened two additional investigations relating to an already open investigation, as discussed in *Section V* below. The first of these matters relates to inappropriate use of BuildLACCD resources on one of the campuses. The second investigation is the result of an allegation involving an external party to BuildLACCD abusing their position, possibly submitting fraudulent invoices, and causing waste within the Bond Construction program. The BPM opened a formal investigation into these allegations. The third investigation concerns certain individuals billing for time not worked.

IV. Number of Investigations Closed/Resolved This Period

As discussed above, an investigation was opened in August 2024 relating to a vendor suspected of being out of compliance with California Occupational Safety and Health (Cal/OSHA) regulations involving outdoor heat illness prevention and other labor laws. By mid-September, the investigation was completed, and the BPM issued an investigative findings report along with recommendations for remediation to the District’s OGC and Chancellor. Given the potential impact to human health and safety, the District sought to act swiftly and the specific vendor’s contract was terminated within seven days. The BPM subsequently closed the case. The BPM will be recommending to the District that the firm not be awarded any future work.

An investigation opened in May, 2024, involving *potential* bid-rigging was closed during this period. The BPM fully investigated the matter and identified that an unauthorized communication had been made that risked negatively impacting the fairness of the competitive bidding of a key contract with the District that was, at the time, in process. The BPM notes that the original triggering event was swiftly identified by one of the parties and raised within twenty-four hours of occurrence. The BPM issued a final report to the District and issued recommendations for remediation of issues identified during the investigation. The District took remedial steps to address all identified issues, including adjusting an element of the contract competition process. The matter was closed by the BPM in early August.



V. Number of Investigations Currently On-Going

Nine investigations are currently in-process.

As discussed above, an investigation into allegations that certain contractors on campus Bond-funded construction projects were engaged in possible wage and hour irregularities. This investigation remains active.

The BPM opened in August a case to review allegations that certain members of the District Board of Trustees (“BOT”) have engaged in inappropriate activities related to current and potential vendors to the District’s Bond Construction Program. While this investigation remains open, during the initial analysis of campaign contributions received by Trustees between January 1, 2023 and the writing of this report, the BPM identified several immediate concerns relating to pending contracts anticipated to come before the BOT in the last quarter of 2024. In reviewing California Fair Political Practices Commission (FPPC) mandatory Forms 460 and 497, the BPM identified potential conflicts of interest with respect to certain Trustees and campaign contributions they had received over the past twelve months. Form 460 is an FPPC mandatory disclosure that must be filed by candidate’s recipient committees to report all expenditures and contributions received. The BPM opened a separate investigation to address this particular finding.

Form 460 may be used to file statements including required semi-annual disclosures, quarterly reports, or an amendment to a previously filed statement. Form 497, known as a ‘24-hour/10-day Contribution Report,’ is a mandatory disclosure filed by state and local committees making or receiving contribution(s) whose combined total is \$1,000 or more in the 90 days before an election, committees reporting contributions of \$5,000 or more in connection with a state ballot measures and other related state ballot activities.

Under District policy BuildLACCD contracts with external vendors may not exceed five years duration before mandatory rebidding. For more than thirteen months, the District has been working on the solicitation of bids for the BuildLACCD Bond Construction Project Management Organization (“PMO”) (“PMO re-compete”). The District issued its RFP for the next PMO re-compete contract [*Final_RFP NO. 24-03 2024.02.26-c1*] (“RFP 24-03”) in early 2024. Three companies (“the three bidders”) submitted bids to the District in response to RFP 24-03. Whilst an independent review committee convened by the District reviewed the proposals from the three bidders and conducted interviews of the candidate firms, the currently seated Board was expected to vote to approve/deny



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award of the PMO re-compete contract to the candidate company recommended by the review committee prior to the U.S. General Election in which several BOT seats are currently being contested.

