

**Los Angeles Unified School District
Office of the Inspector General**

**Audit of Facilities Services
Division
Contract Professionals
Hiring Process**

**OA 25-1470
November 17, 2025**





Los Angeles Unified School District

Office of the Inspector General

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November 17, 2025

Ms. Krisztina Tokes, Chief Facilities Executive
Facilities Services Division
Los Angeles Unified School District
333 S. Beaudry Avenue, 23rd Floor, Los Angeles, CA 90017

RE: Audit of Facilities Services Division Contract Professionals Hiring Process

Dear Ms. Tokes:

Enclosed is the final report on our audit of the Facilities Services Division's CP Hiring Process.

Please feel free to contact our office if you have any questions or need additional information.

Sincerely,

Mark H. Pearson
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Attachment

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Audit of Facilities Services Division Contract Professionals Hiring Process

EXECUTIVE SUMMARY

The Los Angeles Unified School District (LAUSD) uses professional services contracts with construction management and inspection firms to augment staffing and support its multi-billion-dollar bond program. These contracts provide Contract Professionals (CPs) to help manage and inspect capital projects across the District. As of June 2024, the Facilities Services Division (FSD) maintained 11 construction management and 7 inspection services contracts, through which approximately 378 CPs were engaged.

Given the scale and complexity of LAUSD's bond-funded construction program, it is critical that the hiring of Contract Professionals be governed by clear and consistent procedures. To support this, FSD established Policy CT-006,¹ which outlines the process for selecting, appointing, and reassigning CPs. The policy was developed in response to concerns identified in a 2009 OIG audit that cited weaknesses in oversight and potential conflicts of interest. Ensuring consistent adherence to this policy remains essential for maintaining transparency, fairness, and accountability in the hiring process. The Office of the Inspector General (OIG) conducted this performance audit to examine whether current hiring practices comply with those strengthened policies and effectively mitigate risks such as favoritism, improper influence, or policy noncompliance.

The audit focused on CPs engaged between July 1, 2018, and June 30, 2024, under four selected contracts: Cumming Management Group, Hill International, JG Management Consultants, and Sandy Pringle Associates.² We conducted a detailed review of a sample of CPs hired under these contracts. Our audit found that the CP hiring process was generally consistent with District policy. Specifically:

- CP hiring requests were properly justified and approved.
- Shortlisting and interview panels were composed of pre-approved District employees.
- Final selection decisions were documented and approved by the appropriate District management.
- Reference checks were performed, and the firms conducted due diligence prior to District interviews of the CPs.

¹ FSD's Policy and Procedure CT-006, Contract Professional Staff Appointment Policy (Revision 3.0), which has been in effect since August 1, 2021, governs the selection, appointment, transfer, and reassignment of CPs within FSD.

² These four firms were previously reviewed in the audit titled *Assessment of District Compliance with Review and Approval Policies for Contract Professional Timesheets and Invoices*, issued by the Office of the Inspector General, as follows:

- Cumming Management Group, Inc. (Contract No. 4400007486), Report No. OA 24-1442, issued 3/14/25
- Hill International, Inc. (Contract No. 4400007487), Report No. OA 24-1443, issued 3/14/25
- JG Management Consultants (Contract No. 4400007489), Report No. OA 24-1444, issued 3/25/25
- Sandy Pringle Associates, Inc. (Contract No. 4400011124), Report No. OA 25-1447, issued 5/20/25

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These results indicate that FSD has established a strong foundation for responsible and policy-aligned hiring. The documented justifications, structured evaluation panels, and consistent use of reference checks reflect a hiring process that promotes fairness, transparency, and accountability. These controls help ensure that CP selections are based on operational need and candidate qualifications, not on informal preferences or subjective decision-making.

However, we identified three key areas where procedures were not consistently followed:

1. Interview Panel Approval Not Always Documented in Advance

Asset Management occasionally included substitute interview panel members who were not listed on original approval forms when approved members became unavailable. The Inspection Department did not maintain formal documentation of its standard interview panel composition. These practices reduce transparency and accountability in the selection process.

2. Incomplete Form 700 Filings for Required Contract Professionals

Out of 50 Contract Professionals tested, 10 had incomplete or missing Form 700 filings, which are required under state ethics law for designated individuals involved in decision-making. This limits the District's ability to identify and prevent potential conflicts of interest and creates compliance risk.

