The following regulation is established to identify the essential elements as a prerequisite for the District’s purchase, lease-purchase or lease longer than three years of real property for the benefit of the District.

I. Evaluation

A. Documentation - The College President shall be responsible for documenting the following matters prior to presenting proposed property acquisition to the Board.

1. The rationale for considering the location and services shall be presented; this rationale shall include a viability study for planned instructional uses, an estimate of cost commitment for the property lease or purchase and/or a business plan for proposed revenue enhancement projects.

2. A Viability Study shall include the following components:

   a. Viability Review Committee composed of college administration and faculty in appropriate positions to research program and course need and render informed recommendations.

   b. Information gathering relating proposed programs/classes to:

       i. College Mission;
       ii. Educational Master Plan;
       iii. Accreditation requirements;
       iv. Student demand;
       v. Service area demand;
       vi. Impact on college budget and finance; and,
       vii. Outside expert opinion and analysis.
3. A Business Plan shall include the following components:
   
ea. A Business Plan review committee composed of the College President, Vice President of Administrative Services, campus faculty leadership, District Facilities Planning Director, District Chief Financial Officer, and others prepared to assess the value and earning potential of identified properties.

   b. Information gathered to include:
      
i. Market analysis of property value;
   
   ii. Review of conceptual site plan;
   
   iii. Review of purchase vs. lease possibilities;
   
   iv. Assessment of potential partners;
   
   v. Revenue analysis; and,
   
   vi. Evaluation of possible impact on college finances and community relations.

B. Notification

1. If it is a lease or offsite location for less than three years, then the College’s Vice President of Academic Affairs must review it with the Council of Academic Affairs.

   a. The Council of Academic Affairs shall advise whether the proposed site/program competes with another LACCD institution.

   b. If there is competition with another LACCD institution, the College Presidents shall attempt to resolve the matter. If they cannot, the Chancellor shall make an appropriate determination.

2. If it is an acquisition, lease-purchase or lease longer than three years, the College President must notify the Chancellor.

   a. The Chancellor will review the matter with the Cabinet, and determine when the matter should be reviewed with the Board.

C. College President’s responsibility for Viability Study and Business Plans

1. The College President is responsible for ensuring that a comprehensive evaluation of the economics, including enrollment
projections, is conducted.

2. The College President is responsible for ensuring that the viability study has been reviewed and approved by the Cabinet, or the Cabinet and the Board, as determined by the Chancellor.

3. The College President is responsible for ensuring that before a real estate broker is engaged or solicited for assistance, Board approval should be obtained. To the extent that there is a desire to reserve purchase or lease rights, options may be negotiated with Board approval.

D. Preliminary Business Review

1. In the event of a proposed property purchase, the Facilities Planning & Development Department shall obtain and review a title report early in the transaction to identify title and lien issues; obtain a land survey and American Land Title Association (“ALTA”) extended coverage title insurance to locate and protect against easements and encroachments and have a Phase 1 environmental report prepared and reviewed to make certain there are no existing or potential environmental issues on the property.

2. The Facilities Planning and Development Division will obtain an appraisal, performed by a Membership of the Appraisal Institute (“MAI”) certified or equivalent appraiser, to ensure that the price is fair and reasonable for the District. For preservation of the privileges for attorney-client communications and attorney work-product, outside counsel should contract with appraiser.

II. Business Review and Financial Commitments

A. The CFO/Treasurer shall be responsible for reviewing the method of financing, the cost of that financing, the timing for acceptance of title or possession, and the timing for making payments.

B. The College President is responsible for pursuing the processes for obtaining State approval for an “educational center.”

C. The Facilities Planning & Development Department shall evaluate local zoning and subdivision control issues, which may apply to activities and facilities outside the educational curriculum, e.g., commercial enterprises.

D. The Facilities Planning & Development Department shall review or arrange for appropriate architectural or engineering review of structures for compliance with the Field Act, or identify an appropriate exception;
plans and specifications for new buildings must go through the Division of the State Architect.

E. The Facilities Planning & Development Department shall ensure that the facility is accessible for disabled persons, in accordance with applicable building codes.

F. The Facilities Planning & Development Department shall be responsible for ensuring the facility has been reviewed for appropriate safety conditions.

G. The Facilities Planning & Development Department shall review the use of the property for compliance with the California Environmental Quality Act. This may require an Environmental Impact Report, a Negative Declaration or a Categorical Exemption, public hearings and notices, and findings by the Board.

H. Environmental insurance must be obtained for any property acquisition. The College President or designee shall work with the Risk Manager to place the insurance.

I. The Facilities Planning & Development Department must identify and address any particular issues associated with the site. For example, if the property owner is not amenable to negotiations and condemnation is contemplated, special costs and considerations will have to be weighed.

J. The Facilities Planning & Development Department shall work with the College President and other appropriate College representatives in coordinating the preparation of a plan and cost of construction estimate to improve the property to a condition which would accommodate the College’s intended use.

III. Due Diligence Responsibilities

A. The Facilities Planning & Development Department shall arrange for an appropriate Environmental Site Assessment for man-made and natural toxicity issues, as well as any applicable State agency review.

B. The Facilities Planning & Development Department shall be responsible for reviewing or arranging for appropriate review of whether the property is located within a flood plain.

C. In addition to the requirements contained herein regarding purchasing real property, if a College is considering acquiring a site or sites for the purpose of constructing a school building as defined by Education Code section 81130.5, these additional requirements must be satisfied:
1. The College President shall work with the Facilities and Planning Department to have the site(s) thoroughly investigated to evaluate all factors affecting the public interest and whether it is economically feasible to construct on this site, which includes, but is not limited to, the raw land cost.

2. If the site is either located within a special studies zone as identified on a map by the State Geologist pursuant to Public Resources Code section 2621 et seq., or within an area designated as geologically hazardous as provided in Government Code section 65302(g), or if the estimated cost to reconstruct or alter or add to a building which alters structure elements exceeds $20,000.00, the investigation shall include geological and soil engineering studies to assess the nature of the site and potential for earthquake or other geological hazard damage. The study shall also evaluate the location of the site with respect to population, transportation, water supply, waste disposal facilities, utilities, traffic hazards, surface drainage conditions and other factors affecting the costs of the total project. The cost of geological and soil engineering studies may be treated as a capital expenditure.

3. This investigation is not necessary if the site or sites have been subject to adequate prior studies and the College has access to this information.

4. A copy of each investigative report shall be submitted to the Board of Governors and the Department of General Services.

5. The Facilities, Planning and Development Department is responsible for ascertaining whether the Department of General Services requires geological or soil engineering studies for the construction or alteration of any building on a site not located within a special studies zone.

6. If a proposed site or an existing site where a proposed addition will be made is within two miles of an airport runway or a runway proposed by an airport master plan, the Facilities, Planning and Development Department shall notify the Board of Governors in writing prior to acquiring title to the proposed property or prior to making additions to the existing property. No further action will be taken with respect to the site until such time that the Board of Governors has issued a report on the site and the requirements of Education Code section 81033 (c) and (d) have been satisfied.
IV. Use of Bond Funds

A. If bond funds are to be used, the College President must ensure that the property is reviewed by the Program Manager, the College Project Manager, and the Executive Director of Facilities Planning & Development.

B. The Facilities Planning and Development Department will provide bond counsel with the site location, the applicable college and the proposed use in order to verify whether the use of bond funds is legal.

C. A memorandum must be sent by the College President to the Chancellor confirming that the College’s shared governance processes have been consulted. The memorandum should confirm that the shared governance group supports the action and its timing relative to other projects, and that the support was based on a full understanding of the probable cost.

D. The College President is responsible for ensuring that the proposed site was anticipated as a use of the bond funds by the community.

V. Legal Processes

A. The Facilities Planning and Development Department is responsible for assigning appropriate legal counsel.

B. Real Property Counsel must review the transaction for any special safety and legal considerations if the planned use involves significant participation by minors.

C. The Board may discuss real property in closed session only to provide direction to the real property negotiator(s). The Facilities Planning and Development Department shall schedule an appropriate time through the Office of General Counsel.

D. Public action must be taken by the Board to make the final decision. Closure of the sale shall not be performed until all due diligence has been performed.
I. Development of EIR Schedule

A. No later than two weeks after the execution of the contract for the CEQA Consultant, the CEQA Consultant should prepare a draft EIR processing schedule.

1. The draft schedule should detail projected dates for the entire EIR process, including but not limited to Notice of Preparation, completion of technical studies, screencheck draft review, public review period, community meetings, Final EIR preparation, and Board certification. The draft schedule should be coordinated with the Master Plan Consultant and the College Project Manager to ensure that the EIR is processed and certified in time to allow the Master Plan to be approved and construction to proceed on the first phases of implementing projects at the earliest feasible date.

2. The CEQA Consultant should distribute the draft schedule to the entire Project Team for review and comment.

3. As much as possible without creating undue delay, the schedule should allow for and include the following:

   a. **FOUR WEEKS BEFORE PUBLIC EIR MEETINGS** – The CEQA Consultant should send a draft list of groups to receive notices to Chancellor for distribution to the Board.

   b. **TWO WEEKS BEFORE PUBLIC EIR MEETINGS** – The CEQA Consultant should send an announcement of public meetings regarding EIR to the Chancellor for distribution to the Board.

   c. **ONE MONTH PRIOR TO BOARD VOTE ON EIR** – The CEQA Consultant should send the draft EIR to Chancellor for distribution to Board. The College President should make a request to the Executive Director of Facilities
Planning and Development to schedule the presentations for the Board meetings.

d. **ONE BOARD MEETING PRIOR TO BOARD VOTE ON EIR**
   – The College President and CEQA Consultant should make a presentation regarding the master plan and draft EIR to the Board, as well as hold the public hearing before the Board regarding the EIR.

e. **CERTIFICATION** – The College President and CEQA Consultant should make a presentation to the Board to follow up on the public hearing/Board comments; the Board should take an action regarding the certification of the EIR.

4. **General parameters for the forwarding of materials**

   a. There is a package of information sent to the Board members the Friday before each Board meeting. In order to have material included in that package, the material should arrive in the Chancellor’s Office by the Thursday morning prior to the Board meeting.

   b. In the event that a regularly-scheduled package is not available within these time constraints, a special package may be sent on “off” Fridays if the College President or Vice President contacts the Executive Assistant to the Chancellor at least 48 hours in advance.

   c. Copies should be made back-to-back, with no plastic tabs.

B. No later than four weeks after the execution of the contract for the CEQA Consultant, the CEQA consultant should issue the final EIR processing schedule.

II. **Public Outreach**

   A. **Public Meetings.** In addition to all project scoping meetings, agency consultations, public notices and review opportunities required by CEQA, the Project Team shall hold at least two (2) public meetings at the college during the 45-day Draft EIR public review period. One meeting shall be held approximately 7-10 days into the review period, and the second meeting shall be held approximately 35-37 days into the review period. The purpose of the meetings will be to present the conclusions of the Draft EIR and receive comments from the college community and the public at large concerning the project impacts, mitigation measures and alternatives. Written comments and a summary of oral comments
received at the meetings should be included, with a response, in the Final EIR.

1. **Circulation of Draft Notices and Distribution Lists.** The CEQA Consultant shall circulate the proposed notice and distribution list in draft form to the Extended Project Team and each member of the District Board of Trustees at least seven days prior to the proposed public distribution, so that the Extended Team and Board may have an opportunity to identify additional groups and individuals that should receive notice.

2. **Notice of Public Meetings.** Notice of each public meeting and of the availability of the Draft EIR for public review should be widely circulated by mail, posting, publication, and other reasonable means, including but not necessarily limited to: (i) delivery to each member of the District Board of Trustees; (ii) mailing to residents and businesses located within 1000 feet of the college; (iii) posting flyers on the college campus; (iv) posting notices on the college and District websites; (v) publication in newspapers, including newspapers serving non-English speaking communities; and (vi) mailing to public agencies, elected officials, and community and civic organizations that may have an interest in the project.

3. **Presentation to the Board of Trustees.** In addition to the public meetings at the college as described above, the CEQA Consultant should expect to make a brief informational presentation on the Draft EIR to the District Board of Trustees at the Board’s first available regular Board meeting following public release of the Draft EIR. College staff and the District Chancellor will confirm the meeting date, and will determine the scope and format of the presentation, which may be combined with a presentation on the progress of the Facilities Master Plan. Additional presentations to College and District committees and groups may be required.

III. **The Project.** A separate EIR will be prepared for each of the nine colleges in the District. Each college will select a CEQA consultant from the list of approved firms maintained by the District Program Manager. The “project” to be analyzed in the EIR will be the college’s proposed Facilities Master Plan and development, rehabilitation and reconfiguration of college facilities as identified in the Facilities Master Plan.

