



# LOS ANGELES COMMUNITY COLLEGE DISTRICT

CITY / EAST / HARBOR / MISSION / PIERCE / SOUTHWEST / TRADE-TECHNICAL / VALLEY / WEST

RFP Number: 24-08: BOND PROGRAM MONITOR – LACCD PROPOSITIONS A AND AA AND MEASURES J, CC AND LA

Addendum Number: 4

Date: December 5, 2024

**NOTICE TO PROPOSERS:** THIS ADDENDUM SHALL BECOME PART OF THE RFP, AND PROPOSERS SHALL ACKNOWLEDGE, IN WRITING, RECEIPT AND INCORPORATION OF ALL ADDENDA AND CLARIFICATIONS IN THEIR RESPONSE. FAILURE OF THE PROPOSER TO RECEIVE ADDENDA SHALL NOT RELIEVE THE PROPOSER FROM ANY OBLIGATION UNDER ITS PROPOSAL AS SUBMITTED. THE PROPOSER SHALL IDENTIFY AND LIST IN ITS PROPOSAL ALL ADDENDA RECEIVED AND INCLUDED IN ITS PROPOSAL; FAILURE TO DO SO MAY BE ASSERTED BY THE DISTRICT AS A BASIS FOR DETERMINING THE PROPOSAL NON-RESPONSIVE.

## Answers to Questions

Number	Questions	Response
1.	<b>Key Priorities:</b> What are the top priorities or key performance indicators (KPIs) the District envisions for the Bond Program Monitor over the five-year term? Are there specific goals tied to timelines or milestones?	<i>A general description of the BPM's expected goals, milestones and deliverables is included in RFP Attachment No. 2 - "Description of Services." There are currently no formalized KPIs for the Office of BPM.</i>
2.	<b>Evaluation Criteria:</b> Are there specific metrics or evaluation criteria the District will use to measure the Bond Program Monitor's performance throughout the contract?	<i>The District will be looking to the BPM as part of its scope of services to establish performance metrics that will provide assurance to the District that monitoring is being performed by the BPM in accordance with the terms of the BPM's Professional Services Agreement.</i>
3.	<b>Program Updates:</b> Can you provide an update on the current status of the bond-funded projects, including any challenges or	<i>Current information on the status of the Bond Program generally, and on bond-funded projects specifically, can be found at:</i>

	risks that have been identified to date?	<a href="https://www.build-laccd.org/resources/reports/">https://www.build-laccd.org/resources/reports/</a>
4.	<b>4. Future Initiatives:</b> Are there any anticipated projects, initiatives, or changes under the bond program that might require additional expertise, resources, or services beyond what is outlined in the RFP?	<i>The services that the BPM will be expected and required to perform are described in RFP Attachment No. 2 - "Description of Services" and the District does not currently anticipate there being circumstances that would require the BPM to perform in a manner that is beyond those stated expectations and requirements.</i>
5.	<b>Key Personnel Standards:</b> What qualifications, certifications, or experience are considered mandatory for Key Personnel, particularly for the Bond Program Monitor and Deputy Monitor roles?	<i>Please see RFP Attachment No. 3 - "Proposal Requirements and Evaluation Criteria," including, but not necessarily limited to, the mandatory and preferred qualifications for Key Personnel as set forth in Section 1.2 thereof.</i>
6.	<b>Technology Requirements:</b> Are there specific technology platforms, systems, or cybersecurity protocols that the Bond Program Monitor is required to use for project monitoring, reporting, or communication?	<p><i>At a minimum, the selected firm will be asked to utilize the LACCD Bond Program Monitor web page to publicly post its reports and any additional resources or information appropriate for public consumption. Link here: <a href="https://www.laccdbondprogrammonitor.org/">https://www.laccdbondprogrammonitor.org/</a></i></p> <p><i>There is also a SharePoint document repository that the Bond Program Monitor is required to save, archive and maintain all its work documents. The Bond Program Monitor will be asked to adhere to additional information technology security requirements set forth by LACCD Data Security Officer as it relates to cybersecurity protocols. These protocols will be shared with the firm once a contract is executed with the District.</i></p>
7.	<b>Transition Outcomes:</b> What specific outcomes, deliverables, or milestones are expected during the 6- month transition period for the Bond Program Monitor?	<i>The goals, deliverables and milestones that are expected of the BPM, including those required during the 6-month transition and beyond, are described in RFP Attachment No. 2 - "Description of Services."</i>
8.	<b>Stakeholder Interaction:</b> Who are the key stakeholders involved (e.g., LACCD staff, contractors, community groups), and what level and frequency of interaction is expected	<i>The BPM's reporting responsibilities are described in Board Policy 6740 and RFP Attachment No. 2 - "Description of Services" and include reporting to and interacting with the Board of Trustees, Chancellor,</i>