3. Missing or Incomplete Staffing Request Forms for Inspector Recruitments

The original 2018 Staffing Request Form (SRFs) for CP inspector recruitments did not include the required approval of the Chief Facilities Executive (CFE). According to staff, the originally signed form was misplaced during a staff transition. FSD has since addressed this issue by implementing electronic filing systems to prevent similar documentation losses.

In conclusion, while the CP hiring process demonstrated overall adherence to FSD policies and was supported by adequate documentation and consistent due diligence, improvements are needed to strengthen procedural consistency and internal controls.

To address these procedural gaps and reinforce accountability, we recommend the following actions:

Recommendations

- 1. Strengthen Panel Approval Procedures:** FSD should include names of all potential interview panel members on approval forms, ensuring branch director approval prior to interviews. FSD should also establish formal approval documentation for the Inspection Department's standard interview panel to ensure consistent practices across all departments.
- 2. Improve Oversight of Form 700 Compliance:** FSD should coordinate with the Ethics Office to obtain notifications of any CPs who have not submitted their required Form 700 filings and follow up with the respective firms to remind them of the filing obligation. Additionally, FSD should remind department representatives completing the exit checklist to verify that the Form 700 is

Audit of Facilities Services Division Contract Professionals Hiring Process

submitted before a CP's departure. This will help ensure that final filings are completed when a CP is no longer assigned to District work.

FSD's Responses

1. Strengthen Panel Approval Procedures:

FSD agreed with the recommendation and committed to include all possible interview panel members in the Approval for Interview Panel Form and add one Approval for Interview Panel Form per Inspection contract, effective December 15, 2025.

2. Improve Oversight of Form 700 Compliance:

FSD agreed with the recommendation. FSD will coordinate with the Ethics Office, a day after the deadline, to provide a list of CPs who have missed the requirement. Within 3 business days, FSD will coordinate with respective firms to ensure completion and submission of the Form 700 to the Ethics Office. FSD will implement this coordination effective April 2, 2026. FSD will also require branch administrative staff to submit copies of both the Exit Checklist and Form 700 starting December 15, 2025.

INTRODUCTION

The Facilities Services Division (FSD) of the Los Angeles Unified School District (LAUSD) manages the planning, construction, and modernization of schools across the District. To meet staffing demands and deliver capital projects on schedule, FSD supplements its workforce with Contract Professionals (CPs) through construction management and inspection services contracts.

To ensure transparency and oversight in the CP hiring process, FSD established Policy CT-006, Contract Professional Staff Appointment Policy. The policy outlines the procedures for the selection, appointment, and reassignment of CPs and was developed in part to address concerns identified in a prior audit by the OIG.³

This audit was initiated to assess whether CP hiring practices align with the requirements of Policy CT-006 and whether the policy's intended controls--established to reduce the risk of favoritism, improper influence, and inconsistencies in hiring practices—are being effectively implemented.

SCOPE AND OBJECTIVE

The objective of this audit was to determine whether the hiring process for FSD's contract professionals adhered to the District's established policies and procedures.

The scope of our review focused on the selection process for a sample of CPs hired between July 1, 2018, and June 30, 2024, under the following four contracts:

³ *Use of Consultants within the Facilities Services Division*, Report No. CA 08-689, issued February 24, 2009, by the Office of the Inspector General.

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1. Cumming Management Group (Contract No. 4400007486)
2. Hill International (Contract No. 4400007487)
3. JG Management Consultants (Contract No. 4400007489)
4. Sandy Pringle Associates (Contract No. 4400011124)

METHODOLOGY

To assess whether FSD adhered to applicable policies and procedures in the hiring of CPs, we performed the following procedures:

- Reviewed SRFs to determine whether the decisions to hire CPs were properly justified and approved.
- Reviewed documentation of the Request for Qualified Resumes distribution to confirm whether it was sent to all prime contractors and sub-consultants.
- Reviewed the Approval of Panel Members for CP Short List to verify that all panel members were District employees.
- Reviewed CP Short List Evaluations to ensure that shortlists were approved by District personnel.
- Reviewed the Approval of Panel Members for CP Interview and Selection to confirm that the panel chair was a District employee.
- Reviewed Final Selection CP Evaluations to determine whether evaluation scores and rankings were supported and appropriately documented.
- Examined contractors' due diligence files to assess whether required checks were conducted prior to candidate interviews.
- Reviewed Reference Check Forms to verify that reference checks were completed.
- Confirmed with the District's Ethics Office whether the sampled CPs had submitted the required Form 700 during the audit period.
- Reviewed contractors' records to determine whether required background checks were performed.