California Government Code § 84308 *et seq.* of the Political Reform Act (known as the “Levine Act”)¹ forbids government officials, including candidates for office, from accepting, soliciting, or directing campaign contributions of more than \$250 to themselves or any other officer or candidate, from any party, participant, or their agents whilst a proceeding involving an entitle for use is pending before the agency or after a final decision is made on the proceeding. Los Angeles County Registrar Campaign Finance and Prop. B Reporting filing records for the filing period 01/01/2023 through 10/04/2024, including Forms 460 and 497, were reviewed by the BPM. The BPM identified in Form 460 and 497 filings that the majority of seated Trustees had received campaign contributions over the \$250 threshold from one or more of the three bidders and/or the subs named in their bid submissions. Under the Levine Act, prohibitions on elected officials voting on contracts also exist for those who have accepted campaign contributions made by named sub-contractors to the primary firms being considered for award.

These contributions would have created a conflict of interest as defined under the Levine Act, given that the BOT was scheduled to vote in the coming month(s) on the bidding firm recommended for award of the PMO re-compete. Any perception of or actual conflict of interest with respect to the awarding of District contracts is to be avoided for the integrity of the Bond Program to remain intact. The BPM was in regular communication with the District’s Office of General Counsel, its external Bond Counsel, Best Best & Krieger LLP, and with other relevant District officials to address any potential ramifications these findings might have had on the PMO re-compete. Ultimately, the BPM recommended that the District take all necessary steps to promote the Trustee’s compliance with the Levine Act, and to ensure the integrity of the PMO re-compete was maintained. With integrity at the heart of the Bond Construction Program, and perception of a clean bidding process being paramount, the District withdrew the PMO re-compete for the time-being.

The BPM identified at least two other vendors to the District’s Bond Construction Program who have had contracts approved by seated Trustees during time-frames overlapping with periods during which campaign contributions from said vendors were made to Trustees. These contributions combined with awards approved by the BOT raise issues of compliance with the Levine Act and are being investigated under a separate investigation specific to the unique set of circumstances these contracts represent. It is too soon to state if any negative impact has resulted and the BPM anticipates issuing its findings in late October/early November 2024.

¹ As amended by California SB 1439, January 1, 2023



VI. Number of Matters Referred to Prosecutorial Authorities

No matters from the BPM’s office have been referred to prosecutorial authorities this month. However, should one of the aforementioned investigations confirm one or more violations of the Levine Act, the BPM anticipates that it may recommend the District refer the matter to the California Fair Political Practices Commission (FPCC).

VII. Number of Prosecutions, Convictions, Recoveries from Referred Matters

No prosecutions, convictions, or recoveries from past or referred matters from the BPM’s office occurred this period.

VIII. Number of Matters Referred for Civil or Administrative Remedy

No matters from the BPM’s office were referred for civil or administrative remedy this period.

IX. Trends or Patterns Identified

Over the past few months, the BPM has identified that District employees may be leaking confidential information to external parties. The BPM has received phone calls from individuals from outside of the District who have sought to discuss investigations or matters that the BPM has only reported to the Chancellor and the Office of General Counsel. There is a troubling pattern of privileged and confidential information seemingly being leaked to those who should not have right or access to such information. This unfortunate recurring activity can hamper or harm investigations, suggests a lack of integrity by certain staff in key District departments, and puts the District at a disadvantage. Such consistent leaks risk exposing the District to both unflattering media coverage and potential litigation, should information with the potential to harm the reputation of an employee/contractor/vendor find its way out to the public.

The BPM encourages all District employees and contractors to treat any requests for information from the Office of the BPM, reports, memos or any other written findings directed to District leaders as



confidential and to regularly exercise discretion when discussing any investigations being conducted by the BPM.

X. Pro-Active Assessment Activities Conducted This Month

Consistent with the District’s contract with AMI as BPM (6.0 ‘Excluded Services’), no proactive monitoring by search and detect methodologies in the absence of reported suspicion of fraud, waste, abuse of other “Misconduct” as defined in the District’s Solicitation of Quotations Bond Program Monitoring Service § 1.2 was conducted this month. Any testing by the Office of the BPM of BuildLACCD processes, procedures or outcomes were related to specific investigations and/or information suggesting fraud, waste or abuse.

However, the BPM has identified a number of items for which it has provided, or is in-process of providing, recommendations for controls or improvements. These recommendations are captured below in Section XII. Each recommendation is numbered as it is added to the list. Recommendations will be updated accordingly on subsequent status reports, building a corpus of suggested actions, implementation efforts, and capturing when they are completed.