	with each group?	<i>District's Citizen Bond Oversight Committee, and Facilities Master Planning and Oversight Committee (via its representatives, the Vice Chancellor of Finance and Vice Chancellor and Chief Facilities Executive).</i>
9.	<b>Reporting Requirements:</b> What are the required formats and frequencies for reports? Are there standardized templates, tools, or systems in place that the Bond Program Monitor must use?	<i>The District will be looking to the BPM to develop and recommend standardized templates, tools and systems that are supportive of a high standard of monitoring performance by the BPM.</i>
10.	<b>Meeting Cadence:</b> How often will the Bond Program Monitor be expected to meet with district officials, project teams, or other stakeholders? Are there standing meetings or ad hoc requirements?	<i>The frequency of meetings between the BPM and District officials will be determined by the nature and scope of the audits and investigations that are undertaken by the BPM.</i>
11.	<b>Budget Constraints:</b> Are there specific budget caps, constraints, or spending limitations that might influence the execution of the Bond Program Monitor's responsibilities?	<i>The BPM is required as part of its Annual Work Plan to develop and maintain a budget for the Office of BPM as described in the RFP Attachment No. 2 - "Description of Services."</i>
12.	<b>Reimbursable Expenses:</b> Can you clarify which types of expenses are reimbursable and the documentation or approval process required to secure reimbursement?	<i>Please see RFP Attachment No. 1 - "Professional Services Agreement," including, without limitation, Section 4.2 and Exhibit "C" - "Supplemental Compensation Provisions."</i>
13.	<b>Cost and Compensation Structure:</b> Are there any performance incentives tied to the deliverables or the effectiveness of the Bond Program Monitor?	<i>There are no special financial incentives currently being contemplated by the District that are tied to achievement by the BPM of specific performance objectives.</i>
14.	<b>Evaluation Panel Details:</b> Can you provide insights into the composition of the evaluation panel, their areas of focus, and how proposals will be reviewed and scored?	<i>All information that the District will be disclosing about the Evaluation Panel is set forth in the RFP Documents. The methodology for evaluating and scoring Proposals is set forth in RFP Attachment No. 3 - "Proposal Requirements and Evaluation Criteria."</i>
15.	<b>Interview Topics:</b> During the presentation or interview phase, are there specific topics or focus areas that proposers should emphasize?	<i>Please see RFP Attachment No. 3 - "Proposal Requirements and Evaluation Criteria," including, without limitation, "Part 2 - Presentations and Interviews."</i>

16.	<b>Criteria Weighting:</b> Are there additional details available about how the evaluation criteria are weighted, particularly between technical qualifications and cost?	<i>Please see RFP Attachment No. 3 - "Proposal Requirements and Evaluation Criteria," including, without limitation, "Part 3 - Scoring Methodology."</i>
17.	<b>Lessons Learned:</b> What lessons have been learned from the previous Bond Program Monitor's term that could help the next monitor perform successfully?	<i>Please see response to Question 19, below.</i>
18.	<b>Audit Findings:</b> Have there been any recent audits or reviews of the bond program? Are there specific findings that the next Bond Program Monitor should prioritize addressing?	<i>Audits of the Bond Program that are currently available online as public records can be reviewed at <a href="https://www.laccdbondprogrammonitor.org/">https://www.laccdbondprogrammonitor.org/</a>.</i>
19.	<b>Improvement Areas:</b> Are there specific areas of improvement or focus the District expects from the next Bond Program Monitor?	<i>Please see LACCD Bond Program Monitor Compliance appended to the end of this document.</i>
20.	<b>Onsite Advisory:</b> How often does the District expect onsite advisory support, and are there specific scenarios or milestones when onsite presence is mandatory?	<i>The BPM is required to establish an office area within the BPM's offices, and not on the property of the District, complete with all necessary systems and staffing infrastructure to support the BPM's performance of its services. The frequency of the BPM's appearances at the District offices, on District campuses or at project sites will be determined by the circumstances of the particular investigations, audits and reviews undertaken by the BPM.</i>
21.	<b>Investigations:</b> How many investigations or reviews does the District expect the Bond Program Monitor to manage or oversee annually?	<i>The District does not have an estimate of the number of investigations or reviews that the BPM may be expected to manage or oversee annually.</i>
22.	<b>Historical Context:</b> How many different firms or monitors have served in this role since the inception of the Bond Program in 2003, and what drove transitions between firms?	<i>Please see RFP Instructions, Section 2.3.</i>
23.	<b>Risk Management:</b> What tools, systems, or processes does the District currently use for compliance tracking, and will the Monitor have access to them?	<i>The BPM will have access to the District's records, upon request, as needed for the BPM to conduct its investigations, audits and reviews. Generally speaking, the tools, systems and processes used by the District are similar to those typically relied upon by a large local public agency.</i>

24.	<b>Roles and Responsibilities:</b> How does the Monitor's role integrate with other oversight entities, such as the College Project Leadership Teams (CPLTs) or external auditors?	<i>It is intended that the BPM will conduct its oversight activities independently of other oversight authorities within the District, while subject to the reporting and other obligations set forth in described in RFP Attachment No. 2 - "Description of Services."</i>
25.	<b>Documentation and Reporting:</b> Will the Monitor's findings be used to update or revise compliance protocols, and if so, to what extent will they collaborate with District staff on policy updates?	<i>Depending on the nature of the findings by the BPM it is not unlikely that the District would look to the BPM for recommendations on revisions to District protocols and policies.</i>
26.	<b>Compensation Model:</b> Are there contingencies built into the budget for handling scope changes or unforeseen challenges?	<i>The BPM will be responsible to prepare the budget for the operation of the Office of BPM. Once the budget is approved by the District, the BPM will be expected to operate within the constraints of the approved budget.</i>
27.	<b>Value-added Contributions:</b> Beyond basic monitoring and compliance, what value-added contributions does the District expect (e.g., cost-saving recommendations, process improvements)?	<i>The District does not have any specific value-added contributions to propose at this time. The District is interested in any value-added contributions the Proposers may wish to suggest in the technical approach section of their Technical and Hourly Rate Proposals.</i>
28.	<b>Additional Services:</b> Can you clarify what constitutes "authorized additional services" beyond the basic deliverables?	<i>Please see RFP Attachment No. 1 - "Professional Services Agreement." including, without limitation, Section 4.1 and Exhibit "A" - "Scope of Services."</i>
29.	<b>General:</b> Can the proposal be submitted via email? Please provide clarification on the proposal submission process.	<i>Proposals submitted by e-mail will not be accepted. For general requirements on Proposal submission, please see RFP Instructions, Section 5.1 and RFP Attachment No. 3 - "Proposal Requirements and Evaluation Criteria," Section 1.0.</i>