IV. **The Project Team.** District personnel and consultants having a role in the EIR process will include:
▶Core Team:

A. **CEQA Consultant.** Prepares the EIR and related notices and documentation. May include technical specialists (traffic, biologic, etc.) in-house, as subconsultants, or under separate contract to District.

B. **CEQA Counsel.** Assigned and supervised by Facilities Planning and Development; reviews EIR and notices; prepares resolutions and findings as needed.

C. **Master Plan Consultant.** Prepares the Facilities Master Plan for the college.

D. **College President or designee.** Provides information and direction for the project team.

E. **College Project Manager.** Each college has a Project Manager firm managing Prop. A projects at the college. As part of these duties, the College Project Manager will supervise the CEQA Consultant.

▶Extended Team:

F. **District Program Manager.** Coordinates the building program at the District level. Responsible for contract processing and District-wide reporting.

G. **District Executive Director of Facilities or designee.** Provides supervision and direction for the building program and the District Program Manager.

V. **Lead Agency.** The “lead agency” for the project will be the Los Angeles Community College District. The District’s Board of Trustees will decide on certification of the EIR and will adopt findings, mitigation measures and/or project alternatives as appropriate.

VI. **Scope of the EIR.** Each EIR will be a “program” EIR, but should contain sufficient “project-level” detail concerning each proposed Master Plan facility so as to provide environmental clearance without further CEQA documentation for each facility to the maximum extent feasible. (See Section 15168(c) of the State CEQA Guidelines, 14 Cal. Code Regs. §15168.)

VII. **Timing for the EIR Process.** Generally it is anticipated that the EIR process will take 5-9 months, from execution of the CEQA Consultant’s contract to EIR certification by the Board of Trustees.

VIII. **Selected Issues re: Content of the EIR.** In addition, to traffic analysis, air quality analysis, and other applicable contents, the EIR should address the following:
A. **Sustainability.** In analyzing impacts related to the consumption of energy and other natural resources, the EIR should discuss the Sustainability Guidelines adopted by the District Board of Trustees for the Prop. A program.

B. **Zoning Consistency.** Although state law permits District classroom facilities to be exempted from local zoning control, the EIR should address consistency between the proposed Master Plan facilities and existing zoning regulations of the applicable jurisdiction (City of L.A. or County of L.A.). District representatives will be meeting with City and County officials to present the facilities plan and identify and resolve any zoning issues.

C. **Student Growth Projections.** A key threshold issue for impact analyses throughout the EIR will be the forecast of future student enrollment. The CEQA Consultant should consult with College staff and the Master Plan Consultant to identify at the outset a reasonable time horizon and student growth forecast for the EIR analysis. Projecting too little growth may understate impacts and diminish the useful life of the EIR, while overestimating growth may lead to overstating impacts and excessive costs for mitigation. One possible approach would be to provide in the EIR and Mitigation Monitoring Program for phased mitigation, whereby one set of mitigation measures (e.g. traffic and parking improvements) would be required with the initial phase of facilities construction, and another set of measures could be deferred to a later phase.

IX. **Document Review by CEQA Counsel and the Core Project Team.** The CEQA Consultant is responsible for making sure that CEQA Counsel and the Core Project Team review all notices and documents before being issued. For the Draft EIR, the CEQA Consultant should allow in the schedule at least seven days for internal review of a “screencheck” draft by CEQA Counsel and the Core Project Team. After the document has been revised in response to internal comments on the screencheck draft, CEQA Counsel should review the revised draft to verify that any material issues have been addressed before the Draft EIR is printed and circulated for public review. The schedule should also allow at least three days for review of the responses to comments and Final EIR before it is circulated to commenting agencies and the Board of Trustees.

X. **Certification by the Board of Trustees.** Before the Final EIR is placed on the Board of Trustees’ agenda for certification, a meeting of the Extended Project Team should be held to discuss anticipated issues in controversy and coordinate the presentation to the Board.

XI. **Incorporation of State CEQA Guidelines.** These guidelines are intended to supplement, not supersede, the provisions of CEQA and the State CEQA Guidelines, which are hereby incorporated by reference. In the event of any conflict, the provisions of CEQA and the State CEQA Guidelines will control.
XII. **Responsibility** The CEQA Consultant and the College Project Manager share joint responsibility for monitoring the progress of the EIR process and using reasonable efforts to meet the schedule.
This regulation applies to bond measure and mixed-funding projects managed through the Bond Program. Mixed-funding projects are defined as projects that are at least 50% funded by Proposition A, Proposition AA and/or Measure J proceeds.

**ARCHITECT/ENGINEER FEE GUIDELINES**

Architect/Engineer Fee Guidelines for Basic Services - New Construction/Renovation/Additions

- **Basic Services Include:**
  - Schematic Design (requires Board Approval)  SD
  - Design Development  DD
  - Construction Documents  CD
  - Bidding Support  BS
  - Construction Administration  CA

The above services to be performed, as applicable, by the following disciplines:

- Civil
- Architectural
- Structural
- Mechanical - HVAC
- Plumbing
- Fire Protection
- Electrical
- Hardware
- Landscaping
- Sustainability Consultant
- FF&E
- Signage and Graphics
The deliverables consist of:

- Drawings
- Specifications
- Basis of Design Report
- Cost Estimating Report
- BIM modeling (where applicable per contract)

For further definition of scope and deliverables refer to Design Consultant Services Agreement.

**LACCD PROPOSITION A/AA AND/OR MEASURE J BOND PROGRAM - ARCHITECT/ENGINEER’S BASIC SERVICES FEE GUIDELINES**

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<tr>
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<th>RENOVATION PROJECTS</th>
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<td>2.00%</td>
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Construction budget is published with any Request for Proposal for a design consultant. Construction budget is considered 70% of total project budget and does not include furniture, fixtures and equipment. Increase in construction budget through no fault of the design consultant will be added to the original construction budget and the A/E fee adjusted accordingly.

**SUB CONSULTANTS UNDER CONTRACT WITH ARCHITECT/ENGINEER**

Sub consultant’s services that are additional to the disciplines included above are subject to individual authorization. Fee for these services will be proposed by service provider and negotiated. Architect/Engineer is entitled to a markup of 3% for administration and risk as a contract reimbursable.

Most commonly required sub consultants service areas are:

- Programming
- Security
- Acoustics
- Traffic
- Arborist
- Food Service
- Audio Visual
- Theatre Consultant
The following procedures are established pursuant to Board Rule 71400.40. These procedures may be adjusted by the hearing officer or committee as deemed appropriate for the particular case.

1. Designation of Hearing Committee or Hearing Officer
   a. District staff will make a recommendation to the President of the Board regarding the appropriate hearing officer or Board committee, depending on the particular case.
   b. If the hearing is a meeting of a standing Board of Trustees’ committee, it is required to be conducted in a public session pursuant to the Ralph M. Brown Act.

2. Presentation
   a. Each side will be allocated equal time for presentation (“Presentation Time”). The Executive Director of Facilities Planning and Development or designee will be responsible for determining the appropriate time for any particular case, and will be responsible for providing appropriate notice.
   b. Each side may make an opening statement, which will be deducted from its Presentation Time.
   c. Since the proceedings are administrative, evidentiary objections will be limited to relevance. Objections to evidence such as hearsay and lack of foundation will be reserved for a closing statement, and will go to the weight of the evidence, rather than its admissibility.
   d. Once each side has made its full presentation, if it has Presentation Time remaining, up to five minutes may be used for a closing statement.
   e. The Hearing Committee members or Hearing Officer will be entitled to ask questions of witnesses, and after each side’s closing statements.
However, time spent asking and answering questions put forward by the Hearing Committee members or Hearing Officer will not be deducted from each side’s Presentation Time.

3. Testimony and exhibits
   a. A court reporter will record the proceedings. Transcripts may be made available to anyone upon request, at the expense of the requesting party.
   b. The court reporter will swear in all witnesses.
   c. If one side seeks to cross-examine a witness, the time spent on cross-examination will be deducted from its Presentation Time.
   d. Each side should be prepared with its exhibits pre-marked, and supply 12 copies. The District staff will use sequential letters, and the respondent will use sequential numbers. Exhibits will be included in the court reporter’s transcript as part of the official record.

4. Decision
   a. At the conclusion of the presentations, if the matter is being heard by a standing committee of the Board of Trustees, the Hearing Committee will deliberate in public session regarding its recommendation to the Board of Trustees. The Hearing Committee will then direct staff to prepare a draft of a written recommendation, and designate which member of the Hearing Committee will review the draft for finalization. If the matter is being heard by a Hearing Officer, the Hearing Officer will direct staff in the preparation of a recommended decision.
   b. The final recommendation will be presented to the full Board of Trustees for approval or disapproval promptly upon completion of the written recommendation.
Los Angeles Community College District
Proposition A/AA and Measure J Cost Principles

I. INTRODUCTION AND GENERAL PROVISIONS
Upon consultation with the Los Angeles Community College District (LACCD or District) and Bond Counsel, the District’s performance auditor drafted cost principles for LACCD consideration in its determination of allowable Proposition A/AA and Measure J Construction Bond Program (Bond Program) costs, under the California Constitution. These cost principles do not pertain to any other legal requirement or restriction on the use of Bond Program funds. These cost principles do not consider all potential project costs and will be considered in addition to other sources for the District’s consideration and decisions regarding the content of policies and procedures that the District might choose to adopt.

These cost principles are conservative in nature, provide information on cost reasonableness and do not supplant the requirements of the California Constitution. These cost principles will only be used in establishing a basis for future cost allowability pertaining to the cost principles identified. These cost principles apply the language of the California Constitution as well as recommended practices for determining allowable costs incurred.

No set of cost principles can define all of the specific activities, circumstances and situations that result in cost or cause a cost incurred to be determined as expressly unallowable, unreasonable or reasonable. Additionally, the interpretation of cost reasonableness can be subjective and differs from person to person, depending on the observer’s frame of reference and individual perceptions. Therefore, at best, the cost principles provided in this document can only provide guidance and cannot be considered a means for absolute determination of cost reasonableness. Anyone who applies these cost principles should consider how the actions impact the Bond Program and how these actions may be perceived. Those who monitor the actions of personnel working on the Bond Program are cautioned to recognize that interpretation and application of cost principles cannot be defined in absolute terms, and cannot be applied without actively seeking an understanding of the process and activity that resulted in the cost incurred. In all cases, consideration should be given to how a cost contributes to the completion of Listed Projects in an effective, efficient and expressly compliant manner.
II. DEFINITIONS

A. Bond Program Purpose: In order for costs to be considered to have a valid Bond Program purpose, the following criteria must be met:

1. Documentation must be provided that establishes a clear causal/beneficial relationship between the cost and the related cost objective. Generally the cost objective is a Bond Program project or projects.

2. The cost must not violate the provisions in the California Constitution, which states in part:

   a. Article XIII A, Section 1(b)(3) definition of costs which qualify as Bond Program expenditures: “Bonded indebtedness incurred by a school district, community college district, or county office of education for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities…”

   b. Article XIII A, Section 1(b)(3)(A) definition of costs which do not qualify as Bond fund expenditures: “A requirement that the proceeds from the sales of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses…”

B. Listed Projects: Listed projects are specified by Proposition A/AA and Measure J as required construction, reconstruction, rehabilitation, or school facilities replacement projects indicated in the LACCD Construction Bond Program Documents under the California Constitution (Listed Projects). Listed Projects pertain specifically to the Bond Program.

C. Expressly Unallowable: Costs which meet the California Constitution definition of costs that cannot be paid for using Bond Program funds (Bond Program Purpose 2.b. above). Although not required by California law, as a matter of policy, the Board may require that costs of this category that are incurred or committed after the adoption of this policy may have to be quantified and repaid using general funds.

D. Unreasonable Costs: Costs are considered unreasonable, as a matter of policy by the District, when in nature and amount these Bond Program charges exceed the amount that would be incurred by a prudent person in the conduct of school construction. Cost unreasonableness depends on a variety of circumstances, including:

   1. Whether the cost is not ordinary and/or necessary for the conduct of school construction.
   2. Good business practices, arms length bargaining, and District Policies have not been applied.
   3. District or contractor actions are contrary to fulfilment of the public responsibilities of the District.
   4. Proven deviation from established contractor practices.

Costs may be considered unreasonable for the purposes of the cost principles indicated in this document and not be specified as unallowable costs under the California Constitution and the Education Code. The California Constitution addresses certain aspects of the identification and allocation of certain costs to Listed Projects in determining cost allowability. Specifically, the California Constitution requires costs to be incurred for construction, reconstruction, rehabilitation, or school facilities replacement. The cost principles add the concept of cost reasonableness to the determination of whether a cost may or may not be a cost to be paid for out of Bond Program funds.
**E. Reasonable Costs**: Examples and definitions of reasonable costs are provided throughout this document. The burden of cost reasonableness proof is the responsibility of the District and/or the contractor. Costs which are inconsequential in amount and not material to the Bond Program will be considered reasonable in amount.