The Office of the BPM has been examining how items are identified within BuildLACCD for inclusion in its risk register. Preliminarily, the BPM has detected a pattern of under-valuing genuine risks, but having created across all campuses a mechanism that allows for campus-level Project Managers to more easily approve additional expenditures above project budgets through the use of the Register. The BPM analysis is still in process.

XI. Policies Reviewed

- The BPM reviewed meeting agendas and minutes of the meetings of the Board of Trustees.
- The BPM reviewed California Public Contract Code § 12102 *et seq*; Cal. Code Reg. tit 2 § 872 *et seq.*, and other relevant California State regulations regarding public procurement bidding and bid protests.
- The BPM reviewed CA Government Code § 84308 *et seq.* of the Political Reform Act (known as the “Levine Act”)



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- The BPM reviewed Prop B Campaign Finance Disclosure Requirements for Los Angeles County Offices, including Districts, County Code 2.190 – Political Campaigns for County Offices; and the Proposition B Handbook issued by the Los Angeles County Registrar-Recorder/County Clerk.
- The BPM reviewed Prop. B Reporting filings, including Forms 460 and 497, for the current seated District Board Trustees, and of those currently running for open Trustee seats in the November 5, 2024 General Election.
- The BPM reviewed California Fair Political Practices Commission Guidance; CA Govt. Codes § 1090 and § 1091; Cal. Atty. Gen. Ops. 84 (2001); case law relevant to public agency employees ‘financial interest’ and ‘remote interest’; LACCD Memo dated 14 December, 2022 from then District General Counsel Maribel Medina to the seated Board of Trustees (“BOT”) regarding CA Senate Bill 1439 (“SB 1439”); and LACCD Memo dated July 24, 2024 from District Acting General Counsel Anne Diga to the BOT regarding SB 1439 amending the (CA) Levine Act and its application to the Trustees.
- The BPM reviewed relevant vendor contracts, sub-contracts and MATOCs between the District and vendors currently under investigation by the Office of the BPM.
- The BPM reviewed CA Labor Code Div. 3 Ch. 2 Art. 2 § 2810; CA Code Reg. Title 8, § 3395; BSIS CA Code Reg. Title 16, Div. 7; CA Labor Code § 238.5; Los Angeles Ord. 173,375; and Cal/OSHA Guidance on Heat Illness Prevention, dated June 20, 2024; and CA Dept of Industrial Relations Advisory 2024-54 dated July 2, 2024 urging Employers to Protect Workers during Extreme Heat Wave. CCR Title 8, § 3395(c) Provision of Water; CCR Title 8, § 3395(d)(1); CCR Title 8, § 3395(e); CA Dept of Industrial Relations, High Heat Procedures: Element of Your Written Program and Effective Work Practices, https://www.dir.ca.gov/dosh/etools/08-006/EWP_highHeat.htm; 29 CFR 1910.141 and 29 CFR 1910.141(c)(1)(i), table; 29 CFR 1926.51; CCR Title 8, § 8397.4 Health and Sanitation; and US Dept of Labor (2024) Occupational Safety & Health Administration: Chemical Hazards and Toxic Substances, Controlling Exposure. <https://www.osha.gov/chemical-hazards/controlling-exposure>.
- The BPM reviewed the BuildLACCD PMO Standard Operating Procedures, SOP numbers 1.1 – 20.0
- The BPM reviewed California Public Contract Code § 12102 *et seq*; Cal. Code Reg. tit 2 § 872 *et seq.*, and other relevant California State regulations regarding public procurement bidding and bid protests.



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- The BPM reviewed BuildLACCD’s current Risk Register process and Risk Register Reports for: Harbor College dated 2024.07.05; Mission College dated 2024.07.05; and report of “*Risk that didnt (sic) Populate Risk Values for June 2024 Deliverables*” [undated].
- The BPM reviewed Board Administrative Policies (“AP”) 3720-3723; 3310; 3420; 6310; and 6340.
- The BPM reviewed the District’s Nepotism Policy.
- The BPM re-reviewed California Government Code §53506 *et seq.*; CA Ed. Code §§ 15000 *et seq.* and 15100 *et seq.*; CA Proposition 39; CA Ed. Code §§ 15264 – 15288; CA Ed. Code §42603; Public Contract Code §§ 20111/20651 *et seq.*, § 20112, §§20116/20657, §20118.4/20659, §§ 20114/20655, § 22000 *et seq.* and other relevant public procurement laws; CA Ed. Code § 81641 and other relevant California State and Federal laws and regulations