GAGAS COMPLIANCE STATEMENT

We conducted this performance audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS), issued by the Comptroller General of the United States. Those standards require

Audit of Facilities Services Division Contract Professionals Hiring Process

that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

RESULTS OF AUDIT

Contract Professional Hiring Process Was Generally Aligned with District Policy, but Improvements Are Needed in Interview Panel Approval, Form 700 Compliance, and Staffing Form Authorization

As of June 2024, the Facilities Services Division (FSD) had 11 construction management (CM) contracts and 7 inspection services contracts in place, providing approximately 378 contract professionals (CPs) to support FSD staff. We randomly selected 44 CPs hired under three CM firms and one inspection firm for detailed review.

Our examination of the hiring process for these CPs found that core procedural controls designed to promote fairness in candidate selection, transparency in decision-making, and accountability in oversight were generally in place and functioning as intended. Specifically, we observed the following:

- Justification for the use of CPs was properly documented and approved through SRFs in most CP hiring cases reviewed (with missing or incomplete SRFs for inspector recruitments, as noted in Finding No. 3).
- Requests for Qualified Resumes were distributed to all prime bench contractors and their sub-consultants, demonstrating that opportunities were made available to the full pool of eligible firms and that no preferential treatment was given.
- Shortlisting panels were composed of District employees, with no CPs participating, as required by FSD policy and procedure.
- For the positions reviewed, approved "CP Interview and Selection Panel" forms were on file and properly signed by the Department Director and Branch Director. In all cases, the designated panel chair was a District employee, as required.⁴
- Final selection decisions were appropriately documented, and approvals were made by District branch or division directors, providing clear accountability for hiring outcomes and confirming that decisions were vetted at the appropriate management level.
- Reference checks were performed by the District prior to hiring, and due diligence activities were conducted by the prime contractors before candidate interviews. These steps added an independent

⁴ The form titled *Approval of Panel Members: For CP Interview and Selection* specifies each panel member's name, title, and affiliation, indicating whether the individual is a District employee or a contract professional. If a CP, the form identifies their firm and subcontractor (if applicable). The form also designates the panel chair, who must be a District employee.

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layer of verification and helped ensure that selected candidates were qualified and suitable for their roles.

While the overall process reflected strong adherence to policy, we did identify three areas where procedural improvements are needed to further strengthen consistency, oversight, and compliance.

1. Participation of unapproved interview panel members
2. Missing Form 700 filings for some CPs
3. SRFs were missing or incomplete for inspector recruitments, and the required approval from the CFE was not documented

The following are additional details about the findings:

Finding No. 1 - Inconsistent Approval and Documentation of Shortlist and Interview Panel Members in the CP Hiring Process

Criteria

FSD policy requires that the “Approval for Shortlist Panel” and “Approval for Interview Panel” forms be completed and signed by the sponsoring branch or division director/manager. While the policy does not specify a required timeline, best practice dictates that approval should occur before panel members participate in candidate evaluations to ensure transparency and accountability. This helps ensure that only authorized District employees are involved in the selection process, which promotes transparency, consistency, and accountability in hiring decisions.

Condition

Our review of 44 CP recruitments identified several issues related to the approval and documentation of panel members involved in the shortlisting and interview process:

- In three recruitments, one or two interviewers were not listed on the Approved List of Panel Members.
- In one recruitment, the Shortlist Panel Members and Interview and Selection Panel Members were not approved at the time of candidate evaluations, and approval was only documented after the process was completed.
- For inspector recruitments, the Inspection Department does not maintain a formal Approved List of Interview Panel members; interviews are typically conducted by the Chief Inspector and Deputy Chief Inspectors.