**F. Reimbursable Costs**: Costs incurred on cost reimbursable type contracts (including time and material contracts and guaranteed maximum price contracts).

### III. Cost Principles

<table>
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<th>Cost Category</th>
<th>Cost Principles</th>
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| Allocation of Program Management and other District Wide Costs | **Expressly Unallowable**: Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds**: Significantly inequitable cost allocations that result in excess cost allocation to Bond Program funded projects (as opposed to other non-Bond Program funded projects) is unreasonable. For example, program management costs associated with a project that is partially funded with Bond funds and partially with state funding should have a reasonably proportionate share of costs charged to each source of funding. |
| Bad Debts                                               | **Expressly Unallowable**: Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds**: Contractor and consultant pass-through of bad debt costs, including actual or estimated losses arising from uncollectible receivables, are considered an unreasonable use of Bond funds. |
| Bonuses and Incentive Compensation                      | **Expressly Unallowable**: Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds**: Contractor and consultant pass-through of bonuses and incentive compensation that are not supported by an established plan or which appear to be a distribution of profits to owners are unreasonable.  
**Reasonable Use of Bond Funds**: Established plan incentives or acceleration costs in support of a Bond Program purpose, such as timely occupancy of a building for classes or overtime, are reasonable. |
| Conference Costs                                        | **Expressly Unallowable**: Conference costs for which documentation is not provided to establish that a valid Bond Program purpose exists. For example, speaking on a panel when the purpose is to share information with other organizations, but for which no specific benefit to the Bond Program can be demonstrated, would be considered an expressly unallowable cost.  
**Unreasonable Use of Bond Funds**: Conference costs for which a Bond Program purpose can be established, but do not fit the definition of training are not considered a reasonable Bond Program cost. For example, even as to conferences that qualify... |
as training, sending a large number of staff members to a conference that does have value to the Bond Program, but for which fewer staff could attend and then share the information with the remaining BuildLACCD staff may be considered an unreasonable cost. The exception definitions above do not apply to training related activities. Please see the separate section on training activities for exception definitions on training costs.

| Contingencies | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Contractor and consultant pass-through of contingency costs are considered an unreasonable use of Bond funds because these costs are estimated future costs and Bond fund expenditures should be based on actual costs. |
| --- | --- |
| Contributions or Donations | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Contractor and consultant pass-through of contributions and donations are considered an unreasonable use of Bond funds. Efforts by BuildLACCD staff to solicit contributions are an unreasonable use of staff resources. |
| Credits | “Credits” means credits against billings in the program, and does not relate or refer to tax credits.  
**Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Credits related to Bond fund expenditures shall be credited to the Bond Program. Failure to credit the Bond program results in an unreasonable cost. |
| Curriculum Development | **Expressly Unallowable:** Development of curricula for District college course or for use related to general District education programs. For example, development of curriculum on sustainability for use in college courses would be expressly unallowable as a use of Bond funds.  
**Unreasonable Use of Bond Funds:** Curriculum development costs which do not support allowable training cost (as defined above) are not considered reasonable.  
**Reasonable Use of Bond Funds:** For example, “bidders’ boot camp” training material development is considered a reasonable cost to the extent it provides guidance required to comply and assist with qualified bidder participation in Bond Program procurement requirements. |
| Entertainment Costs | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Entertainment costs (as defined below) are considered an unreasonable use of Bond funds.  
Entertainment costs are defined as costs of amusement,
<table>
<thead>
<tr>
<th>Diversion, social activities, and any directly associated costs such as tickets to shows or sporting events, holiday parties, and other similar events are considered entertainment.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fines and Penalties</strong></td>
</tr>
</tbody>
</table>
| **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Contractor and consultant pass-through of fines and/or penalties incurred by the contractor or consultant are considered an unreasonable use of Bond funds. Fines and penalties incurred by the LACCD may or may not be an appropriate use of Bond funds. |
| **Food Service Costs** |
| Bond funds may not be used for food of any type except for groundbreaking ceremonies, “topping off” ceremonies, ribbon-cutting ceremonies and events for safety promotion. Food expenses for these events should be limited to a reasonable amount and require the advance, written approval of the Chancellor, Deputy Chancellor or Executive Director of Facilities Planning and Development when they will be in excess of $10,000 for any one day on any one campus. This financial limit shall not apply to the expenses associated with physical set-up for one of the enumerated events that is unrelated to food service, such as the rental of a tent and chairs. |
| **Grant Writing** |
| **Expressly Unallowable:** Grant writing for the purpose of obtaining funds to provide for College operating costs or for other unallowable activities as defined in the California Constitution.  
**Reasonable Use of Bond Funds:** Costs related to management of grant funds, regardless of source, that are associated with Bond-funded projects are considered a reasonable use of bond funds. |
| **Internship Program Costs** |
| **Expressly Unallowable:** Internship costs for which documentation is not provided to establish that a valid Bond Program purpose exists. For example, internship program costs incurred to place students in jobs that are not related to the Bond Program are considered unallowable costs.  
**Unreasonable Use of Bond Funds:** Internship costs for which a Bond Program purpose can be established, but the value to the Bond Program is questionable in nature or the amount is unreasonable.  
Costs related to time spent recruiting interns is considered an unreasonable cost because it is considered unnecessary.  
**Reasonable Use of Bond Funds**  
Costs related to managing interns, including training interns prior to placement are considered reasonable if reasonable in amount. Costs related to placement of interns in specific Bond-funded positions is considered reasonable if reasonable in amount. Costs related to advertising internship opportunities in publications or web sites, including the time spent preparing the
| **LEED Costs** | **Expressly Unallowable:** Leadership in Energy and Environmental Design (LEED) related costs for which documentation is not provided to establish that a valid Bond Program purpose exists. LEED certification of BuildLACCD staff for the purpose of personal certification and not caused by the Bond Program or necessary for use on the Bond Program would fall into this category.  
**Unreasonable Use of Bond Funds:** LEED costs for which a Bond Program purpose can be established, but the value to the Bond Program is questionable in nature or the amount cannot be proven by the contractor to be reasonable. Costs that are not ordinary and/or necessary to the accomplishment of Bond Program objectives are to be presumptively considered unreasonable.  
**Reasonable Use of Bond Funds**  
Training that is required to address unique Bond Program technical objectives, to perform complex activities to achieve required Bond Program outcomes and/or to fulfil specific instructions required for work performance may be considered allowable in nature. The reasonableness of the cost amount will depend, in part, on whether the cause of the training requirement came from Bond Program objectives and the nature of supplier contract pricing with the District. Costs to obtain LEED certification of buildings are considered reasonable if reasonable in amount. |
| --- | --- |
| **Lobbying Costs** | **Expressly Unallowable:** Bond-funded staff time and resources, such as photocopiers and email, may not be used to support or oppose any campaign for an individual, ballot measure or legislative initiative or to advocate for or oppose any regulation or administrative rule of any government agency. Bond-funded staff time may be used to evaluate the potential impact of pending legislation on the bond-funded projects, for the sole purpose of advising District management of these considerations. Bond-funded staff time and resources may not be used to communicate or meet with State legislators or local politicians, except as necessary to negotiate land use, transportation, or environmental mitigation issues related to the Bond Construction Program, or to advise them of overall program status, but not to discuss proposed or pending legislation.  
**Unreasonable Use of Bond Funds:** N/A, always unallowable. |
| **Outreach Costs** | **Expressly Unallowable:** Outreach costs for which documentation is not provided to establish that a valid Bond Program purpose exists.  
**Unreasonable Use of Bond Funds:** Outreach costs for which a Bond Program purpose can be established but the value to the |
Bond Program is questionable in nature or the amount cannot be proven by the contractor to be reasonable. Conference “take aways” are considered to be unreasonable, regardless of amount. Costs that are not ordinary and/or necessary to the accomplishment of Bond Program listed projects are to be presumptively considered unreasonable. Water bottles and other similar take away items are not considered reasonable. For example, the dissemination of “stress relief” hammers at conferences would be considered an unreasonable cost. At this point in the Bond Program, sufficient awareness should be present necessitating significant burden of proof that these costs are necessary.

**Reasonable Use of Bond Funds**

Business cards caused by and purchased for the LACCD Bond Program are allowable in nature.

<table>
<thead>
<tr>
<th>Pension Costs</th>
<th><strong>Expressly Unallowable:</strong> Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.</th>
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<tbody>
<tr>
<td></td>
<td><strong>Unreasonable Use of Bond Funds:</strong> Contractor and consultant pass-through of direct pension costs in excess of the current period funding obligation are unreasonable. Pension costs that are assumed as part of a contractor or consultant’s general fees or charges are not considered unreasonable.</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Public Relations</th>
<th><strong>Expressly Unallowable:</strong> Public relations costs for which documentation is not provided to establish that a valid Bond Program purpose exists.</th>
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<tbody>
<tr>
<td></td>
<td><strong>Unreasonable Use of Bond Funds:</strong> Public relations costs that do not constitute public information are considered unreasonable costs.</td>
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<tr>
<td></td>
<td><strong>Reasonable Use of Bond Funds:</strong> Public information costs include costs incurred to:</td>
</tr>
<tr>
<td></td>
<td>1. Respond to inquiries on Bond Program-related policies and activities</td>
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<td></td>
<td>2. Communicate with the public, press and other interested parties in relation to the Bond Program listed projects or the administration of those projects</td>
</tr>
<tr>
<td></td>
<td>3. Conduct general liaison with news media</td>
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<td></td>
<td>4. Sponsor tours of facilities related to the Bond Program</td>
</tr>
<tr>
<td></td>
<td>5. Sponsor special events related to building groundbreaking or opening</td>
</tr>
</tbody>
</table>

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<tr>
<th>Recycling Costs</th>
<th><strong>Expressly Unallowable:</strong> Recycling costs for which documentation is not provided to establish that a valid Bond Program purpose exists. Recycling competitions, recycling outreach and college recycling operations (not related to construction) fall into this category.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Unreasonable Use of Bond Funds:</strong> Recycling costs for which a Bond Program purpose can be established, but the value to the Bond Program is questionable in nature or the amount cannot be</td>
</tr>
</tbody>
</table>
proven are considered unreasonable. Costs that are not ordinary and/or necessary to the accomplishment of Bond Program objectives are to be presumptively considered unreasonable. **Reasonable Use of Bond Funds:** For example, recycling of construction materials on Bond Program projects is a reasonable cost, as is the cost of training users on how to use recycling equipment purchased with Bond Program funds.

| Relocation Costs | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Contractor and consultant pass-through of losses on home sales, costs incident to acquiring a home in a new location, and costs related to employees that resign within 12 months of relocation are considered unreasonable costs. |
|------------------|--------------------------------------------------------------------------------------------------|
| Severance Pay    | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Contractor and consultant severance payments that were not required by (a) law; (b) employer-employee agreement; or (c) established policy will be considered unreasonable. |
| Tenant Improvement Costs | **Expressly Unallowable:** Tenant improvement costs for which a clear Bond Program purpose cannot be identified are an unallowable use of Bond funds.  
**Unreasonable Use of Bond Funds:** Bond funds shall not be spent on building improvements solely to benefit a current or prospective tenant, but reasonable building improvements may be made with bond funds when the College has committed to use the proposed building improvements without change for at least five years after the expiration of the final lease term. No furnishings or equipment shall be purchased with bond funds or installed using bond funds for the exclusive use of a tenant; however, where the leased facility will be used jointly by the College and the tenant during the period such furnishings or equipment is being used, bond proceeds may be expended for furnishings and equipment expressly tied to the College’s use. In this connection, the acquisition and installation of major food services equipment in a College food court where both the equipment and the food court will be owned by the District shall be considered expressly tied to the College’s use, but shall first require confirmation from the District’s CFO/Treasurer designating an appropriate source of funds. For purposes of this Cost Principle, the term “tenant” shall mean any public, private or private nonprofit agency, partnership, corporation or other legal entity, other than the District or a College. |
| Termination Costs | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Contractor and consultant |
pass-through of termination costs that include unreasonable cost allocations are considered unreasonable costs.

| Training Costs | **Expressly Unallowable:** Training costs for which documentation is not provided to establish that a valid Bond Program purpose exists.  
**Unreasonable Use of Bond Funds:** Training costs for which a Bond Program purpose can be established but the value to the Bond program is questionable in nature or the amount cannot be proven by the contractor to be reasonable.  
**Reasonable Use of Bond Funds:** Training that is required to address unique Bond Program technical objectives, to perform complex activities to achieve required Bond Program outcomes, and/or to fulfill specific instructions required for work performance may be considered allowable in nature. The reasonableness of the cost amount will depend, in part, on whether the cause of the training requirement came from Bond Program objectives and the nature of supplier contract with the District.  
“Bidders Boot Camp” and other costs of helping contractors respond to Bond program Bid Requests, Requests For Proposal (RFP) and requests for Quotations (RFQ) are considered reasonable if reasonable in amount. |
| Travel Costs | **Expressly Unallowable:** Any costs for which documentation does not exist to validate that a Bond Program purpose exists are considered unallowable.  
**Unreasonable Use of Bond Funds:** Travel costs which exceed the maximums specified in the Federal Travel Regulation (FTR) and the Joint Travel Regulation (JTR) are considered unreasonable costs. |
CHAPTER VII

ARTICLE I

CONTRACTING

7100. BOARD RESPONSIBILITY FOR CONTRACTS. The Board of Trustees has the sole responsibility for all contracts obligating the District.