# LACCD Bond Program Monitor Compliance Review

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February 29, 2024

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# Restrictions

This report has been prepared solely for the purpose set out in KPMG's Engagement Letter dated December 4, 2023, between Los Angeles Community College District ("LACCD" or the "District") and KPMG LLP, whereby the District has engaged KPMG to provide advisory services in connection with its assessment of a third party's ("Exiger") compliance over the Bond Program Monitor ("BPM").

The analysis and observations contained in this memorandum are based on information, explanations and representations that have been made available to us in the course of our procedures. We have not been engaged to, nor have we performed, an audit, review or compilation, as those terms are defined in the pronouncements on professional standards issued by the American Institute of Certified Public Accountants ("AICPA"), of the financial statements of the District as of any date or any period, nor do we express any audit, review or compilation opinion regard thereto. Our work was performed under AICPA Statement of Consulting Standards Number 1. Additionally, we have not performed any agreed upon procedures as defined in such pronouncements.

To the extent that any relevant documents or information come to our attention after February 29, 2024, we reserve the right to review any such information and to supplement and/or modify our conclusions; however, we are under no obligation to do so.

We caution that selecting portions of the analysis and comments in this report, without considering all factors and analysis together, could result in the misinterpretation of included comments and analysis.

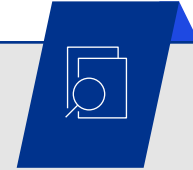
This report is intended for the District and its distribution is limited as defined in the terms and conditions of the engagement letter. We will not assume any responsibility or liability for any costs, damages, losses, liabilities or expenses incurred by the District as a result of circulation, publication, reproduction, use of or reliance upon our report contrary to the provisions in the terms and conditions of the engagement letter. We will not assume any responsibility or liability for any costs, damages, losses, liabilities or expenses incurred by anyone else as a result of circulation, publication, reproduction, use of or reliance upon our report.

Comments in our reports are not intended, nor should they be interpreted to be, legal advice or opinion as we are not qualified to provide such advice or make such an opinion.



# Executive Summary

## Summary Findings



KPMG was engaged by Los Angeles Community College District to conduct a review initiated by the District's Citizen Bond Oversight Committee of the Exiger Bond Program Monitor Contract. The two main objectives of the review were to determine whether:

01

Exiger fulfilled all deliverables under contract with the District.

02

Exiger followed all contract required notifications to the District during its acquisition by CohnReznick while under contract with the District.

## Contract Compliance Observations

Based on review of the Exiger Contract, out of **51** requirements tested, KPMG observed the following:

> **6** instances of Non-Compliance

> **1** instance of Compliant with Observations

## Compliance with Contract for Sale to CohnReznick Observations

KPMG observed that Exiger followed all contract required notifications to the District during its acquisition by CohnReznick while under contract with the District.

# Objectives and Procedures

## Objectives

The two main objectives of the review were to determine whether:

- 01 Exiger fulfilled all deliverables under contract with the District.
- 02 Exiger followed all contract required notifications to the District during its acquisition by CohnReznick while under contract with the District.

## Procedures

KPMG's scope of work included the following procedures:

- Review of the contract between the District and Exiger, dated January 2, 2019 ("Exiger Contract")
- Identify key contract clauses in which the BPM was required to provide deliverables. It should be noted that the Exiger Contract contained two distinct sections which required a level of compliance
  - Compliance with Exhibit "A" Description of Basic Services
  - Compliance with Professional Services Agreement
- Communication with key BPM and LACCD personnel
- Review of documentation provided by LACCD and the BPM

KPMG categorized the compliance review against the contract between Exiger and the District into the following compliance ratings:

**Compliant with Observations** - The BPM's work was in alignment with the contract between Exiger and the District only after questions were raised by KPMG. The initial incomplete compliance was a shared responsibility between Exiger and the District.

