

WCCUSD BOARD OF EDUCATION  
SUBCOMMITTEE ON CLAY INVESTIGATION  
SEPTEMBER 15, 2016  
ANTON JUNGHERR TESTIMONY  
A.2 CLOSED SESSION INITIATION OF LITIGATION

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WCCUSD BOARD OF EDUCATION  
SUBCOMMITTEE ON CLAY INVESTIGATION  
SEPTEMBER 15, 2016  
ANTON JUNGHERR TESTIMONY  
A.2 CLOSED SESSION INITIATION OF LITIGATION

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[REDACTED]

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40 specified in the SGI contract VI C recommended that the District should consult with legal

[REDACTED]

WCCUSD BOARD OF EDUCATION  
SUBCOMMITTEE ON CLAY INVESTIGATION

SEPTEMBER 15, 2016  
ANTON JUNGHER TESTIMONY  
B.4 MINUTES AUGUST 1, 2016

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2  
3 Disclaimer: The author of this document is a member of the WCCUSD Citizens' Bond Oversight Committee (CBOC). However, the views  
4 expressed in this document are those of the author Anton Jungherr and not of the CBOC.  
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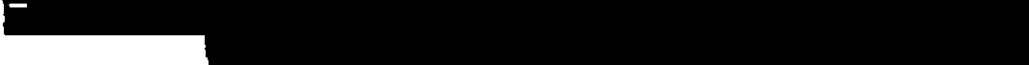
I suggest:

1. That all handouts referred to in the minutes be actually attached to the minutes and be noted in the minutes that these documents are attached to the minutes.
2. That page numbers be added to the footer of the minutes.
3. That a note be added to page 4 of the minutes that indicates that subsequently to the August 1, 2016 meeting the date of the next Committee meeting was changed to September 15, 2016 at 5:00 PM.
4. That all documents submitted to the Committee from staff, consultants or members of the public be referenced in the minutes, and be attached to the minutes.
5. That written public comments submitted to the Committee in regards to the VLS Bond Program September 9, 2016 Preliminary Draft be displayed on the Committee's website

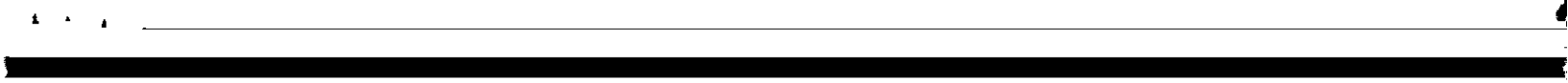
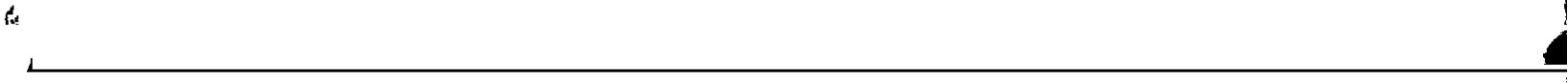
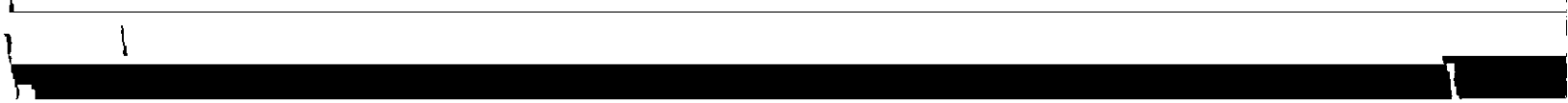


September 15, 2016

Good evening, my name is Kevin MacQuarrie, Vice President of WLC Architects, Inc. (WLC) (2600 Tenth Street, Suite 500, Berkeley, CA 94710). I have practiced architecture for nearly 30 years, and have had the honor of working with many school districts, including West Contra



Over the course of hundreds of years, the United States has been a nation of immigrants. The



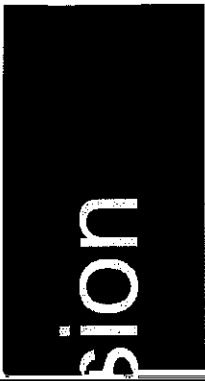
During the review of the budget transactions exported by the District from the server, VLS identified several budget entries made by the Principal Accountant on 3/8/2016 into Munis with an effective date of 7/1/2015. Since the budget entries have an effective date of 7/1/2015, the

2015/16 fiscal year. <sup>369</sup> Additionally, the budget entries were not included in the First and Second

2) One contract tested for Sylvester Greenwood Academy/LPS has no available budget.

therefore, it appears that the District approved the contract for a bond project that was underbudget. Refer to section TC (C) for TCG 1, TCG 2 and TCG 9 recommendations for

this area. Additionally, see E12-4 recommendation for this area.