Audit of Facilities Services Division Contract Professionals Hiring Process

Cause

The inconsistent documentation of panel members is primarily occurring in Asset Management when approved interview panel members become unavailable after initial approval forms are completed. To maintain interview schedules and avoid recruitment delays, Asset Management has occasionally included substitute panel members (both Contract Professionals and District staff) who were not listed on the original approval forms. This practice, while limited to a fraction of Asset Management's recruitments, creates documentation gaps between approved and actual panel participants.

For inspector recruitments, the Inspection Department's consistent use of senior leadership (Chief Inspector and Deputy Chief Inspectors) for interviews has resulted in informal rather than documented panel approval processes.

Effect

Delays in formal approval of panel members and a lack of maintained documentation may reduce transparency and increase the risk of inconsistent practices across recruitments. While the use of recurring, qualified staff in the Inspection Department reduces variability, the absence of formalized tracking and the timing of documentation completion may limit accountability and audit readiness.

Recommendation

FSD should include names of all potential interview panel members on approval forms, ensuring branch director approval prior to interviews. FSD should also establish formal approval documentation for the Inspection Department's standard interview panel to ensure consistent practices across all departments.

FSD's Response

FSD agreed with the recommendation and committed to include all possible interview panel members in the Approval for Interview Panel Form and add one Approval for Interview Panel Form per Inspection contract, effective December 15, 2025. (See Exhibit A for FSD's response)

Finding No. 2 - Missing Form 700 Filings for Required Contract Professionals

Criteria

California Government Code §87200 and the LAUSD Ethics Office's guidance require designated employees and consultants who make or participate in making governmental decisions to file Form 700, Statement of Economic Interests.⁵ This includes certain CPs serving in roles with decision-making authority or financial influence.

⁵ Form 700, Statement of Economic Interests, is a public disclosure form required under the California Political Reform Act (Government Code § 87200 et seq.). It is intended to identify financial interests that could present real or perceived conflicts in governmental decision-making. Designated employees and consultants who make or influence decisions on behalf of a public agency are required to file Form 700 to promote transparency and maintain public trust. The filing requirement is enforced by the Fair Political Practices Commission (FPPC) and implemented locally through the District's Ethics Office, which provides guidance on filer designation and compliance.

Audit of Facilities Services Division Contract Professionals Hiring Process

Filing Form 700 is a key control to ensure transparency into financial interests and to help the District identify and prevent potential conflicts of interest. Timely and complete filings also support compliance with state ethics laws and District expectations for accountability.

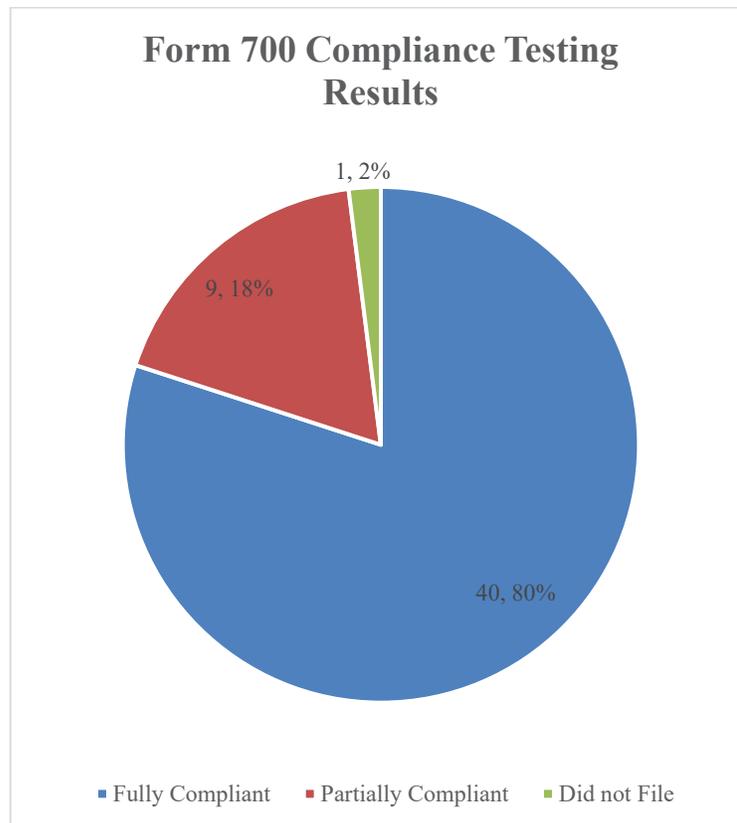
Condition

We reviewed 50 CPs to assess compliance with Form 700 filing requirements. FSD identified which individuals were designated to file, and we obtained filing records from the Ethics Office. Of the 50 individuals tested:

- 40 CPs (80%) were fully compliant, having filed Form 700 for all required years,
- 9 CPs (18%) were partially compliant, filing in some years but not all, and
- 1 CP (2%) did not file at all.