7100.10 Delegation of Authority to Enter Into and Amend Contracts. When such transactions do not exceed the dollar limits established in the Education Code or other laws pertaining to the taking of competitive bids, the Chancellor, or the Senior Vice Chancellor, the Executive Director of Facilities Planning & Development, the Director of Business Services and the Director of Facilities Planning & Development, and such additional positions or individuals which have been authorized by the Board of Trustees, may:

a. Contract for goods, services, equipment and rental of facilities as authorized by statutes in conformance with any limitations or requirements set forth therein.

b. Amend the terms and conditions of any contractual arrangement provided that the total expenditure of funds and period of contract do not exceed the limitations set forth in applicable state or federal law.

c. Agree to binding arbitration if the Chancellor, Senior Vice Chancellor, Executive Director of Facilities Planning & Development, or Director of Business Services determines that it is an appropriate business decision to do so.

EC 72287, 81640, 81644, 81655, 81656, 81658

Adopted or Restored 09-24-80
Amended 12-16-89
Amended 09-20-00
Amended 08-03-05
Amended 09-05-01
Amended 08-03-05
Amended 03-07-12
d. Delegation Authority: Effective December 1, 2000, except for contracts funded by the proceeds of the bond issues authorized by Proposition A on the April 10, 2001, election ballot, the Chancellor shall have the authority to delegate contracts which do not require formal, competitive bidding to College Presidents, and to the extent authorized by their respective College Presidents, to the Vice Presidents of Administration/Administrative Services and to acting or day-to-day substitute(s) for the Vice Presidents of Administration/Administrative Services in their absence. Any such delegation shall be in writing. The Chancellor shall issue regulations for such delegation and its implementation.

e. Effective October 1, 2001, the Chancellor shall have the authority to issue purchasing cards to District employees for the purpose of buying low-value materials, supplies and services, including business travel-related items. The Chancellor may delegate to the College Presidents, Senior Vice Chancellor and Executive Director of Facilities Planning & Development the authority to (a) designate District employees under their control to be issued purchasing cards, and (b) establish spending limits and other controls on the use of such cards. The Chancellor shall issue regulations establishing the use of purchasing cards and the associated delegation of authority.

f. In accordance with Education Code section 81655, the District shall not be bound to any contract unless and until that contract is authorized or ratified by the Board of Trustees. Any employee who signs a contract in violation of law or in violation of his or her authority may be disciplined. In addition, in accordance with Education Code section 81655, any such employee may be personally liable to the District for any and all moneys of the District paid as a result. District funds incurred as a result of such actions may be charged to the location which created the liability, as determined by the Chancellor or his designee.

Adopted or Restored 09-24-80
Amended 12-16-89
Amended 09-20-00
Amended 08-03-05
Amended 09-05-01
Amended 08-03-05
Amended 03-07-12
g. Effective March 8, 2012, the Executive Director of Facilities Planning and Development shall make future determinations of “substantial complexity” for purposes of allowing retention proceeds in excess of five percent in accordance with Section 7201 of the Public Contract Code, which generally limits retention proceeds in public construction contracts to five percent of the total contract payment unless (1) the governing body or its designee approves a finding during a regular and properly noticed public meeting that the proposed project is “substantially complex” and requires a retention amount greater than five percent and (2) the public entity includes both the finding and the designated retention amount in the bid documents for the project.

Adopted or Restored 09-24-80
Amended 12-16-89
Amended 09-20-00
Amended 08-03-05
Amended 09-05-01
Amended 08-03-05
Amended 03-07-12

7100.11 Emergency Contracts. In an emergency, as defined by the Education Code, a contract may be awarded on behalf of the District by the Chancellor, or designee, the Vice Chancellor of Business Services, or designee, for the performance of labor and furnishing of materials or supplies for the purpose without advertising for or inviting bids. Such contracts shall be reported to the Board of Trustees at the earliest possible date and in all circumstances within thirty (30) days after issuance.

EC 81648, 81656

Adopted or Restored 09-24-80
Amended 12-16-81
Amended 09-20-00
7100.12 Non-Discrimination. Any contractor performing work or providing services for the Los Angeles Community College District must certify that there is no discrimination in the contractor's hiring or employment practices because of sex, race, religious creed, color, ancestry, national origin, physical disability, mental disability, medical condition, marital status, or sexual orientation, except as provided for in section 12940 of the Government Code. All contractors must agree to comply with applicable federal and California anti-discrimination laws, including but not limited to the California Fair Employment and Housing Act beginning with sections 12900 of the California Government Code. In addition, the contractor must agree to require compliance by all subcontractors employed on the work by him/her.

When working for the District, contractors and their subcontractors who employ workers in any apprenticeable craft or trade, and who refer apprentices to the Los Angeles Community College District for enrollment, are subject to the provisions of the California Apprenticeship Law, the California Plan in Apprenticeship and the Affirmative Action Plan adopted by the Board of Trustees.


Adopted or Restored 09-24-80
Amended 12-16-81
Amended 09-20-00

7100.13 Discriminatory Trust and Restraints of Trade. Contractors shall be required to abide by Sections 16721 and 16721.5 of the California Business and Professions Code pertaining to unlawful discrimination in commercial transactions and unlawful restraints of trade.

EC 81641

Adopted or Restored 09-24-80
Amended 09-20-00
7100.14 Interests of Employees and Board Members. Employees of the District and members of the Board of Trustees shall not have an interest in any contract, other than their individual employment agreement, made by the Board.

EC  72533

Adopted or Restored 09-24-80
Amended  09-20-00

7100.15 Ratification of Transactions. All transactions and amendments thereto, entered into under Board Rules 7100, 7101, 7102, 7103, and 7104 shall be reported to the Board of Trustees for ratification within sixty (60) days of such transactions.

Adopted or Restored 09-24-80
Amended  09-20-00

7100.16 Rejection of Bids. Any and all bids may be rejected by the District for good and sufficient reason.

Adopted or Restored 09-24-80
Amended  09-20-00

7100.17 Advertisement for Bids. The Business Services Division shall advertise for bids in accordance with the provisions of the Education Code.

EC  81641

Adopted or Restored 09-24-80
Amended  09-20-00
Agreements with Local Law Enforcement Agencies. The Board authorizes the Chancellor to enter into agreements for each of the colleges with local law enforcement agencies that have jurisdiction within the District’s boundaries in order to clarify the operational responsibilities for investigating “Part 1” violent crimes occurring on District college campuses. Such agreements will clearly designate which law enforcement agency has operational responsibility for the investigation of any “Part 1” violent crime occurring on District campuses. In addition, the agreements will delineate the geographical boundaries of each agency’s responsibility, by attaching appropriate maps, if necessary. Such agreements shall be submitted to the Board for ratification.

Adopted 08-11-99
Amended 10-17-01

CONTRACTS. Contracts, involving expenditure amounts which require competitive bidding in compliance with law, shall require approval by the Board of Trustees prior to award and will be administered as indicated below:

Adopted or Restored 09-24-80

Bid and Contract Forms. Bid and contract forms shall be prepared by the Business Services Division. A file of the basic forms shall be prepared and maintained by the Division. All applicable statutory provisions and Board Rules shall be observed in preparation of the forms.

All bid notices issued by the Los Angeles Community College District shall contain an affirmative statement requiring compliance with California Labor Code Sections 1775 and 1776 governing payment of prevailing wages and California Labor Code Section 1777.5 governing employment of apprentices.

All bid submissions shall contain all documents necessary to assure the ability to comply with these California Labor Code Sections.

Failure to provide such documentation shall cause any such bid to be deemed incomplete.

Adopted or Restored 09-24-80
Amended 12-13-89
Bid Guarantees. When required or appropriate, bids shall be accompanied by a certified or cashier's check, or bid bond, in the amount specified in the bid form, as a guarantee that the bidder will enter into contract and furnish the required contract bonds. When no longer required for the protection of the District, any certified or cashier's check received shall be returned to the respective bidder.

Adopted or Restored 09-24-80

Distribution of Bid Documents and Receipt of Bids. The Business Services Division shall make available to the prospective bidders Bid Forms with sets of specifications and drawings and shall provide a convenient place where bidders, subcontractors, and materiel personnel may examine the specifications and drawings.

A deposit for sets of plans and specifications may be required and may be refunded when such documents are returned.

The Business Services Division shall receive the bids, open and read them aloud in public at the time and place specified in the bid, check them for regularity and compliance with legal requirements, and tabulate them.

Responsive Bids. An award shall be made to the lowest responsive bidder who meets District specifications and requirements in conformance with law. The Business Services Division shall be responsible for insuring that the bid specifications are sufficiently broad to encourage and promote open competitive bidding.

Public Works Bonds. Material and Labor Bond and Performance Bonds shall be issued for not less than one hundred percent (100%) of the contract price by a surety or sureties satisfactory to the District and in a form prescribed by the District.

Adopted or Restored 09-24-80
7101.15 Acceptance of Completion for Material and Labor Contract. When the entire work has been completed, as provided for in the contract, the Business Services Division shall submit a recommendation for Board acceptance of completion of the contract. After acceptance, a Notice of Completion of contract shall be filed with the County Recorder.

Adopted or Restored 09-24-80

7102. PURCHASING. The Chancellor, or designee, is authorized to procure equipment, supplies and services for all colleges, divisions and offices of the District within budgetary limitations as authorized in Board Rules 7100.

Adopted or Restored 09-24-80

7102.10 Competitive Bidding. Procurement actions shall be by competitive negotiations and bidding in compliance with statutes with award to the lowest responsible bidder meeting the specifications. The "lowest responsible bidder" is the lowest bidder whose offer responds in quality, fitness and capacity to fulfill and perform the particular requirements set forth by District.

a. Specifications. Specifications shall be descriptive of materials desired and sufficiently broad to conform to law and to promote competitive bidding.

b. Qualified Bidders. An effort shall be made to attract and develop a maximum of responsible bidders capable of offering the best prices consistent with quality, delivery and service.

Adopted or Restored 09-24-80

7102.11 Purchases. Bids for all purchases which exceed the amount permissible for ratification by law shall be submitted to the Board of Trustees for approval prior to award to vendor.

Adopted or Restored 09-24-80

7102.12 Guarantees. A performance guarantee may be required in the form of a bond from a surety company or on a form acceptable to the District.

EC 81640

Adopted or Restored 09-24-80
Purchase Orders for Subsequent Year. Following adoption of the Tentative Budget, but not earlier than May 15, purchase orders may be issued for delivery during the subsequent year in an amount not to exceed fifty percent (50%) of any approved appropriation in the Tentative Budget.

Adopted or Restored 09-24-80

Purchase of Cafeteria Supplies. The College President, or designee, is authorized to negotiate with vendors for furnishing perishable merchandise, food for preparing meals and related supplies not provided for by a Districtwide contract at the lowest possible cost consistent with the needs of the cafeteria with respect to service, delivery and quality. The College President is responsible for adhering to all procedures, rules and regulations established by District administration for accounting, control and payment authorization for such materials obtained.

Adopted and Restored 09-24-80

FACILITIES. The Business Services Division shall be responsible for the planning and programming of new construction, alterations and repairs of existing plants, and leasing of facilities which require State approval. This includes the planning and programming of college-initiated new construction, additions to existing plants, and major alterations and repairs of buildings and grounds. Planning and programming shall be done in cooperation with College Presidents, or designees, and with the Educational Services Division.

Adopted and Restored 09-24-80

Public Project Contracts: Alternative Procedures. The Board of Trustees has elected to be subject to the California Uniform Public Construction Cost Accounting Act (CUPCCAA), commencing with Sections 22000 to Part 3 Division 2 of the Public Contract Code with an effective implementation date of July 1, 2001. This election provides for the following:

Adopted 05-09-01
A. Public Projects of $30,000 or less. These projects may be performed by force account, by negotiated contract or by purchase order. When such work is contracted out, to the extent possible by law, at least three written quotes should be sought. Work specified herein shall utilize qualified contractors with the appropriate and current contractor license classification.