**Non-Compliant** - The BPM's work was not in alignment with the contract between Exiger and the District.

# **Contract Compliance Observations**

# Description of Basic Services (Exhibit “A”)

## Non-Compliant Findings

Exhibit A Description	Compliance Rating	Findings
<p>§1.7 Complete and sign an annual financial disclosure and annual conflict of interest certification to ensure that the BPM staff remain free from personal or external impairments to independence and objectivity</p>	<p><b>Non-Compliant</b></p>	<p>§1.7 requires all BPM staff to submit the annual financial disclosure and annual conflict of interest certification. These disclosures were only submitted by the BPM and Deputy BPM for all available years (2019 – 2022), and in 2020 for two BPM staff members that appear to have provided services since 2019. No evidence of disclosures were observed for other BPM staff or subconsultants that support the BPM.</p>
<p>§1.9 Develop, implement, and participate in, at no additional cost to the District, an internal quality control and assurance program that includes external means of continuing education of BPM, BPM professionals and staff, and Subconsultants</p>	<p><b>Non-Compliant</b></p>	<p>§1.9 requires that the BPM implements a program that includes external means of continuing education for the BPM, BPM professionals and staff, and all subconsultants. The BPM team met regularly to discuss projects and direction on professional standards, however only the BPM has required CPE trainings due to certifications held. The rest of the BPM team do not have roles or certifications that require CPE or external means of education.</p> <p>The BPM did not implement a program for the staff to participate in external means of continuing education.</p>
<p>§3.9 Create a pre-recorded message explaining to callers their rights, the non-retaliation policy, and other pertinent information</p>	<p><b>Non-Compliant</b></p>	<p>§3.9 requires for the Whistleblower Hotline to greet a caller with a pre-recorded message listing their rights, the non-retaliation policy, and other pertinent information. When the Whistleblower Hotline was called in December 2023, it was noted that the caller was met with a pre-recorded message guiding the caller to either stay on the line to speak with a representative or to press 1 to leave a voicemail. The caller was not met with a message explaining their rights, the non-retaliation policy, or other pertinent information.</p>

# Description of Basic Services (Exhibit “A”)

## Non-Compliant Findings (continued)

### Exhibit A Description

§4.5 Make semi-annual reports on BPM activities that shall be available to the public and not later than three days after issuance of any report that is publicly available, post such report on the Bond Program Monitor website

### Compliance Rating

**Non-Compliant**

### Findings

§4.5 requires that semi-annual reports are made publicly available no later than three days after issuance. At the start of review by KPMG in December 2023, the most recent Bond Program Monitor Activities Report available on the BPM website was for the period from January through June 2021. Reports from Q3 and Q4 2021 and all of 2022 were finalized, but were not publicly available on the LACCD BPM website. As a result of KPMG’s inquiries for this project, the BPM and District made available all reports on the BPM website as of January 2, 2024.

The BPM explained that the BPM relies on the District Information Technology department to load reports to the BPM website. The delay in loading the reports was that the District Information Technology team did not load the report after the BPM had provided the reports to the District within a timely manner. It did not appear that the BPM or District ensured that the reports were made available in a timely manner.

As the 2021 and 2022 reports were not made available to the public until 2024, the requirement of “three days after issuance” was not met.

Note: The Board voted to change requirements from a semi-annual report to “periodic written report” in 2020.

# Description of Basic Services (Exhibit “A”)

## Observations Findings

### Exhibit A Description

§1.5 Make semi-annual reports available to the public of all pending activities and pending investigations of the BPM and the outcomes of completed investigations

### Compliance Rating

Compliant with Observations

### Findings

§1.5 requires that semi-annual reports are publicly available. At the start of review by KPMG in December 2023, the most recent Bond Program Monitor Activities Report available on the BPM website was for the period from January through June 2021. Reports from Q3 and Q4 2021 and all of 2022 were finalized, but were not publicly available on the LACCD BPM website. As a result of KPMG’s inquiries for this project, the BPM and District made available all reports on the BPM website as of January 2, 2024.

The BPM explained that the BPM relies on the District Information Technology department to load reports to the BPM website. The delay in loading the reports was that the District Information Technology team did not load the report after the BPM had provided the reports to the District within a timely manner. It did not appear that the BPM or District ensured that the reports were made available in a timely manner.

Note: The Board voted to change requirements from a semi-annual report to "periodic written report" in 2020.

# Professional Services Agreement Compliance

## Non-Compliant Findings

### Contract Description

§2.7 Subconsultants. Consultant shall have the right, with prior written approval of District that may be granted or withheld in District's sole and absolute discretion, to retain qualified and professionally licensed subconsultants or subcontractors ("Subconsultants") to perform portions of Basic Services. Consultant shall retain such approved Subconsultants by a written contract that (1) requires each Subconsultant to assume toward the Consultant all of the obligations assumed by Consultant under this Agreement, including, without limitation, the Consultant's obligations pertaining to Indemnity, ownership of documents, insurance, confidentiality, and records retention; and (2) Includes a provision assigning the Consultant's rights and Interest in and to the Subconsultant's contract to District contingent only upon written notice by District to the Subconsultant of its acceptance of such assignment. Consultant shall remain solely responsible for the acts and omissions of its Subconsultants, notwithstanding District's review or approval of a Subconsultant or any contract entered into between Consultant and a Subconsultant. The Subconsultants listed in Key Personnel and Pre-Approved Subconsultants Exhibit attached hereto shall be deemed approved by District pursuant to this Section 2.7.

### Compliance Rating

**Non-Compliant**

### Findings

§2.7 requires prior written approval by the District for the use of subconsultants. The BPM confirmed that the District was aware of, but did not provide written approval prior to the use of the following subconsultants:

- KML Group
- Kenneth M. Emshoff Investigative Services.