These results indicate that while the majority of CPs were compliant with Form 700 requirements, a significant portion had lapses in annual filings. The absence of full compliance highlights the need for improved oversight and monitoring to ensure required disclosures are submitted consistently.

The pie chart below illustrates the distribution of Form 700 compliance across the sample of CPs reviewed.

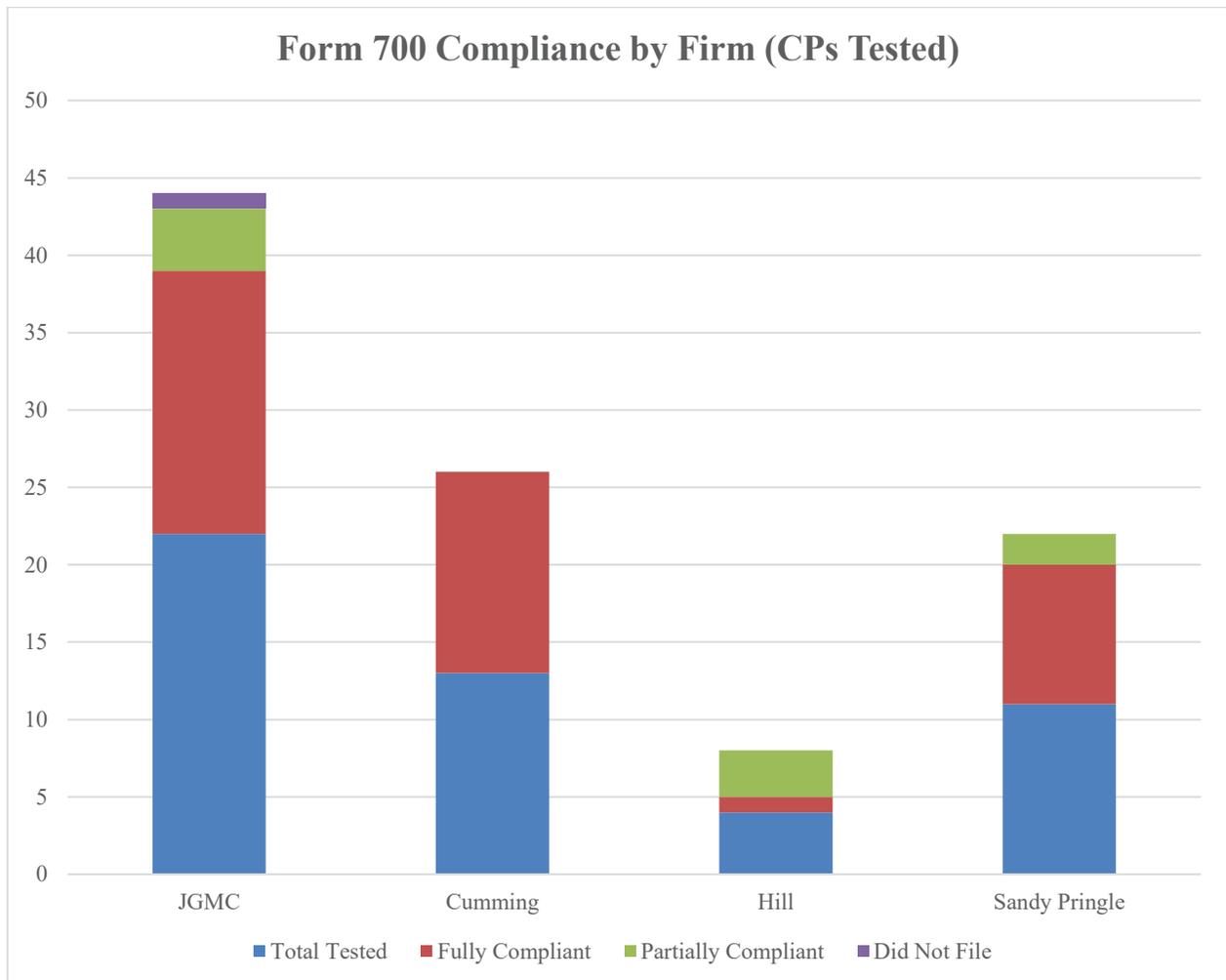


Audit of Facilities Services Division Contract Professionals Hiring Process

Breakdown by firm:

- **JG Management Consultants (JGMC):** 22 tested – 17 fully compliant, 4 partially compliant, 1 did not file.
- **Cumming Management Group:** 13 tested – all 13 fully compliant.
- **Hill International:** 4 tested – 1 fully compliant, 3 partially compliant.
- **Sandy Pringle Associates:** 11 tested – 9 fully compliant, 2 partially compliant.

The chart below summarizes Form 700 compliance results for the 50 Contract Professionals reviewed, broken down by firm and compliance status.



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Cause

The incomplete Form 700 filings stem from insufficient communication and follow-up regarding filing obligations. While FSD Staffing Contracts provides the list of required CP filers to the Ethics Office and assists CPs with form completion, there is no systematic process for reminding CPs of their ongoing annual filing responsibilities. Since CPs submit forms directly to the Ethics Office due to the confidential nature of the financial information, gaps in communication between the initial designation and subsequent filing deadlines can result in missed submissions across multiple years.

Effect

Incomplete or missing Form 700 filings reduce transparency and hinder the District's ability to identify and manage potential conflicts of interest. This weakens the integrity of the CP hiring process and may erode public trust.

Additionally, noncompliance with Form 700 requirements exposes the District to risk under California Government Code § 87200 et seq.,⁶ which mandates financial disclosures for certain public officials and consultants. The District may also be out of alignment with its own internal ethics policies and practices, which require designated filers to comply with state law. If the District is not actively monitoring Form 700 submissions and disclosures, the effectiveness of the filing requirement is diminished, and potential conflicts may go undetected. These gaps could also subject the District or individual filers to potential enforcement action by the Fair Political Practices Commission (FPPC).

Recommendation

FSD should coordinate with the Ethics Office to obtain notifications of any CPs who have not submitted their required Form 700 filings and follow up with the respective firms to remind them of the filing obligation. Additionally, FSD should remind department representatives completing the exit checklist to verify that the Form 700 is submitted before a CP's departure. This will help ensure that final filings are completed when a CP is no longer assigned to District work.

FSD's Response

FSD agreed with the recommendation. FSD will coordinate with the Ethics Office, a day after the deadline, to provide a list of CPs who have missed the requirement. Within 3 business days, FSD will coordinate with respective firms to ensure completion and submission of the Form 700 to the Ethics Office. FSD will implement this coordination effective April 2, 2026. FSD will also require branch administrative staff to submit copies of both the Exit Checklist and Form 700 starting December 15, 2025. (See Exhibit A for FSD's response)

⁶ California Government Code § 87200 et seq. – Part of the Political Reform Act, this law requires designated public officials and consultants who make or participate in making governmental decisions to file the Form 700, Statement of Economic Interests.

Audit of Facilities Services Division Contract Professionals Hiring Process

Finding No. 3 – SRFs for Inspector Recruitment Were Missing, and the Required Approval Signature of the CFE Was Not Documented

Condition

The Staffing Request Form (SRF) initiates the Contract Professional (CP) hiring process and is intended to document the requesting department's staffing needs, including the position, duration, and justification. FSD policy requires that the SRF be approved by the department manager or director, the division director, and the CFE.

However, our review of inspector recruitments found that the SRF on file for inspector CP recruitment for the period from 2018 to November 30, 2019, did not contain the required approval signature of the CFE. According to department staff, the original signed version was misplaced during a staff transition.

Criteria

According to the Facilities Services Division's (FSD) Contract Professional (CP) Staff Appointment Policy, each CP recruitment must begin with a completed SRF approved and signed by both the department sponsor manager or director and the branch or division director, both of whom must be District employees.

Cause

The incomplete SRF documentation resulted from the original 2018 hard copy form being misplaced during a staff transition. While the form was signed by the department director and branch director, the Deputy Chief Facilities Executive's signature was not captured before the document was lost. FSD has since switched to electronic files to prevent similar documentation losses.