Adopted 05-09-01
Amended 07-13-05

B. Public Projects of $125,000 or less. These projects may be let to contract by informal procedures as set forth by the Uniform Public Construction Cost Accounting Act, particularly with respect to Sections 22034 and 22036 of the Public Contract Code. However, if all bids received are in excess of $125,000, the Board of Trustees may, through a resolution passed by a four-fifths vote, award the contract at one hundred and thirty seven thousand five hundred dollars ($137,500) or less, to the lowest responsible bidder, if it determines the cost estimate to be reasonable.

Adopted 05-09-01
Amended 07-13-05

C. Public projects of more than one hundred twenty five thousand dollars ($125,000). Public projects of more than one hundred twenty five thousand dollars ($125,000) will be let to contract by formal bidding procedures consistent with the Board Rules, Administrative Regulations, Business Operations Procedures and all other applicable Codes and laws. Such formal bidding shall be done by the Facilities Planning and Development Department under the direction of the Vice Chancellor of Business Services.

Adopted 05-09-01
Amended 07-13-05
D. **Emergency Work.** In cases of great emergency, as determined by the Board of Trustees, including, but not limited to, states of emergency defined in Section 8558 of the Government Code and Section 20654 of the Public Contract Code when repair or replacements are necessary to permit the continued conduct of existing college classes or the operation of services of the District Office or College or to avoid danger to life or property, the Board of Trustees by majority vote may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, work details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the Board of Trustees or its designee, by contract, or by a combination of the two. The Board of Trustees delegates to the Chancellor or his/her designee(s) the power to declare a public emergency subject to confirmation of the Board of Trustees, by four-fifths vote, at its next meeting.

E. **Contract Ratification and/or Approval by the Board.** Public project contracts under $125,000 shall be reported to the Board for ratification within sixty (60) calendar days of award of the contract. All public project contracts over $125,000 require prior approval by the Board of Trustees as set forth in the Board Rules.

Adopted 05-09-01
Amended 07-13-05

F. **Adjustments to Contract Amounts.** Every five years the State Controller’s Office may make adjustments to the above-mentioned public project contract amounts. Any such adjustment shall be effective beginning with the fiscal year that commences not less than sixty (60) calendar days following the State Controller’s notification to the Los Angeles Community College District.

Adopted 05-09-01
Delegation of Authority to Contract for Public Projects and Maintenance Work

The Board of Trustees delegates the authority to the Chancellor or the Vice Chancellor of Business Services, Director of Facilities Planning and Development, Director of Business Services, and such additional positions or individuals which have been authorized by the Board of Trustees to contract and oversee new construction, alterations, additions, and repair and maintenance activities for District facilities and equipment consistent with the Uniform Public Construction Cost Accounting Act, Board Rules, Administrative Regulations, Business Operations Procedures and any other applicable Codes and laws. Effective July 1, 2001, authority may also be delegated by the Chancellor to the College Presidents, and to the extent authorized by their respective College Presidents, to the Vice Presidents of Administration as designated by the College Presidents, and to acting or day-to-day substitute(s) for the Vice Presidents of Administration in their absence. Any such delegation shall be in writing. The Chancellor shall issue regulations for such delegation and its implementation.

In accordance with Education Code section 81655, the District shall not be bound to any contract unless and until that contract is authorized or ratified by the Board of Trustees. Any employee who signs a contract in violation of law or in violation of his or her authority may be disciplined. In addition, in accordance with Education Code section 81655, any such employee may be personally liable to the District for any and all moneys if the action may be charged to the location that created the liability, as determined by the Chancellor or his/her designee.

Adopted 05-09-01
Drawings and Specifications. The Business Services Division shall be responsible for preparation of drawings and specifications for new buildings, leased facilities, additions, major alterations and improvements of buildings and grounds together with estimates of costs. The Preliminary Drawings, which shall cover all proposed facilities, together with construction cost estimates, shall be submitted to the Board of Trustees for approval and authorization to proceed with the Working Drawings and Specifications. Upon completion, the Working Drawings, Drawings, Specifications and revised cost estimates, if any, will be submitted for approval to the State Chancellor's Office and the State Department of General Services as required by statute in the name of the Board of Trustees. The Final Working Drawings and Specifications, approved by the State Department of General Services and the State Chancellor's Office, together with revised estimates, if any, shall then be submitted to the Board of Trustees for adoption.

EC 81103, et seq. 81837

Adopted or Restored 09-24-80

Repair and Maintenance of Plants. College Presidents, in coordination with the Business Services Division, shall be responsible for the maintenance, repair, minor alterations and improvements of District grounds, buildings, facilities and similar work.

Amended 10-15-80
7103.12 Performance of Work by District Personnel. The Chancellor, President of each college, or designee, is authorized to utilize day labor or force account personnel to perform maintenance, repair, District approved alterations, new construction, or additions for buildings and grounds and related equipment so long as the labor time or cost expenditures do not exceed the limitations of the Education Code.

EC 81649

Adopted or Restored 09-24-80

7103.13 Material and Labor Proposals. Work involving an expenditure amount that requires competitive bidding will be awarded using the criteria established in Board Rule 7101. The Vice Chancellor of Business Services, or designee, is authorized to negotiate Material and Labor Proposals and issue Repair and Services Orders for minor new constructions, alterations, additions, and repair and maintenance activities for District facilities and equipment not to exceed the amount specified in Section 81640 of the Education Code.

College Presidents, or designees, may also negotiate Proposal Contracts and issue Repair and Service Orders for similar activities which have been approved by the Chancellor, or designee, the Vice Chancellor of Business Services, not to exceed the amount authorized by the Chancellor, or designee.

EC 81640

Adopted or Restored 09-24-80
A. The Vice Chancellor of Operations shall adopt a selection procedure to be used when the services of an Architect/Engineer or other related professional service providers are required for a new building or other major new or renovation project and the contract fee for such services will exceed $50,000 (hereinafter "selection procedure"). The selection committee membership shall consist of the Vice Chancellor of Operations and designees and representatives from the design professions as may be deemed necessary as well as representatives from Facilities Planning and Development and the President or designee from the affected location(s).

B. The Vice Chancellor of Operations, or designee, is authorized to negotiate professional service contracts with architects, engineers and related professionals involving plans, studies and reports pertaining to District owned and leased real property for projects of a minor scope not requiring the selection procedure. Contracts which require the use of the selection procedure shall be reported to the Board of Trustees for approval prior to the issuance of a contract. Contracts not requiring use of the selection procedure shall be reported to the Board for ratification within sixty (60) days of such transaction.

Adopted or Restored 09-24-80
Amended 12-15-99
7103.15 Prequalification of Bidders. Pursuant to Public Contract Code section 20651.5, prospective bidders for a contract or classification of contracts described in Public Contract Code section 20651, of a particular type and/or having an estimated cost to the District (either individually, or in the aggregate during the twelve (12) month period of prequalification provided for herein below), in excess of $1,000,000.00, may be required by the Executive Director of Facilities Planning and Development, or his designee, to furnish sufficient proof of public works experience and financial ability by completing a standard form questionnaire and financial information.

A. Applicants for prequalification shall provide answers to questions using a District standard form of questionnaire and financial statement that is based on the prequalification forms (either the long form or short form, as deemed appropriate) attached to these Rules, which are hereby adopted, including any modifications as may be deemed appropriate by the Executive Director. When completed, the questionnaire and financial information shall be verified under oath in the manner in which pleadings in civil actions are verified.

Adopted 07-19-00
Amended 12-06-00
Amended 09-04-02
Amended 12-01-04
Amended 08-09-06

B. Applicant responses to the District’s standard questionnaire shall be evaluated and selected applicants will be prequalified according to a uniform system of scoring that is based on the form of scoring sheet attached to these Rules, which is hereby adopted, including any modifications deemed appropriate by the Executive Director.

Adopted 07-19-00
Amended 12-06-00
Amended 12-01-04
C. Except as otherwise provided by applicable laws, the questionnaires and financial information are not public records and shall not be open to public inspection.

D. A determination by the District prequalifying an applicant shall not be construed a representation on the part of the District that any bids or proposals will be invited or solicited from an applicant or that a contract will be advertised, offered, bid or awarded only to prequalified applicants.

E. A determination that an applicant is prequalified shall, unless otherwise cancelled, revoked or limited by the District, remain valid for a period of twelve (12) months after the date that the applicant was prequalified, at which point the District may either allow the prequalification status of the applicant to expire of its own force or the District may, in its discretion and based on submission of updated or new information by the applicant, either renew the applicant’s prequalification status for another twelve (12) months or conduct a new prequalification.

F. Applicants wishing to dispute the results of a prequalification determination by the District shall be entitled, prior to the closing time for receipt of bids for the contract for which they have been prequalified (or, in the case of prequalification for a classification of contracts, prior to the closing time for receipt of bids for the first contract bid by District within such classification) to a process for appeal before a committee appointed by the President of the Board of Trustees.

Adopted 07-19-00
Amended 12-06-00
Amended 12-01-04

PLEASE NOTE: THE PREQUALIFICATION AND SCORING FORMS ARE LOCATED AT THE END OF ARTICLE I.
Alternate Bidding Procedure. To comply with the addition of Public Contract Code section 20103.8 effective January 1, 2001, whenever the District is required to competitively bid a project and additive or deductive items are included in the bid form, the Notice To Bidders shall specify one of the four methods described below which the District will use to determine the lowest bid. In the absence of such a specification, the lowest bid shall be the lowest bid price on the base bid without consideration of the prices on the additive or deductive items.

A. Methods For Determining Lowest Bid. If alternate bids are called for, the Notice To Bidders shall specify which one of the following methods will be used to determine the lowest bid:

(1) The lowest bid shall be the lowest bid price on the base bid without consideration of the prices on the additive or deductive items;

(2) The lowest bid shall be the lowest total bid prices on the base bid and those additive or deductive items that are specifically identified in the Notice To Bidders as being used for the purpose of determining the lowest bid price;

(3) The lowest bid shall be the lowest total of the bid prices on the base bid and those additive or deductive items taken in order from the specifically identified list of those items, depending upon available funds as identified in the Notice To Bidders; or

Adopted 01-24-01
Amended 04-18-01
(4) The lowest bid shall be determined in a manner that prevents any information that would identify any of the bidders from being revealed to the District before the ranking of all bidders from lowest to highest has been determined.

B. Designated Employee. In the event the District selects method (4) above, the procedure set forth below shall be followed:

The Director of Facilities Planning & Development or his/her designee shall designate an employee to perform the clerical functions described hereinafter. Said designated employee shall not be involved or participate in the decision making process of determining the low apparent bidder based upon the base bid and selected additive and/or deductive alternate bids.

C. Receipt of Bids. The following procedure shall be followed by the designated employee when receiving bids:

(1) As each bid is received, the designated employee shall write an assigned number on the front top right corner of the bid envelope and inform the bidder of his/her assigned number.

(2) As the designated employee opens each bid, the assigned number shall be written in the top right hand corner of the page(s) of the Bid Form that contain the bid amounts.

Adopted 01-24-01
Amended 04-18-01
(3) After all bids have been opened, the designated employee shall read each bid by assigned number, without reference to the name of the bidder.

(4) After reading all bids, the designated employee shall either (a) prepare a separate tabulation of each bid, to include only the assigned number and amounts of the base bid and all alternate bids, or (b) photocopy the page(s) of each Bid Form which include the base bid and alternate bid amounts, and excise any reference to the name of such bidder.

(5) The designated employee shall reinsert the original Bid Forms into the corresponding bid envelopes and shall retain custody of the bid envelopes in a secure area at the District until the low apparent bidder has been determined.

(6) Once the bid opening has been completed, the designated employee shall give to the Director of Facilities Planning & Development or his/her designee either the bid tabulation of the photocopied pages from the Bid Form containing the base bid and alternate bid amounts.

Adopted 01-24-01
Amended 04-18-01
D. Bid Protest. Should any bid protest be filed prior to the determination of the low apparent bidder based upon each bidder’s base bid and alternate bids, such bid protest(s) must be in writing and delivered to the attention of the designated employee. Upon receipt of any bid protest, the designated employee shall maintain the bid protest along with the bid envelopes.

Any bid protest received after the District has notified the bidders of the low apparent bidder, shall be directed to the attention of the Director of Facilities Planning & Development.

E. Selection of Low Apparent Bidder. Once the District has selected the low apparent bidder based upon the base bid and alternate bid amounts submitted, such determination shall be reduced to writing and retained by the District. Upon the selection of the low apparent bidder, the designated employee shall deliver the bid envelopes containing the original Bid Forms, and any bid protests received, to the Director of Facilities Planning & Development or his/her designee.

After the assigned numbers have been matched with the names of the bidders and the Bid Forms along with any bid protests have been reviewed, the bidders who submitted bids shall be notified of the low apparent bidder.

F. Selection of Alternate Bids. Once the lowest responsible bidder has been selected, the District may determine to add to or deduct from the Contract any of the additive or deductive items.