# Professional Services Agreement Compliance

## Non-Compliant Findings (continued)

### Contract Description

**§2.14** Background Checks. Consultant shall comply with, and assumes responsibility to ensure compliance by its Subconsultants with, the District's policies and procedures pertaining to criminal background checks and fingerprinting, including, without limitation, LACCD Administrative Regulation B-35, and all amendments thereto that may be hereafter made by the District. If and to the extent required by those policies and procedures, certifications of compliance shall be submitted by the Consultant before any services are performed by the Consultant and shall be submitted by each Subconsultant prior to its performing any services under its contract with Consultant.

### Compliance Rating

**Non-Compliant**

### Findings

§2.14 requires that consultants comply with the policy "LACCD Administrative Regulation B-35."

§1.a of Administrative Regulation B-35 states, "In order to provide a safe environment for the education of students in the District, the District requires every consultant which performs professional services for the District's BuildLACCD program to certify that they have not assigned any individual, whether an employee or independent contractor, or sub-consultant of the consultant, to perform services for the District without first certifying that the consultant has conducted a criminal background check and the individual is not ineligible to provide work to the District."

Furthermore, §4.1(a) of Administrative Regulation B-35 states, "Consultant must certify in writing that the Consultant has complied with this administrative regulation."

The BPM confirmed that background checks were completed by Exiger. However, the BPM did not submit written certifications of compliance as required by the agreement.



# Compliance with Contract-Sale to CohnReznick Observations

# Compliance with Contract related to Sale to CohnReznick

**KPMG reviewed whether Exiger followed all contract required notifications to the District during its acquisition by CohnReznick while under contract with the District.**

The contract between Exiger and the District has two sections, §7.4 and §10.6, which set forth the requirements that are applicable to the sale:

“§7.4 Disability, Insolvency. In addition to the other rights granted to District under an Agreement or at law or in equity, District shall have the right to terminate this Agreement by giving seven (7) days written notice to Consultant if: (1) Consultant is an individual and should die or be adjudged incompetent or is otherwise becomes unavailable or incapable of performing under this agreement; (2) Consultant attempts to assign its rights or obligations under this Agreement; (3) a petition of bankruptcy is filed by or against Consultant; (4) Consultant makes a general assignment for the benefit of creditors; or (5) a receiver is appointed on account of Consultant’s insolvency.”

“§10.6 Successors and Assigns. This Agreement shall be binding upon District and Consultant and their respective successors and assigns. Neither the performance of this Agreement nor any part thereof, nor any monies due or to become due hereunder, nor any claim hereunder, may be assigned by Consultant without the prior written consent and approval of District, which may be granted or withheld in District’s sole and absolute discretion.”

- The Contract provided the District with an ability to terminate the contract upon sale/reassignment. Based on review of documentation, the District decided to assign the contract to CohnReznick.
- KPMG observed that based on the sale timeline, Exiger obtained prior written consent and approval of the District. Please refer to Appendix C for detailed information related to the timeline for which Exiger notified the District and the subsequent approvals by the District.

# Appendices

# Appendix A: Compliance Review Detail – Exiger Contract

▶ Professional Services Agreement Compliance: Below are the key sections Exiger was required to adhere to before and while providing services as the District Bond Program Monitor. The sections reviewed for compliance include:

## §2.5 Key Persons

Key Persons are those individuals employed by a Consultant or a Subconsultant who are listed as Key Persons in the Key Personnel and Pre-Approved Subconsultants - Exhibit "B" attached hereto, and any additions or replacements thereto approved by District, whose personal performance is deemed of the essence to this Agreement. Upon request by District, exercised in its reasonable discretion, Consultant shall at Consultant's own expense remove any Key Person deemed by District to be performing unsatisfactorily and replace him/her with another individual acceptable to District. No Key Person, for so long as he/she is employed by Consultant, shall be otherwise removed or replaced except with the prior written consent of District, which consent may be withheld or granted in District's sole and absolute discretion.

## §2.7 Sub-consultants

Consultant shall have the right, with prior written approval of District that may be granted or withheld in District's sole and absolute discretion, to retain qualified and professionally licensed subconsultants or subcontractors ("Subconsultants") to perform portions of Basic Services. Consultant shall retain such approved Subconsultants by a written contract that (1) requires each Subconsultant to assume toward the Consultant all of the obligations assumed by Consultant under this Agreement, including, without limitation, the Consultant's obligations pertaining to Indemnity, ownership of documents, insurance, confidentiality, and records retention; and (2) Includes a provision assigning the Consultant's rights and Interest in and to the Subconsultant's contract to District contingent only upon written notice by District to the Subconsultant of its acceptance of such assignment. Consultant shall remain solely responsible for the acts and omissions of its Subconsultants, notwithstanding District's review or approval of a Subconsultant or any contract entered into between Consultant and a Subconsultant. The Subconsultants listed in Key Personnel and Pre-Approved Subconsultants Exhibit attached hereto shall be deemed approved by District pursuant to this Section 2.7.

## §2.14 Background Checks

Consultant shall comply with, and assumes responsibility to ensure compliance by its Subconsultants with, the District's policies and procedures pertaining to criminal background checks and fingerprinting, including, without limitation, LACCD Administrative Regulation B-35, and all amendments thereto that may be hereafter made by the District. If and to the extent required by those policies and procedures, certifications of compliance shall be submitted by the Consultant before any services are performed by the Consultant and shall be submitted by each Subconsultant prior to its performing any services under its contract with Consultant.

