

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

FACILITIES AND PROCUREMENT COMMITTEE

3:00 p.m., Tuesday, January 28, 2025

333 South Beaudry Avenue, Board Room, Los Angeles, CA 90017
1208 Magnolia Avenue, Gardena, CA 90247

Committee Members

Mr. Nick Melvoin, Chairperson
Ms. Tanya Ortiz Franklin, Board Member

District Members

Ms. Krisztina Tokes, Chief Facilities Executive
Mr. Matthew Friedman, Chief Procurement Officer

Board Secretariat Contact

Ms. Miriam Gonzalez
Tel: (213) 241-7002
Email: m.gonzalezledesma@lausd.net

External Representative

Mr. Matthew Wickersham, Principal, AMJ
Construction Management
Ms. Karen Mora, Retired Principal
Mr. Steve Newton, Government Contracts
Consultant
Ms. Nicolle Fefferman, Educator and Parent
Ms. Dayna Greenspan, District Parent
Ms. Cami Anderson, ThirdWay Solutions

Method for Accessing the Meeting and Providing Public Comment

There are three ways members of the public may access this Committee Meeting: (1) online ([Granicus stream](#) or [join the zoom webinar](#)), (2) by telephone by calling 1-888-475-4499 (Toll Free) and entering the Meeting ID: **847 5091 8745**, or (3) in person.

The Board of Education encourages public comment on the items on this agenda and all other items related to the District. Any individual wishing to address the Board must register to speak using the Speaker Sign Up website: <https://boardmeeting.lausd.net/speakers>, and indicate whether comments will be provided over the phone or in person. Registration will open 24 hours before the meeting. Registration will open 24 hours before the meeting. **15** speakers may sign up for general Public Comment, and each speaker will have **two** minutes to present. Each speaker will be allowed a single opportunity to provide comments to the Committee.

Speakers who do not register online to provide comments may use the following alternative methods to provide comments to Board Members:

- Email all Board Members at boardmembers@lausd.net;
- Mail comments via US Mail to 333 S. Beaudry Ave., Los Angeles, CA 90017; and
- Leave a voicemail message at (213) 443-4472, or fax (213) 241-8953. Communications received by 5 p.m. the day before the meeting will be distributed to all Board Members.

Speakers registered to provide public comments over the phone need to follow these instructions:

1. Call 1-888-475-4499 and enter Meeting ID: **847 5091 8745** at the beginning of the meeting.
2. Press #, and then # again when prompted for the Participant ID.
3. Remain on hold until it is your turn to speak.

4. Call in from the same phone number entered on the Speaker Sign Up website. If you call in from a private or blocked phone number, we will be unable to identify you.
5. When you receive the signal that your phone has been removed from hold and/or unmuted, please press *6 (Star 6) to be brought into the meeting.

Please contact the Board Secretariat at (213) 241-7002 if you have any questions.

AGENDA

I. Welcome and Follow-UpBoard Member Nick Melvoin
Chairperson

II. Committee Presentations:

1. Office of Inspector General Updates Ms. Sue Stengel
Inspector General

2. Specification Update Cost Savings..... Ms. Alix O'Brien
Deputy Chief Facilities Executive

III. Public Comment

IV. Closing Remarks

V. Adjournment

Requests for disability related modifications or accommodations shall be made 24 hours
prior to the meeting to the Board Secretariat by calling (213) 241-7002.

Materials related to an item on this Order of Business distributed to the Board of Education are available for public inspection
at the Security Desk on the first floor of the Administrative Headquarters and at:
<https://www.lausd.org/boe#calendar73805/20250123/event/71849>

Tab 1:
Office of Inspector
General Updates



LAUSD



Office of the Inspector General

"Independent and Objective Oversight"

Performance Audit
Design-Build Policies and Procedures
January 28, 2025

Sue Stengel
Inspector General

Audit Objective

To determine whether the procurement processes for three Design-Build construction contracts/projects were generally in accordance with the District's policies and procedures, and the California Education Code.

Why We Did This Audit

The Design-Build process was identified as an area of risk during the OIG's fiscal year 2024 annual risk assessment process.