Effect

The missing signature documentation for the 2018 inspector recruitment weakened the audit trail for staffing authorization, though the actual approval process allegedly was followed.

Recommendation

No further action is required. FSD has addressed this issue by implementing electronic filing systems to ensure staffing records are properly preserved and accessible.

Overall Summary of CP Hiring Process Audit

Our review found that many core hiring controls were in place and functioning as intended. However, procedural gaps—particularly in interview panel documentation, ethics filings, and SRF preparation—require attention. Addressing these issues will help FSD strengthen consistency, improve compliance with policy, and reduce exposure to reputational or regulatory risk.

Audit of Facilities Services Division Contract Professionals Hiring Process

The following snapshot highlights key strengths and areas for improvement identified during our review.

Audit Snapshot – Summary of Results

Areas Operating as Intended:

- ✓ Justification for using Contract Professionals was properly documented and approved.
- ✓ Requests for Qualified Resumes were distributed to both prime contractors and sub-consultants.
- ✓ Shortlisting and interview panels were composed of pre-approved District employees.
- ✓ Final selection decisions were supported by documentation and appropriate approvals.
- ✓ Reference checks were completed, and due diligence was performed prior to interviews.

Areas for Improvement:

- ⚠ Some shortlist and interview members were not listed on the Approved List of Panel Members at the time of CP candidate evaluations.
- ⚠ Form 700 filings were missing for some CPs who were required to submit them.
- ⚠ There was no SRF for inspector recruitment after November 2019.
- ⚠ The SRF on file for inspector recruitment before November 2019 lacked the CFE's approval signature.

Conclusion

While the Audit Snapshot highlights the strengths and gaps in the CP hiring process, it is important to underscore that FSD has built a solid foundation for fair and policy-aligned staffing. The process is generally well-documented, structured, and effective in identifying qualified candidates through consistent evaluations and due diligence.

However, procedural lapses—such as missing Form 700 filings, informal interview panel substitutions, and outdated or missing SRFs—signal areas where internal controls need reinforcement. Addressing these gaps will help FSD reduce risk, increase transparency, and ensure consistent application of policy across all hiring units.

With targeted improvements in panel approval practices, ethics filing oversight, and SRF documentation, FSD would be better positioned to enhance accountability and further align the hiring process with operational needs and compliance expectations.

Audit of Facilities Services Division Contract Professionals Hiring Process

AUDIT TEAM

This audit was performed by the following auditors:

Stella Lai, Audit Manager
Shelly Guo, Principal Auditor
Valerie Logan, Principal Auditor
Rachel Chow, Senior Auditor
Lurline Garrett, Senior Auditor

Exhibit A – Response from Facilities Services Division



LOS ANGELES UNIFIED SCHOOL DISTRICT Facilities Services Division

DATE: November 13, 2025

TO: Mark H. Pearson, Assistant Inspector General
Office of the Inspector General

Stella Lai, Audit Manager
Office of the Inspector General

FROM: Krisztina Tokes, Chief Facilities Executive
Facilities Services Division

SUBJECT: Audit of Facilities Services Division Contract Professionals Hiring Process

Krisztina Tokes

Digitally signed by Krisztina Tokes
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School District, ou=Chief Facilities Executive,
email=krisztina.tokes@lausd.net, c=US
Date: 2025.11.13 19:59:27 -0800

Please find below Facilities Services Division's (FSD) response to recommendations provided in the Office of the Inspector General's (OIG) Draft Report of the Audit of Facilities Services Division Contract Professionals (CPs) Hiring Process.

Objective: Determine whether the hiring process for FSD's contract professionals adhered to the District's established policies and procedures.

Finding No. 1 – Inconsistent Approval and Documentation of Shortlist and Interview Panel Members in the CP Hiring Process.

The inconsistent documentation of panel members is primarily occurring in Asset Management when approved interview panel members become unavailable after initial approval forms are completed. To maintain interview schedules and avoid recruitment delays, Asset Management has occasionally included substitute panel members (both Contract Professionals and District staff) who were not listed on the original approval forms. This practice, while limited to a fraction of Asset Management's recruitments, creates documentation gaps between approved and actual panel participants. For inspector recruitments, the Inspection Department's consistent use of senior leadership (Chief Inspector and Deputy Chief Inspectors) for interviews has resulted in informal rather than documented panel approval processes.