# Appendix B: Compliance Review Detail – Exhibit A



\$1.0

## Establishment and Maintenance of the Office of BPM

### Description of Basic Services Compliance:

Exhibit A of the contract between Exiger and the District “contains a description of the scope of the Basic Services to be performed by the office of the BPM for the District. Exhibit A served as a “general guide in determining the minimum ‘professional standard’ for performance of the services required for operation of the office of the BPM.” KPMG tested for compliance with the entirety of Exhibit A, noting that section 5 documented Excluded Services.

This category describes the actions expected to be taken by the BPM to establish and maintain general operating procedures, staffing protocols, and office management functions of the BPM:

- 1.1 Establish an office area
- 1.2 Review existing internal procedures for the BPM
- 1.3 Develop and update annually a "Work Plan"
- 1.4 Develop standard confidentiality protocols
- 1.5 Make semi-annual reports available to the public
- 1.6 Provide periodic special briefings and reports to district executive management
- 1.7 Complete and sign an annual financial disclosure and annual conflict of interest certification
- 1.8 Recommend a procedure if individuals refuse to cooperate in an investigation
- 1.9 Develop, implement, and participate in a quality control and assurance program including external means of education for the BPM, BPM professionals and staff, and Subconsultants
- 1.10 Provide regular reports to the Facilities and Master Planning Oversight Committee (FMPOC), District Citizen's Oversight Committee (DCOC) and Board of Trustees on the office of the BPM
- 1.11 Consult with Chancellor, Board of Trustees, Chief Financial Officer/Treasurer and General Counsel to discuss investigations and audit activities.
- 1.12 Exercise general supervision over clerical and/or professional staff assigned to the BPM.

# Appendix B: Compliance Review Detail – Exhibit A (continued)



\$2.0

## Investigative Responsibilities

### Description of Basic Services Compliance:

Exhibit A of the contract between Exiger and the District “contains a description of the scope of the Basic Services to be performed by the office of the BPM for the District. Exhibit A served as a “general guide in determining the minimum ‘professional standard’ for performance of the services required for operation of the office of the BPM.” KPMG tested for compliance with the entirety of Exhibit A, noting that section 5 documented Excluded Services.

This category describes the actions expected to be taken by the BPM when investigating allegations and indications of Misconduct related to the Bond Program, including the development of appropriate policies and procedures governing such investigative activity and reporting:

- 2.1 Develop and implement policies, procedures, objectives, and priorities for investigation of misconduct
- 2.2 Conduct internal audits related to misconduct
- 2.3 Conduct external audits related to misconduct
- 2.4 Conduct investigations into misconduct in the Bond Program
- 2.5 Interview, examine, and take statements of witnesses as part of misconduct investigations
- 2.6 Utilize technology to assist in investigations
- 2.7 Conduct investigations in a timely manner based on accurate factual data
- 2.8 Deliver investigative reports and other written work products
- 2.9 Support investigative findings, conclusions, and outcomes by adequate documentation in the case file
- 2.10 Identify and include in reports any personal or external impairments affecting the BPM's ability to perform its work impartially
- 2.11 As appropriate, release investigative reports to the public subject to any redactions needed
- 2.12 Testify on behalf of the District on investigative matters as designated by the Chancellor
- 2.13 Oversee storage, security, and destruction of all information concerning the subjects of investigations
- 2.14 Maintain an electronic archive of all BPM documents
- 2.15 Ensure that data gathered and analyzed as part of the investigation is accurately interpreted, logically presented, and maintained in the investigative case file
- 2.16 Appropriately refer acts of wrongdoing

# Appendix B: Compliance Review Detail – Exhibit A (continued)



\$3.0

## Confidential Whistleblower Program

### Description of Basic Services Compliance:

Exhibit A of the contract between Exiger and the District “contains a description of the scope of the Basic Services to be performed by the office of the BPM for the District. Exhibit A served as a “general guide in determining the minimum ‘professional standard’ for performance of the services required for operation of the office of the BPM.” KPMG tested for compliance with the entirety of Exhibit A, noting that section 5 documented Excluded Services.

This category describes the actions to be taken by the BPM to create, implement, and maintain a confidential and well-publicized hotline and post office box for anonymous whistleblower reporting:

- 3.1 Establish and follow procedures for safeguarding the identity of confidential sources and for protecting privileged and confidential information
- 3.2 Utilize and maintain a toll-free "Whistleblower Hotline" and a post office box for anonymous reporting
- 3.3 Maintain proper records of calls and actions taken
- 3.4 Establish and follow appropriate investigative protocol
- 3.5 Ensure appropriate investigation of allegations through final resolution
- 3.6 Create a program that ensures against retaliation and retribution
- 3.7 Establish and follow written record management, retention, and destruction policies
- 3.8 Provide whistleblowers with unique identification numbers to protect their identity
- 3.9 Create a pre-recorded message explaining to callers their rights, the non-retaliation policy, and other pertinent information
- 3.10 Provide state-of-the art technology, including customizable telephonic and web-branded intake, web intake for managers, and accessibility 24/7/365
- 3.11 Ensure that the anonymous hotline is secure and customizable as a self-administrable system
- 3.12 Develop a fee schedule to document the costs associated with the establishment of the hotline
- 3.13 Develop and implement an external and internal campaign to advertise the whistleblower program

# Appendix B: Compliance Review Detail – Exhibit A (continued)



\$4.0

## Coordination and Communication

### Description of Basic Services Compliance:

Exhibit A of the contract between Exiger and the District “contains a description of the scope of the Basic Services to be performed by the office of the BPM for the District. Exhibit A served as a “general guide in determining the minimum ‘professional standard’ for performance of the services required for operation of the office of the BPM.” KPMG tested for compliance with the entirety of Exhibit A, noting that section 5 documented Excluded Services.