Adopted 01-24-01
Amended 04-18-01
OPPORTUNITIES FOR LOCAL, SMALL AND EMERGING BUSINESSES.

The Board of Trustees seeks to continue and further its mission to contribute to the economic development of the community. To that end, the Board adopts the following policy for the inclusion of local, small and emerging businesses.

A. Definitions.

1. “Bid” shall mean all facilities bids and proposals that are projected to be funded by at least fifty percent (50%) by the funds from Proposition A or AA, and that are first advertised on or after January 14, 2004;

2. “Emerging” shall mean a firm that has been in business in its substantially current form for up to five (5) years;

3. “Local” shall mean a business that has its principal headquarters located within Los Angeles County;

4. “Small” shall be defined in the same terms as defined by the federal Small Business Administration;

5. “Reimbursable Expenses” shall mean expenses such as photocopying, travel, telephone other services provided by another business, that are specified as permissible under the contract, and that are less than ten percent (10%) in the aggregate of the total contract. Reimbursable Expenses shall not include performance of services or materials supplies that are subcontracted to another person or firm.

Adopted 1/14/04
B. Goals. The Board establishes a goal of twenty-eight percent participation of Local, Small and Emerging businesses in its contracts regarding facilities awarded each fiscal year.

C. Bidding. As a condition to be considered responsive, a Bid must include the following:

1. Demonstrated participation of at least twenty-eight percent (28%) of the total bid being performed by Local, Small or Emerging businesses; or,

2. A demonstrated good faith effort to include Local, Small or Emerging businesses, in accordance with regulations to be issued by the Chancellor; or,

3. The bidder certifies that it intends to perform ninety-five percent (95%) of the work with its own employees, excluding Reimbursable Expenses.

D. Advertising and Mentoring. In order to further the goals stated herein, the Board directs that the Chancellor or his designee undertake an appropriate advertising program directed to Local, Small and Emerging Businesses. That program should include such things as advertising in papers local to the applicable location where work will be performed, enhancement of the District’s website to include a list of self-designated Local, Small and Emerging Businesses, and accessible plan rooms for all businesses to be able to review plans and schedules for upcoming projects. The Board also directs that the Chancellor or

Adopted 1/14/04
his designee undertake an appropriate mentoring program directed to Local, Small and Emerging Businesses to improve their business skills and likelihood of success while participating in the District’s facilities program. The mentoring program may be established as a function of the District through the Proposition A/AA program, or it may be operated jointly by the District and another public entity with similar goals, whichever is deemed a more effective and efficient approach by the Chancellor or his designee.

E. Bonding Requirements. In order to further the goals stated herein, the Chancellor or his designee may undertake the development and operation of a District-sponsored bid, labor and materials and performance bond program to facilitate the ability of Small, Local, and Emerging firms to meet District bond requirements under the Proposition A/AA program. All firms, regardless of qualification as Local, Small or Emerging, shall be eligible to participate, and all firms shall be required to demonstrate evidence of their ability to perform to the satisfaction of the bond provider(s).

F. Mandatory Bid Conferences. Bid conferences, or bid walk-throughs, held to inform interested business about the specific requirements of District construction projects shall generally be mandatory for those considering submitting a bid or proposal for the identified work. However, a Local, Small and Emerging firm may be exempted from the mandatory requirement if it submits an affidavit with its bid submission, stating the firm was unable to send a representative to attend the bid conference/bid walk.

Adopted 1/14/04
through due to a specific, unavoidable conflict. The affidavit will further state that the bidder is fully knowledgeable about the requirements of the bid, the bidder is accountable for any information that could have been ascertained by attending the conference/bid walk, and that the bidder has the ability to perform the requested work in a professional and workmanlike manner.

G. Reporting. The Chancellor or his designee shall make a report to the Board at least semi-annually regarding the District’s performance towards these goals.

Adopted 1/14/04
LEASES

7104.10 Management of Real Property. All acquisitions of real property, including appraisals and valuations of real property of improvements; the securement of Title Insurance Policies covering land belonging to the District; dedications or conveyance of easements; vacation of streets and alleys, street lighting and other special assessments; and the condemnation of real property shall be accomplished through the Business Services Division.

Adopted or Restored 09-24-80
Amended 09-20-00

7104.11 Use of Real Property Not Owned by District. Real property, the ownership of which is not vested in the District, shall not be used for school or administrative purposes except by lease or permit. With the exception of the designation of branch locations for the colleges which may include leases for no more than $5.00 annually, all requests for real property arrangements shall be made through the Business Services Division. Effective December 1, 2000, the Board of Trustees authorizes the Chancellor to delegate the responsibility and authority to the College Presidents, and to the extent authorized by their respective College Presidents, to the Vice Presidents of Administration/Administrative Services and to acting and day-to-day substitute(s) for the Vice Presidents of Administration/Administrative Services in their absence, to negotiate, draft, sign and enter into leases for no more than $5.00 annually which involve the designation of branch locations for the college. All leases or permits shall be made in conformance with the Education Code, policies of the Board of Trustees and in accordance with published Business Services procedures.

Adopted or Restored 09-24-80
Amended 09-20-00
The structural safety of such quarters and the terms and conditions of such arrangements shall be investigated and negotiated by the Business Services Division.

The Vice Chancellor of Business Services, or designee, is authorized to lease facilities for District use, not to exceed the maximum amount set forth in EC 81640 for materials and supplies.

EC 81640

Adopted or Restored 09-24-80
Amended 09-20-00

7104.12 Use of Real Property by Third Parties.
Whenever real property owned by the District is not needed for educational purposes, the District may grant the use of such property either under a Civic Center Permit in accordance with Board Rule 7201 et seq., or by lease or permit for use in accordance with Board Rule 7202 et seq. All uses of District facilities which include fair rental fees shall be on a form designed by the Chancellor or his or her designee. All civic center permits, leases, permits for use or sales of property shall be made in conformance with law and with policies of the Board of Trustees.

Adopted or Restored 09-24-80
Amended 09-20-00
7104.13 **Insurance on Lease.** Lessee of District facilities shall provide evidence of public liability, property and worker's compensation insurance adequate to protect the District against any liability resulting from Lessee's use of the facility. Lessee's insurance policies shall name the District as additional insured and shall conform to dollar limits and other requirements set forth in Board Rule 7200.18 and as determined by the Business Services Division.

Adopted or Restored 09-24-80
Amended 09-20-00

7104.14 **Violation of Lease.** The District, at its discretion, shall have the right to cancel and terminate any lease immediately and without notice upon its discovery of a violation of any term, condition or provision of the lease and/or any of the general terms and conditions for using District facilities as set forth in Board Rule 7200 et seq. on the part of the Lessee. Should any such violation occur, the District, at its discretion, shall have the right to deny any future requests by the Lessee for the lease of District property which is the subject of this lease, or for any other District property or facilities.

Adopted or Restored 09-24-80
Amended 09-20-00
REQUEST FOR PREQUALIFICATION

OF [__] ¹

FOR

[ ] No. ²

(Short Form)

¹ Insert “General Contractors”, “Subcontractors”, “Vendors”, etc., as appropriate.

² Insert description of proposed individual contract and project or classification of contracts or projects. See, Public Contract Code Section 20651 for complete listing of categories of contracts for which prequalification is permitted.
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NOTICE IS HEREBY GIVEN that the Los Angeles Community College District ("District") invites qualified to complete and submit a completed Prequalification Questionnaire for the purpose of prequalifying, based on financial ability and public contracting experience, to submit a bid or proposal for.

Any person or entity wishing to be considered for prequalification ("Applicant") must submit a completed Prequalification Questionnaire and other information as required by the Instructions to Applicants ("Instructions") that are part of the District's Request for Prequalification, copies of which are/will be available commencing , 20__, Monday through Friday between the hours of ___:00 a.m. and ___:00 p.m. at.

A Prequalification Conference will be conducted on ___, 20___, commencing promptly at ___:00 a.m./p.m. at _______________________. Attendance at the Prequalification Conference is ☐ not mandatory ☐ mandatory (subject to exceptions as may be permitted by the District's Board Rule 7103.17 for small, local and emerging businesses). Sign language services are available for the Prequalification Conference upon written request received by the District's Executive Director, at the address stated below for receipt of Prequalification Submittals, at least three (3) business days prior to the Prequalification Conference.

All Prequalification Questionnaires and other information required by the Instructions to be submitted by Applicants ("Prequalification Submittals") shall be prepared in conformance with the Request for Prequalification using the forms referenced in or attached thereto. Prequalification Submittals shall be hand delivered to, or be received by mail at, the ________________________, at any time Monday through Friday during regular working hours of ___:00 a.m. to ___:00 p.m., up to and including ___, 20___, which date and time is subject to change by District in accordance with the terms of the Instructions. The Applicant assumes full and sole responsibility for timely receipt of its complete Prequalification Submittal at the aforesaid location designated for receipt thereof.

Questions relating to this project should be directed to

E-mail: ______________________ or via Telephone __________________ Fax __________________
ARTICLE 1
GENERAL PROVISIONS

1.1 Purpose. The purpose of this Prequalification is to prequalify [Insert “General Contractors”, “Subcontractors”, “Vendors”, etc., as appropriate] (“Applicants”) to bid for the Award of [Insert Award] by the Los Angeles Community College District (“District”) for the [Insert Contract(s)].

1.2 Overview. [Insert additional provisions or paragraphs as needed describing the prequalification, bidding and award process]

1.3 Authority. This prequalification is being conducted under the authority of Public Contract Code Section 20651.5. This authority is addition to and shall not be construed as a limitation upon any other authority or right of District as may exist under applicable laws to conduct this prequalification or to separately determine the responsibility of any bidder or sub-bidder.

1.4 Basis of Prequalification. Applicants will be prequalified on the basis of their demonstrating, by means of the information they provide in their Prequalification Submittals, that they have the financial ability and public contracting experience that is required for the type and size of contract(s) contemplated by this prequalification.

1.5 Applicant Member. The term “Applicant Member” means any of the individuals, corporations, partnerships, joint ventures or other associations of persons or legal entities that shares directly in the profits, losses and liabilities of the Applicant or [Insert any additional description as may be applicable to joint bidding]. No changes in or additions to the Applicant Member(s) of an Applicant that has been prequalified and who submits a bid or proposal for a contract covered by this prequalification shall be permitted after the deadline in the Prequalification Schedule for submission of Prequalification Submittals, except with the prior written authorization of the District, which authorization may be granted or withheld in the District’s sole discretion. By way of example and without limitation to the foregoing, any person or entity who is an Applicant Member at the time of that Applicant is determined to be prequalified shall not be “switched out” or substituted with other persons or entities after the deadline in the Prequalification Schedule for submission of Prequalification Submittals.
1.6 **Interested Parties.** There is no limitation on the right of any person, partnership, joint venture, corporation or other association of persons or entities to participate as an Applicant or Applicant Member in more than one Prequalification Submittal. However, no person, partnership, joint venture, corporation or other association of persons or entities that successfully prequalifies to submit a bid or proposal ("Prequalified Applicant") shall be allowed to submit more than one bid or proposal for the same contract or be "interested in" a bid or proposal submitted by any other bidder or proposer for the same contract. For the purpose of this Paragraph, "interested in" means having a managerial or financial interest in another bidder or proposer.

1.7 **No Obligation or Warranty by District.** Applicants are solely responsible to satisfy themselves as to the suitability of any information provided by the District (including, without limitation, information available on the District Website) that is in the nature of estimates of costs, statement of needs or requirements, projections, budgets, or other information describing the proposed contract(s) or project(s) contemplated by this prequalification and nothing stated in the Prequalification Documents nor elsewhere shall be construed as implying the creation or existence of any warranty, express or implied, on the part of the District with respect to the accuracy, sufficiency or completeness of such information. A determination by the District prequalifying an Applicant shall not be construed as either: (1) a license to do business; (2) a promise or representation on the part of the District that any bids will be invited or solicited only from Prequalified Applicants; or (3) a representation or promise by the District that the Bidding Documents issued with respect to any contract that is the subject of this prequalification will be based only on specifications that are either restricted to one or more manufacturers or that are open to all manufacturers of the same or similar products.

1.8 **Objections by Applicant.** Any objection by an Applicant to the procedures or processes relating to this prequalification shall be submitted to the District, in writing, not more than seven (7) calendar days prior to the deadline in the Prequalification Schedule for receipt of Prequalification Submittals. Failure by an Applicant to so object shall constitute a final and conclusive waiver by the Applicant of its right to thereafter assert such objection at any other time or for any purpose.