XII. Significant Problems or Impairments and Recommendations for Remediation

As the BPM makes recommendations, they are added to a rolling list provided in each monthly report to the Chancellor. Only recommendations that fall under legal privilege are omitted. Each recommendation is numbered as it is added to the list, a status provided with month it was initially made, and any specific efforts requested by the District undertaken by the BPM are noted.

In this period, the following recommendations were added to the rolling list:

1. In July, 2024, The BPM identified that the website built and operated by the District’s first Bond Construction program Office of Inspector General, Christine Marez and her company Policy Masters, in 2011 <https://laccd-oig.org>, is still live and available to the public, despite the District Board of Trustees having changed the name and function of the oversight role from Inspector General to Bond Program Monitor, and terminating Policy Masters in 2013. The BPM found that not only was the site still active, the domain name had been renewed as recently as July 8, 2024. The BPM forwarded this information to the District Chancellor and the District’s Vice-Chancellor & Chief Information Officer, Carmen Lidz, noting that the active site provides erroneous information to the public, and may cause confusion for those seeking to lodge a complaint or concern about the Bond Construction program, mistakenly attempting to contact the moribund information contained on the IG website, rather than contacting the BPM. The BPM understands the District has confirmed that it does not control the



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domain or website and is continuing to investigate who does possess control of these for the purposes of shutting the site down and regaining ownership of the domain.

2. The Office of the BPM has also identified gaps in systems and access to information relevant to the BuildLACCD program. Multiple repositories of contracts, invoices, billings, and other relevant documentation contain disparate pieces of information creating barriers to comprehensive insights into vendors, activities, contractors, and support for projects and personnel in the Bond Construction program. It is understood that there are future plans to consolidate a couple of these systems sometime in 2026. The lack of full access to relevant information slows down not only BPM investigations, but also negatively impacts access to data needed by the District's procurement, finance, and legal teams.

In many public works programs, emphasis of oversight is often solely placed on combating fraud and corruption within procurement focused on the phases between the Request for Proposal (RFP) issuance and the award of contract. The BPM believes greater focus on the phases before tendering commences and after contracts are issued, as well as attention on purchasing and task orders occurring outside of the formal tendering process, should receive equal or greater scrutiny. Efforts to understand pre- and post- tendering risks are currently hampered by the disparate systems that house pieces of information relating to a single vendor, or single contract.

Fraud and corruption in public contracting is by its very nature, hidden. A low level of reported cases is not necessarily indicative of a low level of fraudulent or corrupt activity. Because many incidents do occur 'below the surface,' what may initially appear to be 'only' failure to adhere to procurement processes, or an inadvertent error turns out to be corruption or fraud. Conflicts of interest, overcharging, invoicing for work not carried out, and other failures of integrity can occur in programs of any size, but in one as large as the District's Build program requires constant vigilance and the appetite for greater information sharing, enhancing District staff awareness, and the recognition that integrity must come from highest levels first in order to set the tone for all stakeholders. Access to information by relevant District departments and the BPM are essential to an effective vigilance effort. Poor data quality may also make it challenging to identify concerns. This is a significant impairment that needs greater attention.

XIII. Areas of Forthcoming Review and Audit

A quarterly work-plan with schedule of areas of review was provided to the Chancellor the Chancellor in the first week of July, 2024.



XIV. Follow-Up Requests Received from the Board of Trustees

No requests from the District Board of Trustees have been received in this reporting period.