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ckplace

TRICT

AAN<sup>LLP</sup>  
D-CPAS



# Table of Contents

**3-14)**

**Phase II (15-29)**

the final Risk Assessment Matrix Phase II and assigning the

ix

District to Consider Implementing to Lower the New Risk Score  
testing

**of Testing (30-125)**

Testing for the Test of Controls (TCs 1-16)

**ation (FI) Results of Investigation and**

the Forensic Accounting Investigation (FIs 1-11)

District to Consider Implementing Based on the Results of FI

**-376)**

**on Work Performed (377-380)**

**87)**

**for the Clay Investigation – September 15, 2016**



## nd Review Process

Completed, were submitted to the District  
cluded the results of testing and

Completed, were NOT submitted to the  
only the recommendations were  
strict for a response.

ts are submitted to the client for review  
ation. This allows for corrections to be  
prior to publicizing a report.

s decided that the Preliminary Draft  
able to the public at the same time it  
to the District and Subcommittee.



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Number of Recommendations to West Risk Score
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Number 15, 2016



**Allegation:**

BUD (2) – District increases budgets to match actual costs

**Work Step – FI (2) B:**

On a sample basis, review past project expenditures and compare to identified budgets.

**Conclusion (Page 158):**

Based on VLS's interview with District staff and the testing performed, it appears that the claim that the District increases budgets to match actual costs is substantiated as shown in Table 14: Summary of Contracts – Bud Entered After Board Approval of Contract (on page 157).



timely pay for vendors.

sample of vendor invoice

paid after 30 calendar

Days to Payment
B4
48
44
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73
37
41
35
94
33
33
88

– September 15, 2016



ing design as new design.

3:

igative steps to assess the claim that Lovonya DeJean ately billed as a new design and assess if this payment for this type of design.

317-318):

ld be considered when negotiating fees related to the re-igns.

nerally anticipated when architects re-use plans. A ally be between a flat rate of 5% and the OPSC fee

or Lovonya DeJean MS was limited to two buildings his scenario, a credit would not be typical as it is a very is, and WLC still had to prepare designs for the entire buildings into the designs.

100,000 was given to the District for the plans that were ; appropriate.

Committee for the Clay Investigation – September 15, 2016



past

tentions

ion release  
retention

5, 2016





or expected change orders was lost when the  
down. These expected change orders are currently

C:  
investigative steps to determine whether any change  
when Primavera went down are currently not recorded

57):  
and COs identified by the Master Scheduler were  
a.  
esting performed by VLS, 30 of 33 approved COs  
PCO logs and the dollar amount agreed to the amount  
/ the Board.  
is that were approved by the Board but not in the PCO  
t construction contracts and were not recorded in



n Munis are reflected in Primavera.

controls in place to ensure reconciliation accurate and complete. (Excerpt only)

):

standard system for generating project  
policy in communication between Munis and

ct Analyst developed a list of Munis-  
list the two systems in recognizing each

receive a copy of the construction or  
bond projects and has to conduct  
tracts are not in Primavera, which may not



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not been

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# Investigation Task Force

the establishment of a **Investigation Task Force** so that the work performed in Phase II are put in place by the District to ensure the work performed in Phase II are "hard" the task force should be designated as impacted should be appointed as a task force for the Clay Investigation remaining in place so that the task force may report directly to the Facilities Subcommittee could be a long way towards ensuring transparency, ensuring positive momentum.

Exhibits section, a detailed "List of all references to the applicable TC and FI utilized as a starting point to establish an investigation task force.



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District

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during



WCCUSD BOARD OF EDUCATION  
SUBCOMMITTEE ON CLAY INVESTIGATION

SEPTEMBER 15, 2016

ANTON JUNGHERR TESTIMONY  
C.2 ROLE OF CLAY INVESTIGATION SUBCOMMITTEE

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WCCUSD BOARD OF EDUCATION  
SUBCOMMITTEE ON CLAY INVESTIGATION  
SEPTEMBER 15, 2016  
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C.2 ROLE OF CLAY INVESTIGATION SUBCOMMITTEE

40  
41 Auditor Kim independence as Ms. Gamba is responsible for managing the internal control,  
42 budgets and expenditures of the bond program. You can't have Internal Auditor Kim report to

44  
45 Further you can't have the Internal Auditor report to Associate Superintendent LeBlanc, as has  
46 been suggested by Ms. LeBlanc, as this also is a basic conflict of interest as Ms. LeBlanc



**DRAFT**

**Clay Investigation Subcommittee – September 15, 2016**

**Recommendations Implementation Task Force**

In the Executive Summary of the Preliminary Draft Phase II Forensic Accounting Investigation Report, Vicenti, Lloyd, & Stutzman, LLP, strongly encouraged the District to establish a strict “Recommendations Implementation Task Force” so accountability measures are put in place in ensure that the report

outlined below and will report to the Facilities Subcommittee or the Clay Investigation Subcommittee on

WCCUSD BOARD OF EDUCATION  
SUBCOMMITTEE ON CLAY INVESTIGATION  
SEPTEMBER 15, 2016  
ANTON JUNGHERR TESTIMONY  
C.3 NEXT STEPS

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[Redacted] The author of this document is a member of the WCCUSD Citizens' Board Oversight Committee (CBOC). However, the vision

[Redacted]

September 15, 2016 (revised since posted to include Ms. Ricco)

Clay Investigation Subcommittee – Item C.2

Redacted text

Redacted text

Ricco (CBOC Chair) to the Clay Investigation Subcommittee to review potential

FI