Recommendation for Finding No. 1

OIG recommends that FSD include names of all potential interview panel members on approval forms, ensuring branch director approval prior to interviews. FSD should also establish formal approval documentation for the Inspection Department's standard interview panel to ensure consistent practices across all departments.

Page 1 of 3

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Exhibit A – Response from Facilities Services Division

Facilities Response to Recommendation No. 1:

- i. Response:
FSD agrees with the recommendation.
- ii. Action:
 - a) The Approval for Interview Panel Form will continue to be pre-signed by the branch directors per policy, and a new form will list *all* possible qualified interview panel members from the respective branch. If a scheduled member is not available, other pre-approved panel members may be asked to participate in the interviews.
 - b) For the Inspection Department, one Approval for Interview Panel Form per contract will be signed by the Chief Inspector and the branch director. There are no inconsistencies or changes in the panel, unless there are staffing changes in the Inspection Department's executive staff. A revised Approval for Interview Panel Form will be forwarded for signature should this occur.
- iii. Target:
 - a) Including all possible interview panel members in the Approval for Interview Panel Form: implementation effective December 15, 2025
 - b) Adding one Approval for Interview Panel Form per Inspection contract: implementation effective December 15, 2025.

Finding No. 2 – Missing Form 700 Filings for Required Contract Professionals (CPs)

The incomplete Form 700 filings stem from insufficient communication and follow-up regarding filing obligations. While FSD Staffing Contracts provides the list of required CP filers to the Ethics Office and assists CPs with form completion, there is no systematic process for reminding CPs of their ongoing annual filing responsibilities. Since CPs submit forms directly to the Ethics Office due to the confidential nature of the financial information, gaps in communication between the initial designation and subsequent filing deadlines can result in missed submissions across multiple years.

Recommendations for Finding No. 2

OIG recommends that FSD coordinates with the Ethics Office to obtain notifications of any CPs who have not submitted their required Form 700 filings and follow up with the respective firms to remind them of the filing obligation. Additionally, FSD should remind department representatives completing the exit checklist to verify that the Form 700 is submitted before a CP's departure.

Facilities Response to Recommendation No. 2:

- i. Response:
FSD agrees with the recommendation.

Exhibit A – Response from Facilities Services Division

ii. Action:

- a) To ensure Form 700 filing deadlines are met and to minimize missed Form 700 submissions by CPs, Staffing Contracts will coordinate with the Ethics Office, a day after the deadline, to provide a list of CPs who have missed the requirement. Staffing Contracts will, in turn, coordinate with respective firms and ensure completion and submission to the Ethics Office via email within three (3) business days.
- b) As Form 700 is part of the Exit Checklist, FSD branch administrative staff will be required to submit a copy of the CP Exit Checklist and submitted Form 700, to Staffing Contracts, on or before the CP's departure date.

iii. Target:

- a) Coordinate with the Ethics Office for missed annual Form 700 submissions: implementation effective April 2, 2026.
- b) Administrative staff to submit copies of both Exit Checklists and Form 700 to Staffing Contracts: implementation effective December 15, 2025.

Finding No. 3 – Staffing Request Forms (SRFs) for Inspector Recruitment Were Missing, and the Required Approval Signature of the CFE Was Not Documented

The incomplete SRF documentation resulted from the original 2018 hard copy form being misplaced during a staff transition. While the form was signed by the department director and branch director, the Deputy Chief Facilities Executive's signature was not captured before the document was lost. FSD has since switched to electronic files to prevent similar documentation losses.

Recommendations for Finding No. 3

No further action is required. FSD has addressed this issue by implementing electronic filing systems to ensure staffing records are properly preserved and accessible

C: Alix O'Brien
Andrea Reyes
Chris Alejo
Rachel Chua
Elizabeth Li
Shelly Guo
Rachel Chow
Valerie Logan
Susan Stengel

FRAUD, WASTE, AND ABUSE HOTLINE

Office of the Inspector General "Independent and Objective Oversight"

REPORT FRAUD, WASTE AND ABUSE



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

- Misuse of LAUSD funds and resources
- Retaliation for reporting misconduct
- Anyone can make a report
- You may remain anonymous

English



Español