This category describes the actions expected of the BPM with respect to reporting, advising, or making recommendations to the Chancellor and Board of Trustees:

- 4.1 Consult with the Chancellor and relevant District executive management to coordinate and discuss investigations and corrective plans
- 4.2 Inform appropriate District executive management, the Board of Trustees, and the public of the BPM's activities, findings, recommendations, and accomplishments
- 4.3 Provide technical advice and recommend corrective internal controls, policies, and procedures to Bond Program management, the Chancellor, and the Board of Trustees
- 4.4 Make regular status reports to the Chancellor and Board of Trustees on objectives, critical problems, investigation findings, and corrective recommendations on matters related to the Bond Program
- 4.5 Make semi-annual reports on BPM activities that shall be available to the public and not later than three days after issuance of any report that is publicly available
- 4.6 Alert the Chancellor and the Board of Trustees as early as possible to instances of criminal behavior or misconduct
- 4.7 Develop and implement training programs for Bond Program and District staff



# Appendix B: Compliance Review Detail – Exhibit A (continued)



\$5.0

## Excluded Services

### Description of Basic Services Compliance:

Exhibit A of the contract between Exiger and the District “contains a description of the scope of the Basic Services to be performed by the office of the BPM for the District. Exhibit A served as a “general guide in determining the minimum ‘professional standard’ for performance of the services required for operation of the office of the BPM.” KPMG tested for compliance with the entirety of Exhibit A, noting that section 5 documented Excluded Services.

The following services shall not be the responsibility of the Bond Program Monitor. One of the purposes of listing excluded services is to identify areas where the Bond Program Monitor is not responsible to self-initiate and conduct audits, reviews, or investigations. However, the listing of such excluded services is not intended to limit and shall not be interpreted as limiting

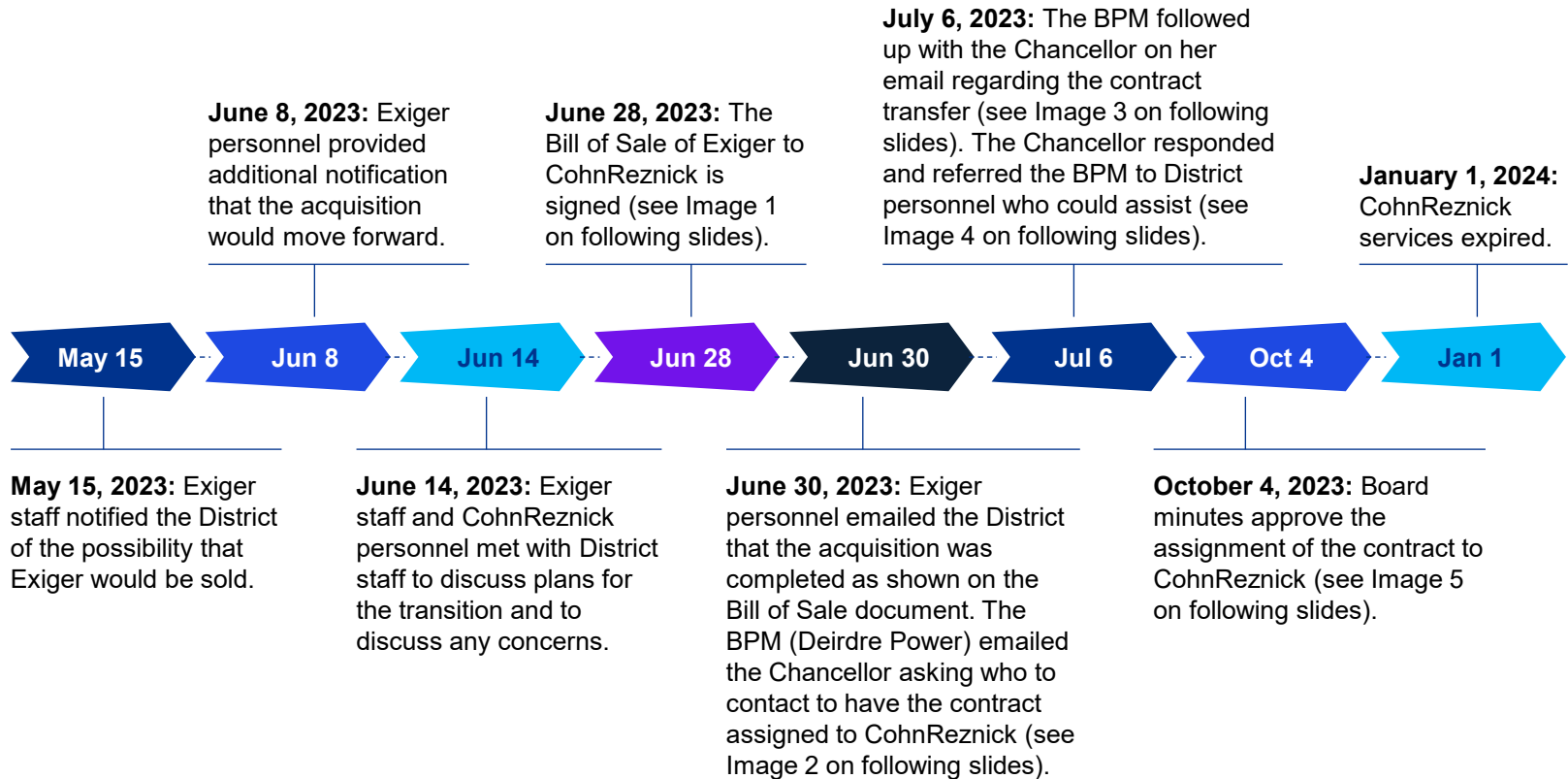
(a) the scope of the Bond Program Monitor's responsibility to exhaust all avenues of investigation of information involving Misconduct or