XV. BPM Meetings Held with District Officials, Leaders & Stakeholders **During this period, the BPM has attended District meetings and met with officials and stakeholders from across the District's Bond Construction Program:**

- The BPM continued to hold its monthly standing meeting with Dr. Francisco Rodriguez, Chancellor of the District.
- The BPM held its monthly standing meeting with Dr. Ruben Smith, Vice-Chancellor/Chief Facilities Executive of BuildLACCD July and August, 2024.
- The BPM met with Peggy De Franke Quijada, Associate Vice Chancellor of Facilities Planning and Sustainability.
- The BPM met with Marco Tarantino, College Project Director at ELAC.
- The BPM met with Duy Doan and Leslie Synder of the CPT at LACC.
- The BPM met with Eloy Retamal, College Project Director at Southwest College.
- The BPM met with Ricardo Reyes, College Project Director at West LA College.
- The BPM met with Bill Woodson, College Project Director at Trade & Tech.
- The BPM met with Soufiane Boudiaf, College Project Director at Pierce College and Edwin Silva, Acting Regional Program Director.
- The BPM met with Mark Al-Soufi, Harbor College Project Director for BuildLACCD.
- The BPM met with Gabriel Murillo, College Project Director at Los Angeles Valley College.
- The BPM met with Christopher Dunne, College Project Director at LA Mission College.
- The BPM met with Edwin Van Ginkel, Director of the PMO, and has continued to have regular communications with Edwin Van Ginkel.



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- The Office of the BPM has continued to hold monthly standing calls with BDO, BuildLACCD’s internal auditor.
- The BPM held a telephonic call with Paul Macris, Risk Manager with the PMO. Mr. Macris put the BPM on speaker and the BPM understands there were other unidentified people in the room so the BPM cannot comment on who else benefited from the discussion.
- The BPM has continued its regular communications with Maricela Gomez, Director of Communications for the PMO.
- The BPM has held regular calls and communications with the District Office of General Counsel to discuss issues relevant to the BPM’s activities.
- The BPM participated in several calls with the District’s external Bond Program counsel, John Holloway and Michael Maurer of Best Best & Krieger, LLP.
- The BPM has communicated and held calls with Valencia Moffett and other members of the District’s Contracts Department.
- The BPM has held regular correspondence with individuals from BuildLACCD, BuildLACCD IT, and District IT.
- The BPM attended the DCOC’s meeting on August 24, 2024. The BPM First Quarterly Report was presented to the DCOC.
- The BPM attended and briefly presented at the BuildLACCD PMO Mid-Year All Hands meeting on August 22, 2024.
- The BPM attended the BoT’s Facilities Master Planning & Oversight Committee meeting on August 21, 2024.
- The BPM attended the BuildLACCD Lunch & Learn Risk Register Working Sessions at Harbor College presented by Samantha Combs on August 21, 2024.
- The BPM attended a BuildLACCD PMO Roundtable on August 19, 2024.
- The BPM met virtually with Alex Hoss, Regional Program Manager (Region 3) and Interim Regional Program Director (LAMC).
- The BPM met with Candice Corcios, QA/QC Manager, BuildLACCD Program Management Office.



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- The BPM met with John Van Whervin, Deputy Program Director of Operations for BuildLACCD.
- The BPM attended the BuildLACCD monthly Roundtable meeting of campus PMs, CLPTs, the PMO and BuildLACCD executives held on July 15, 2024.
- The BPM met with BuildLACCD’s Performance Auditor, KPMG on July 22, 2024, consistent with its planned quarterly calls.

XVI. Forthcoming Meetings with District Board of Trustees, Committees, or Other Stakeholders

- The BPM will be presenting the District Academic Senate on November 2, 2024
- The BPM will attend the District Board meetings November 6 and December 18, 2024.
- The BPM will attend the Facilities Master Planning & Oversight Committee meeting on November 20, 2024.
- The BPM will attend the District Citizens Oversight Committee meeting on December 13, 2024.
- The BPM will attend PMO Roundtables in November and December, 2024.

The BPM and members of the BPM team will continue to regularly meet with a wide-range of District stakeholders including the Chancellor, interim Chancellor, and interim Vice-Chancellor of Facilities, personnel from the District’s OGC, Office of the CFO, Procurement, IT, BuildLACCD personnel, external Bond counsel, Board Trustees, and others.

The BPM maintains an open-door policy and welcomes all District Board Members, members of the DCOC and stakeholders from across the District and the Build program to contact her with questions, concerns, recommendations, or just to say ‘hello.’ Together, we all help keep the District Bond Construction program operating with ethics and integrity.

Mikhail Gordon

Mikhail Gordon
LACCD Bond Program Monitor