LAUSD



Projects, Contracts, and Contractors

Young Empowered
Scholars (YES)
Academy at Hyde
Park Elementary
School

- Project-Wellness Center Expansion
- Awarded Contractor -AMG & Associates, Inc.
- Contract Amount -\$6,361,224
- Contract Date -March 30, 2018

John H. Francis
Polytechnic High
School

- Project-Comprehensive Modernization
- Awarded Contractor -Bernards Bros, Inc.
- Contract Amount -\$158,865,532
- Contract Date -May 10, 2018

Ulysses S. Grant High
School

- Project-Comprehensive Modernization
- Awarded Contractor -Pinner Construction Co., Inc.
- Contract Amount -\$144,634,722
- Contract Date -June 10, 2019



Design-Build Facts



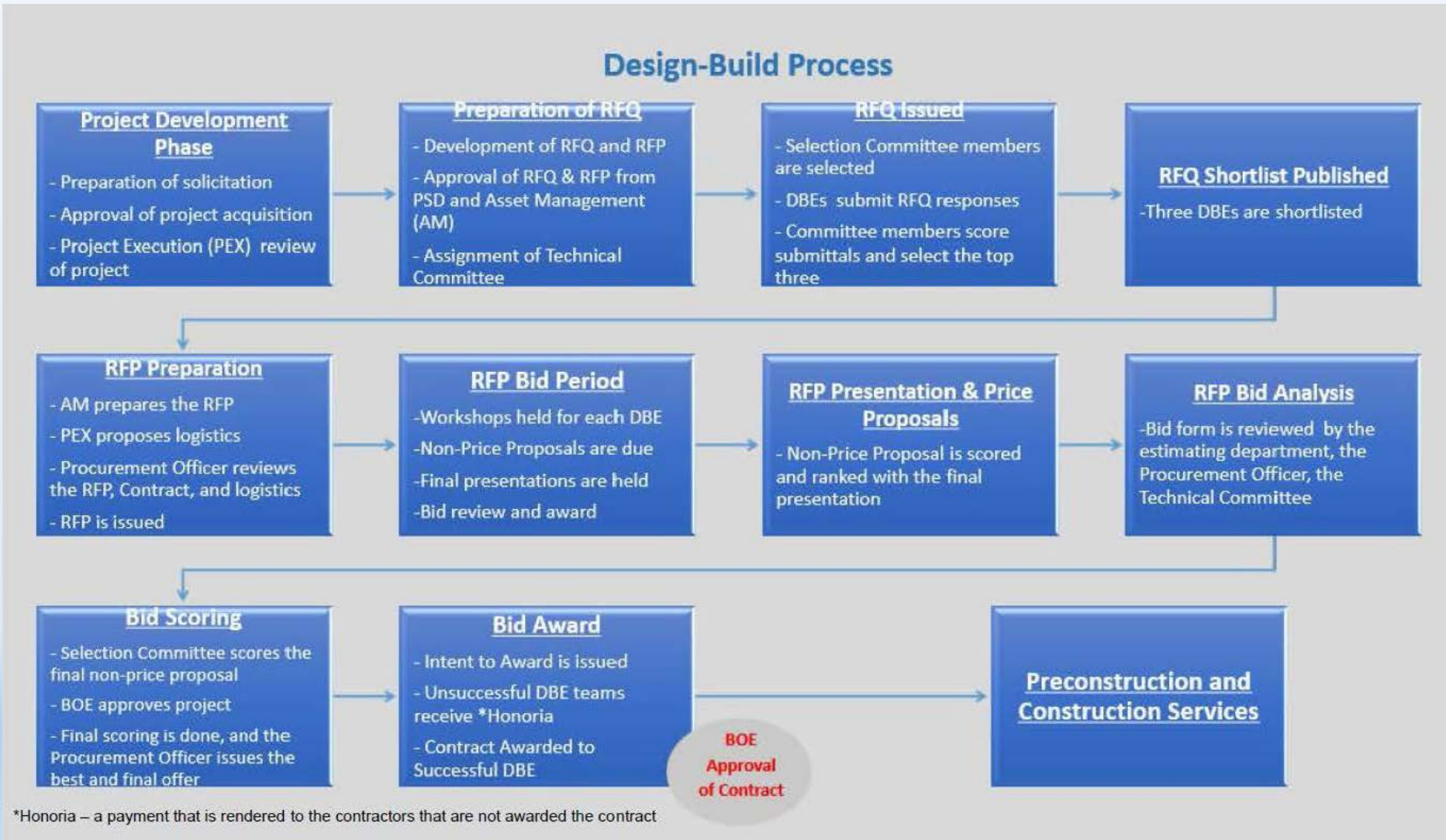
- The Design-Build procurement process is overseen by the Procurement Services Division – Facilities Contracts Branch.
- The California Education Code Section 17250 allows the District to utilize the Design-Build delivery method for design and construction projects.
- The Board of Education authorized the District to use the Design-Build method for projects that will exceed \$1,000,000.
- The benefits of using the Design-Build method are:
 - Accelerated completion of projects.
 - Cost containment.
 - Reduction of Construction complexity.
 - The liability and risk of cost containment are shifted to the Design-Build Entity.