(b) Bond Program Monitor's access to any information, including, without limitation, information within the scope of that mentioned in a description of an excluded service:

- 5.1 Conducting regularly scheduled financial, operational, or performance audits of the Bond Program under circumstances where there is no perceived need for such an audit based on circumstances of reported Misconduct
- 5.2 Conducting audits (including, without limitation, spot audits of raw data reviewed by the District's financial and performance auditors) for the purpose of searching for and "rooting out" unreported and unsuspected misconduct
- 5.3 Making recommendations to the District on management decisions, budgetary matters, setting policy, or internal controls affecting Routine management functions
- 5.4 Providing legal advice to the District; provided, however, that the foregoing shall not be interpreted as limiting the BPM's responsibility for making all necessary whether allegations of misconduct constitute a violation of applicable laws or District administrative procedures or regulations
- 5.5 Investigation of crimes (other than white collar crimes) involving Misconduct
- 5.6 Advising the District on matters of employee Misconduct involving students
- 5.7 Advising the District on matters involving violations of classified work requirements or labor law requirements

# Appendix C: Timeline of Sale to CohnReznick

To determine whether Exiger followed all contract required notifications to the District during its acquisition by CohnReznick while under contract with the District, KPMG reviewed a timeline of the Exiger sale to CohnReznick including Exiger’s notifications to and meetings with the District. After communication with the BPM and reviewing all provided supporting documentation, KPMG observed the timeline of the sale to be as follows:



# Appendix C: Timeline of Sale to CohnReznick (continued)

Below are images that support the timeline presented in Appendix C

Image (1)



This BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment"), is entered into as of June 28, 2023, by and among EXIGER, LLC, a Delaware limited liability company ("Exiger"), Convergent Solutions, Inc., a Virginia corporation ("Convergent" and together with Exiger, "Seller") and COHNREZNICK LLP, a New Jersey limited liability partnership ("Buyer"). Each of Seller and Buyer is also referred to herein as a "Party" and collectively as the "Parties".

Image (2)



On June 30, 2023 at 3:55:58 PM EDT, Deirdre Power <[dpower@exiger.com](mailto:dpower@exiger.com)> wrote:

Good afternoon, Dr. Rodriguez – the acquisition is now final. Who should we contact regarding requesting that the contract be assigned to CohnReznick?

Thank you. And enjoy your long weekend!

Deirdre

Image (3)



**From:** Deirdre Power <[dpower@exiger.com](mailto:dpower@exiger.com)>

**Sent:** Thursday, July 6, 2023 2:19 PM

**To:** Rodriguez, Francisco C <[RODRIGFC@EMAIL.LACCD.EDU](mailto:RODRIGFC@EMAIL.LACCD.EDU)>

**Cc:** Denise Lewis <[lewisconsulting@charter.net](mailto:lewisconsulting@charter.net)>

**Subject:** Re: Exiger's Integrity Monitor practice acquisition by CohnReznick

Good afternoon Chancellor - I am following up on this. Who should I contact about requesting a contract transfer?

Thank you and enjoy your upcoming vacation!

Deirdre

# Appendix C: Timeline of Sale to CohnReznick (continued)

Below are images that support the timeline presented in Appendix C

Image (4)



**From:** [Rodriguez, Francisco C](#)  
**To:** [Deirdre Power](#)  
**Cc:** [Denise Lewis](#); [Moffett, Valencia M](#)  
**Subject:** RE: Exiger's Integrity Monitor practice acquisition by CohnReznick  
**Date:** Thursday, July 6, 2023 2:24:15 PM

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Good afternoon, Deirdre –

I am copying Valencia Moffett, our Director of Fiscal Services, who can assist

Thanks!

FCR

Image (5)



## Public Content

Ratify consent to the assignment of rights and delegation of duties under Professional Service Agreement No. 4500266910, effective July 1, 2023, from the assignor, Exiger LLC, to the assignee CohnReznick, LLP, for bond program compliance monitoring services. This agreement is under the auspices of the Office of the Chancellor. The period is July 1, 2023 to January 1, 2024, inclusive. No Cost.



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