1.9 **Calculation of Time Periods Relating to Experience.** Wherever in the Prequalification Documents the Applicant is asked to provide information or respond to a question concerning the events occurring within a stated, historical time period (such as, “within the last 5 years”), such time period shall be deemed to mean the period of time that precedes the date that the Applicant’s Prequalification Submittal is first submitted to the District; provided, however, that if a question asks for information pertaining to a stated number of prior “full calendar years”, it shall mean the calendar years immediately preceding the calendar year in which the Prequalification Submittal is submitted by Applicant.

[Insert the following Paragraphs 1.10 and 1.11 if the prequalification is for a public works contract or a other contract that includes performance of non-incidental labor]

1.10 **Conditional Safety Record Approval.** Applicants seeking prequalification for a contract that involves the performance of labor or services (other than labor or services that are incidental (i.e., not integral) to the placement or use of goods, furniture or equipment) are required to provide as part of their responses to the Prequalification Questionnaire information on their safety record. Any such Applicant that successfully prequalifies but who, for the time period requested in the Prequalification Questionnaire, reflects an Experience Modifier (as established by the Workers Compensation Insurance Rating Bureau) of between 1.00 and 1.24, shall be considered to be “conditionally” approved for prequalification only. Such Applicant must agree, as a condition of bidding and award of such contract to provide (at no additional cost to the District and as part of its bid or proposal price) a representative, whose qualifications are approved by the District, who shall be present on a full-time basis throughout the construction and who shall be dedicated exclusively to matters of safety, including, without limitation, monitoring, enforcing and reporting on matters related
to safety. By its Prequalification Submittal, Applicant specifically acknowledges and agrees that any failure to provide such a representative shall, in addition to constituting a breach of its obligations to the District under its applicable contract, constitute grounds for the District to cancel, revoke or limit the Applicant’s prequalification status.

1.11 Subcontractor Safety Qualification. Applicants seeking prequalification for a contract that involves the performance of labor or services (other than labor or services that are incidental (i.e., not integral) to the placement or use of goods, furniture or equipment) are required to use Subcontractors in the first-contracting tier that have either of the following: (1) an Experience Modifier (as established by the Workers’ Compensation Insurance Rating Bureau) no greater than 1.24; or (2) all of the following: (a) an Experience Modifier (as established by the Workers’ Compensation Insurance Rating Bureau) no greater than 1.50; and (b) a Average Recordable Incidence Rate over the past _____ full calendar years prior to the date of closing for receipt of bids of no greater than 100% of the national average rate of injury and illness cases per 100 full-time workers according to the industrial classification(s) of the Standard Industrial Classification and/or North American Industry Classification Systems as established by the Bureau of Labor & Statistics that correspond to the type of work to be performed by the Subcontractor; and (3) Average Lost Workday Incident Rate over the past _____ full calendar years prior to the date of closing for receipt of bids of no greater than 100% of the national average rate of non-fatal injury and illness cases involving days away from work per 100 full-time workers according to the industrial classification(s) of the Standard Industrial Classification and/or North American Industry Classification Systems as established by the Bureau of Labor & Statistics that correspond to the type of work to be performed by the Subcontractor. District may at its option require that Prequalified Applicants submit, as a condition of either bidding or award of such a contract, certification that all Subcontractors in the first-contracting tier meet the minimum safety standards of this Paragraph. District further reserves the right, at no cost to District, to require that a Prequalified Applicant replace any disqualified Subcontractor in the first contract tier that does not meet the minimum safety qualifications of this Paragraph and to replace such Subcontractor with another Subcontractor that meets such requirements.

ARTICLE 2
APPLICANT REPRESENTATIONS

Each Applicant, and each Applicant Member signing and submitting a verification in support of the Applicant’s Prequalification Submittal, represents that:

2.1 Compliance with Prequalification Documents. The Applicant’s Prequalification Submittal is made in compliance with the Prequalification Documents.

2.2 Attendance at Prequalification Conference. If the Prequalification Conference, as stated in the advertisement of this prequalification, is mandatory, the Applicant attended the Prequalification Conference or has demonstrated that it was excused from attendance under the District’s Policy on Local, Small and Emerging Business, Board Rule 7103.17 (“Policy on Local, Small and Emerging Businesses”).

2.3 Due Authorization. The persons or entities signing a verification of the Applicant’s Prequalification Questionnaire are authorized to do so and any such signer that is a corporation is authorized to do business and is in good standing under the laws of the State of California.

2.4 License Status. The Applicant has been issued and currently holds a [insert license classification, or “not applicable” if license is not required for performance of proposed contract or contracts] issued by the Contractor’s State License Board for the State of California.

2.5 Immigration Reform and Control Act. The Applicant is in full compliance with the provisions of the Immigration Reform and Control Act of 1986 (“IRCA”), as well any similar provisions
of applicable laws setting forth proscriptions or penalties relating to the employment or hiring of undocumented aliens.

2.6 Financial Condition. There has been no significant or material change in the financial condition of any person or entity for whom the Applicant has submitted a Statement of Financial Condition or independent accountant’s report since the effective date of the Statement(s) of Financial Condition or independent accountant’s report.

[Insert the following paragraphs in any prequalification for a public works contract or other contract that includes performance of non-incidental labor]

2.7 Labor Compliance. The Applicant will, if awarded a contract within the classification of contracts provided for in the Prequalification Documents, comply with all of the applicable provisions of the California Labor Code, as well as the District’s Project Labor Agreement (if applicable) and the District’s Labor Compliance Program (if applicable), including, without limitation, payment of prevailing wages, maintenance and submission of weekly certified payrolls, hiring of apprentices and establishment, implementation and maintenance of an Injury and Illness Prevention Program in accordance with California Code of Regulations, Title 8, Sections 1509 and 3203.

ARTICLE 3
PREQUALIFICATION SCHEDULE

3.1 Prequalification Schedule.

The following is the anticipated schedule for the prequalification process:

3.1.1 Advertisement of Request for Prequalification

3.1.2 Prequalification Conference

3.1.3 Deadline for Requests for Clarification

3.1.4 Prequalification Submittals Due

3.1.5 Notice of Prequalification Selection

3.1.6 Debriefings (optional)

3.2 Schedule Changes. The District reserves the right, at any time, to make additions, modifications or deletions to any of the events or dates that comprise the Prequalification Schedule by issuance of a Prequalification Addendum. References in the Prequalification Documents to the Prequalification Schedule, or dates in the Prequalification Schedule, shall mean those set forth in Paragraph 3.1, above, as adjusted by any changes thereto made pursuant to this Paragraph 3.2.

3.3 Proceedings. All proceedings conducted for the purpose of or related to the prequalification of Applicants, other than the Prequalification Conference, shall (unless otherwise directed by the District in a Prequalification Addendum) be closed to the public.

3.4 Debarment, Non-Responsibility. A determination by the District that an Applicant is not prequalified does not, unless otherwise expressly stated by District at the time of issuance of its prequalification determination, constitute a finding or determination of debarment or non-

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3 If the prequalification process is being conducted in tandem with the competitive bidding of a specific project or contract, the deadline for submission of Prequalification Submittals should be not later than five (5) calendar days prior to the date fixed for the public opening of sealed bids.
responsibility. The prequalification by the District of an Applicant who successfully completes the prequalification process shall be understood to be preliminary only and shall not be interpreted as precluding the District at the time of bidding from: (1) waiving the prequalification requirement; (2) imposing new or additional responsibility requirements as part of the bidding process; or (3) or making a subsequent determination, based on new information received after the conclusion of the prequalification process, that the Prequalified Applicant or any joint bidder or sub-bidder of the Pre-Qualified Applicant is not responsible.

**ARTICLE 4**

**PREQUALIFICATION PROCEDURES**

4.1 Prequalification Documents. The Prequalification Documents consist of the following: (1) the Advertisement of Request for Prequalification; (2) these Instructions to Applicants (including, without limitation, all attachments hereto); and (3) Prequalification Addenda. Prequalification Documents may be obtained from [insert source] or may be available on the District’s Website at: “http://www.laccd.edu”.

4.2 Prequalification Questionnaire. Applicants will be evaluated for prequalification based on the responses they provide in the Prequalification Questionnaire and other documents, if any, that they are required to submit with the completed Prequalification Questionnaire. All responses to the questions in the Prequalification Questionnaire must be made on the form of Prequalification Questionnaire attached hereto as Attachment No. [insert number], excepting only where specifically invited in the Prequalification Documents to be submitted as a separate document. Applicants must provide all of the information that is required by the Prequalification Questionnaire. Failure to provide available information that is requested in a question shall be deemed a failure to respond to the question. Except as otherwise permitted by Paragraph 4.5, below, all information provided shall be current as of the date of submission by Applicant of its Prequalification Submittal.

4.3 Prequalification Submittal. The following documents, comprising the Applicant’s Prequalification Submittal, are required to be submitted by an Applicant in order to be considered for prequalification:

4.3.1 a completed Prequalification Questionnaire in the form attached hereto as Attachment No. [insert number];

4.3.2 completed verifications in the form attached hereto as Attachment No. [insert number], signed in the manner required by these Instructions to Applicants, on behalf of the Applicant and, if the Applicant is a Project Joint Venture, a separate verification signed on behalf of the Principal Managing Partner of the Project Joint Venture.

4.3.3 a completed and signed Release of Information in the form attached hereto as Attachment No. [insert number], signed by the Applicant and each Applicant Member;

4.3.4 either (1) a completed Statement of Financial Condition and signed Certificate of Accountant in the appropriate form attached hereto as Attachment No. [insert number], or (2) a certified public accountant’s report in the form required by Paragraph 4.5, below, for the following: Applicant; Principal Managing Partner (if Applicant is a Project Joint Venture, as defined in Paragraph 4.4, below); and [insert any additional persons or entities from whom financials will be required, including, without limitation, any guarantors upon a Guaranty of Performance submitted as a Supplemental Financial Resource]; and

all other documents or information that Applicant is required to submit under the terms of the Prequalification Documents.
4.4 Project Joint Ventures. Except as otherwise provided in this Paragraph 4.4 or Paragraph 4.6, below (pertaining to Supplemental Financial Resources), an Applicant’s financial condition will be evaluated by District based solely upon the financial condition of the Applicant and [Insert description of any others (such as, Applicant Members) whose financial information will be considered]; information on the financial condition of others shall not be considered. If the Applicant is a Project Joint Venture, meaning a joint venture formed solely for the purpose of performing a contract or classification of contracts for the District, then the Applicant may submit in place of financial information about the Applicant, financial information about the person or entity who serves as the Principal Managing Partner of the Project Joint Venture. “Principal Managing Partner” means the joint venture partner primarily responsible for the day-to-day management of the business of the Project Joint Venture and whose experience or financial condition is necessary to Applicant’s ability to prequalify for and perform of the contract(s) for which the Applicant seeks prequalification.

4.5 Statement of Financial Condition. Each Applicant is required to submit as part of its Prequalification Submittal a Statement of Financial Condition. A Statement of Financial Condition must be in the form as specified in Section II of the Prequalification Questionnaire, audited or [Insert, “reviewed”, if permitted. Note that certification of “compiled” financial information is not acceptable.] in accordance with generally accepted accounting principles by an independent, certified public accountant who is registered and licensed under the laws of any state and who is not employed by the Applicant or any of its Applicant Members. The Statement of Financial Condition shall reflect the financial condition of the individual or firm as of the end of the last fiscal year prior to the original deadline in the Prequalification Schedule for submission of Prequalification Submittals (without adjustment to that deadline for any changes in the Prequalification Schedule). The Applicant’s completed Statement of Financial Condition shall, when submitted to the District as part of the Applicant’s Prequalification Submittal, be accompanied by either a duly executed Certificate of Accountant (using the applicable form attached hereto as Attachment No. [Insert “or review”, if permitted]; the name, address and telephone number of the accounting firm conducting the audit [Insert “or review”, if permitted]; the license number, issuing state and expiration date of the certified public accountant conducting the audit [Insert “or review”, if permitted]; the date of the audit [Insert “or review”, if permitted]; the degree of responsibility assumed by the certified public accountant that is commensurate with the degree of responsibility set forth in the applicable Certificate of Accountant attached hereto as Attachment No. [Insert “or reviewed”, if permitted]; and the certified public accountant’s opinion. The submission of a Statement of Financial Condition and Certificate of Accountant or independent accountant’s report that contains an exception must further include a statement of the reasons for the exception, the approximate amount involved and the overall effect of the exception on financial condition of the person or entity audited [Insert “or reviewed”, if permitted]. If the Applicant fails to complete all of the financial information requested or if exception is taken by the auditing [Insert “or reviewing”, if permitted] certified public accountant to any information provided, then the District reserves the right, in its sole discretion, to choose to not accept the Statement of Financial Condition, reject the entire Statement of Financial Condition, or exclude any affected portion of the Statement of Financial Condition from consideration in determining whether the Applicant meets the minimum requirements of financial ability required for prequalification. The District reserves the right, but shall not have the obligation, to request additional information from an Applicant as may be necessary to complete its evaluation of the financial ability of any person or entity who has submitted a Statement of Financial Condition that is relied upon by the Applicant. Applicant is responsible to provide such information, if requested, within five (5) calendar days of request by the District.