LAUSD



Design-Build Procurement Process





Audit Methodology and Findings



The OIG audit team evaluated these phases of the Design-Build procurement process:

- ❖ Request for Qualifications (RFQ)
- ❖ Request for Proposals (RFP)
- ❖ Bid Analysis
- ❖ Contract Award

Overall, the procurement process for the three Design-Build construction projects was generally in accordance with the District's policies and procedures and state law.

The OIG audit team made one finding and three observations.

Audit Finding

School: Ulysses S. Grant High School

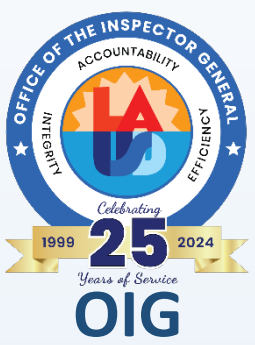
Contractor: Pinner Construction Co., Inc.

Finding: Pinner did not deliver a good and sufficient labor and material bond or a good and sufficient payment and performance bond, each in the amount of 100% of the contract amount, because bond payments were split by the construction phase of the project.

Project	Awarded Contractor	Contract Price (less the design fee)	Phase 0	Phase 1	Phase 2
Ulysses S. Grant High School	Pinner Construction Co., Inc.	\$138M	\$28M	\$103M	\$7M
Project	Awarded Contractor	Bond Premium	Phase 0	Phase 1	Phase 2
Ulysses S. Grant High School	Pinner Construction Co., Inc.	\$965K	\$253K	\$657K	\$55K



Audit Finding



Recommendation: The District prohibit bonding by construction phase and include language in the District's policies that is consistent with the General Conditions contract language.

PSD agreed with the recommendation and stated that they will create a policy related to payment and performance bond requirements for construction projects, consistent with the General Conditions language, and addressing bonding by phase.



Audit Observation No. 1



School: Ulysses S. Grant High School

Contractor: Pinner Construction Co., Inc.

Observation: There was no evidence demonstrating that the Chief Procurement Officer or their designee attended the RFP workshop for the Grant High School comprehensive modernization project.

After the OIG brought this issue to PSD's attention, PSD reported that District personnel other than the CPO are qualified to attend and facilitate the workshops. PSD will update the policies to reflect this and identify the personnel who can fill this role.

Recommendation No. 2: The Chief Procurement Officer should revise the Design-Build Policies and Procedures to indicate who will facilitate the workshops.

PSD agreed with the recommendation and stated that they are in the process of updating the Design-Build Policies and Procedures and will incorporate the recommendation into the revision.



Audit Observations Nos. 2 and 3



School: John H. Francis Polytechnic High School

Contractor: Bernards Bros, Inc

Observation No. 2: Signed “No-Conflict Non-Disclosure” forms from Selection and Technical Committee members for the John H. Francis Polytechnic High School project were not available for review.

School: Young Empowered Scholars (YES) Academy at Hyde Park Elementary School

Contractor: AMG & Associates, Inc.

Observation No. 3 : Workshop and final presentation sign-in sheets were not available for review for the YES Academy -Wellness Center expansion project.



LAUSD



To view the complete report: [OA 24-1440](#)

To learn more about our office:
<https://www.lausd.org/oig>





OIG FY 2026 Risk Assessment Survey

- ✓ The OIG is initiating its Annual Risk Assessment and we will be soliciting input across the broad spectrum of LAUSD stakeholders including the BOE, BOC, LAUSD employees, and the public at-large. The results of this risk assessment will help inform our FY 2026 work plan.
- ✓ A survey link will be posted on the OIG website and shared via social media platforms including LinkedIn, Facebook, Instagram, and X (Twitter).
- ✓ We encourage everyone to participate and share their unique perspective.



LAUSD

Office of the Inspector General

"Independent and Objective Oversight"



REPORT FRAUD, WASTE & ABUSE

En español



(213) 241-7778 or (866) 528-7364



inspector.general@lausd.net



<https://www.lausd.org/oig>



- ☐ **Misuse of LAUSD funds and resources**
- ☐ **Retaliation for reporting misconduct**
- ☐ **Anyone can make a report**
- ☐ **Reports are confidential - you may remain anonymous if you wish**

Tab 2:
Specification Update
Cost Savings

Material Forthcoming