4.6 Public Contracting Experience. Applicants are required to meet the minimum requirements for demonstrated public contracting experience in one or more of the following areas of public contracting (“Public Contracts”):
**Category 1:** A Category 1 Public Contract includes the furnishing, sale or lease of equipment, materials or supplies to any state or local authority, agency, department or special district (including, without limitation, any school district or community college district).

**Category 2:** A Category 2 Public Contract includes the furnishing of services, other than construction services, to any state or local authority, agency, department or special district (including, without limitation, any school district or community college district).

**Category 3:** A Category 3 Public Contract includes the construction, reconstruction, erection, alteration, renovation, improvement, demolition, or repair (other than routine and recurring maintenance, such as minor painting, landscape maintenance, maintenance to keep, operate and maintain water, power or waste disposal systems and resurfacing of streets at less than one inch) of any plant, building, structure, ground facility or utility system that is owned or operated by any state or local authority, agency, department or special district (including, without limitation, any school district or community college district).

The category of Public Contract for which Applicants are being invited to prequalify is a Category ___ Public Contract (Questions in the Prequalification Questionnaire concerning an Applicant’s experience may request experience on any or all categories of Public Contracts listed above. Each Question relating to Public Contract experience will identify the type(s) of Public Contract(s) that is (are) the subject of the Question)

4.8 Evaluation of Prequalification Submittals. Each Applicant’s Prequalification Submittal will be evaluated based on responses to a series of “pass/fail” questions stated in the Prequalification Questionnaire.

4.9 Additional Investigations. District shall have the right, but not the obligation, before or after an Applicant has been prequalified, to investigate the facts or circumstances of any response by an Applicant. Except as provided in Article 5, below, the District has no obligation to afford any Applicant the opportunity, as part of the scoring process of an Applicant’s Prequalification Submittal or otherwise, to respond to any adverse information that may be received as a result of such investigations. In addition to the foregoing, the District shall have the right, but not the obligation, before or after an Applicant has been prequalified, to designate auditors to perform audits or reviews of the books or accounts of any Applicant or Prequalified Applicant, or any other person or entity upon whose financial condition the Applicant has relied in seeking prequalification, in order to confirm the accuracy and completeness of financial information provided. The Applicant must make provision for and is responsible to ensure full and prompt cooperation with such audits or reviews.

4.12 Prequalification Selection. The District will designate an individual or group of individuals to conduct on behalf of the District the evaluation of the Applicant’s Prequalification Submittal. The identities of such individual(s) shall not be disclosed by the District to the Applicants.

4.13 Unauthorized Communications. Unless and except requested to do so in writing by the Executive Director of Facilities Planning & Development for the District (or his/her designee) or as otherwise permitted by these Instructions, Applicant and Applicant Members shall not prior to completion of the prequalification process communicate, either verbally or in writing, with: (1) any consultant or professional retained by the District for the purpose of providing the District advice or professional services in respect to the prequalification process or the contract(s) contemplated by the prequalification process; or (2) any employee or representative of the District concerning any aspect of the prequalification process or the contract(s) contemplated by the prequalification process.
4.14 **Prequalification Conference.** A □ non-mandatory □ mandatory Prequalification Conference will be conducted on the date set forth in the Prequalification Schedule commencing promptly at __:00 a.m./p.m. at ______________________. Except as otherwise excused under the District’s Policy for Local, Small and Emerging Businesses, attendance at a mandatory Prequalification Conference is a condition to Applicant’s right to be considered for prequalification by the District.

4.15 **Requests for Clarification.** Applicants are solely responsible to seek clarification, if needed, of any portion of the Prequalification Documents. All requests by Applicants for clarification of the Prequalification Documents must be submitted, between the hours of __:00 a.m. and __:00 p.m. and prior to the deadline in the Prequalification Schedule for Requests for Clarification, by hand delivery, mail, fax or e-mail to the following: ______________________. Requests for clarification received after that time will not be responded to. Failure by an Applicant to seek clarification of any portion of the Prequalification Documents shall not relieve the Applicant from its representations as set forth hereinabove nor serve as the basis for any claim by the Applicant that it was mistaken or misled in connection with the preparation of its Prequalification Submittal.

4.16 **Prequalification Addendum.** Interpretations, corrections and changes by the District of the Prequalification Documents will be made by Prequalification Addendum. Interpretations, corrections and changes of the Prequalification Documents made in any other manner shall not be relied upon and will not be binding upon the District. Notice of issuance of a Prequalification Addendum that is issued prior to the original or revised deadline for submission of Prequalification Submittals shall be given only to the Applicants at the address provided by them at the Prequalification Conference. Notice of Prequalification Addenda that are issued after the deadline in the Prequalification Schedule for submission of Prequalification Submittals shall be given only to the Applicants who have submitted Prequalification Submittals in accordance with the requirements of the Prequalification Documents. Notice by the District of a Prequalification Addendum shall be effective if made by hand delivery, mail, facsimile or e-mail. The District also anticipates (but shall not be obligated for) making Prequalification Addenda available for review on the District Website. Failure of an Applicant to receive a Prequalification Addendum shall not entitle the Applicant to an extension of the Prequalification Schedule nor shall it permit the submission of any additional prequalification information after the deadlines set forth in the Prequalification Schedule.

4.17 **Preparation.** The portions of the Prequalification Submittal prepared or filled in by the Applicant must be either typed or completed in ink. Responses in pencil will be deemed unacceptable. For “Yes” or “No” answers, indicate either “Yes” or “No” by putting a check mark or “X” mark in the box next to the “Yes” or “No”. If there is a requirement that the Applicant or any Applicant Member submit any additional documents, they shall be packaged as part of the Applicant’s Prequalification Submittal. One (1) original marked “original” and ___(__) copies of the Prequalification Submittal shall be submitted.

4.18 **Verification.** Prequalification Questionnaires must be verified by execution of the Verification attached hereto as Attachment No. ______________________ by a representative of the Applicant and ___[Insert any others who are required to sign a verification] that is authorized to contractually bind the Applicant. If the Applicant is a Project Joint Venture (as defined in Paragraph 4.4, above), then an additional Verification shall also be submitted signed by the Principal Managing Partner of the Project Joint Venture.

4.19 **Submission.** Prequalification Submittals shall be hand delivered to, or received by mail at, the ______________________, at any time Monday through Friday during regular working hours of __:00 a.m. to __:00 p.m., up to and including the deadline for receipt of Prequalification Submittals set forth in the Prequalification Schedule. Submissions after the aforesaid deadline will not be considered. The Applicant assumes full and sole responsibility for timely receipt of its complete Prequalification Submittal at the aforesaid time and location designated for receipt thereof. Prequalification Submittals that are received after the deadline specified in these Instructions to
Applicants shall be returned, unopened; provided, however, that a late Prequalification Submittal may be considered if it is the only Prequalification Submittal received.

4.20 Sealed Envelope. Each Prequalification Submittal, including the original and all copies, shall at the time of delivery be enclosed in a single, sealed opaque envelope. Piecemeal submissions are not permitted. Said envelope, as well as any other, outer envelope or packaging in which said envelope may have been placed by the Applicant or the carrier for delivery, shall be addressed and delivered as required by these Instructions and shall be clearly and conspicuously labeled with the Applicant’s name and address, the identifying number of the project or contract noted on the cover page of the Request for Prequalification and the words “CONFIDENTIAL”.

4.21 Delivery. Deposit of Prequalification Submittals shall be by hand delivery or mail and must be received by the District prior to the deadline in the Prequalification Schedule for submission of Prequalification Submittals. Oral, telephonic, facsimile or electronically transmitted Prequalification Submittals will not be considered. The Applicant assumes full responsibility for timely delivery of its Prequalification Submittal at the location designated therefor in these Instructions.

4.22 Supplemental Information. District reserves the right, in its sole discretion, but shall not have the obligation, to request, receive, evaluate and score as part of its evaluation of an Applicant’s Prequalification Submittal any additional or supplemental information relevant to the questions in the Prequalification Questionnaire that District may receive from an Applicant or another source, including, without limitation, information received after the deadline for receipt of Prequalification Submittals set forth in the Prequalification Schedule. Unless requested by the District in a Prequalification Addendum or otherwise required by these Instructions, an Applicant shall not have the right after the deadline in the Prequalification Schedule for receipt of Prequalification Submittals to submit new or additional information to supplement its Prequalification Submittal.

4.23 Withdrawal, Resubmission. Prequalification Submittals may be withdrawn at any time upon written notice to the District that is received by District at the place for receipt of Prequalification Submittals. Prequalification Submittals withdrawn prior to the deadline for receipt thereof set forth in the Prequalification Schedule may be resubmitted up to the deadline for submission of Prequalification Submittals set forth in the Prequalification Schedule.

4.24 Rejection, Cancellation, Revocation. Without limitation to any of the District’s other rights under the Prequalification Documents, applicable laws or the terms of any contract between the District and an Applicant, the District reserves the right, exercised in its sole discretion, to at any time: (1) reject any Prequalification Submittal that fails to comply with the requirements of the Prequalification Documents or that contains any information that the District determines contains false or misleading information; (2) reject all Prequalification Submittals; (3) withdraw and cancel its Request for Prequalification; or (4) cancel, revoke or limit the prequalification status, rating or duration of prequalification status of any Prequalified Applicant based on subsequently-learned information indicating that the Prequalified Applicant’s Prequalification Submittal contained false or misleading information; (5) cancel, revoke or limit the prequalification status, rating or duration of prequalification status of any Prequalified Applicant based on subsequently-learned information indicating that the Prequalified Applicant’s Prequalification Submittal contained false or misleading information; (6) cancel, revoke or limit the prequalification status, rating or duration of prequalification status of any Prequalified Applicant based on subsequently-learned information indicating that the Prequalified Applicant’s Prequalification Submittal contained false or misleading information; (7) cancel, revoke or limit the prequalification status of a Prequalified Applicant who has received a Conditional Safety Record Approval pursuant to Paragraph 1.10, above, and who fails to provide a full-time safety representative as required by said Paragraph]. Exercise by District of its rights under this Paragraph or of any
other right of District under these Instructions to Applicants or applicable laws to cancel, revoke or limit the prequalification status, rating or duration of prequalification status of any Prequalified Applicant shall not, under any circumstances, give rise to any liability or obligation on the part of District nor shall it constitute grounds for any claim by an Applicant for recovery from District of any loss, damage, cost or expense.

4.25 New Information by Applicant. Applicant has the continuing obligation, commencing upon submission of its Prequalification Submittal and continuing for so long as such Applicant’s prequalification status is in effect during its original limitation period as provided in Paragraph 4.27, below, and any period of renewal thereof, to immediately notify the District, in writing, if it learns that any of the following have occurred: (1) any statement made in its Prequalification Submittal was false or misleading; (2) circumstances have occurred since the Applicant submitted its Prequalification Submittal that, if they had occurred prior to the date that Applicant submitted its Prequalification Submittal, would have constituted grounds for the automatic disqualification of the Applicant under the terms of Part A of Section II of the Prequalification Questionnaire; [Insert the following, if applicable: “provided, however, that the obligation set forth in Clause (2) of this Paragraph shall not extend to or include the providing of information that would involve a recalculation of the Applicant’s Experience Modifier Rate”]; (3) there has been a change in or addition to the Applicant Members”; (4) the Applicant (or the Principal Managing Partner if the Applicant is a Project Joint Venture) has undergone a change in ownership in which ownership of 50% of more of its stock or assets has changed; (5) the Principal Managing Partner of the Applicant (if the Applicant is a Project Joint Venture) has ceased to function, or fully function, in the capacity of a Principal Managing Partner as defined in Paragraph 4.4, above, or (6) there has occurred a reduction in net worth or working capital (as reported in the Statement of Financial Condition or independent accountant’s report of such person or entity submitted as part of Applicant’s Prequalification Submittal) of more than twenty-five percent (25%).

4.26 Certification for Bidding. Prequalified Applicants may be required by District, as a condition of submitting a bid or proposal for a contract to prepare and file a certification affirming under oath that it has no new information to disclose that would constitute new information of the type that it has a continuing obligation to disclose pursuant to Paragraph 4.25, above. [Insert the following if appropriate: “Additionally, Prequalified Applicants may be required to similarly certify the following: (1) if the Applicant has received a Conditional Safety Record Approval, that the Applicant will provide a full-time safety representative as required by Paragraph 1.10, above; and (2) that no part of the Applicant’s bid for any contract that is the subject of this prequalification will be based upon, and no portion of such contract will performed by, any Subcontractor of the first contracting tier who does not meet the minimum safety requirements set forth in Paragraph 1.11, above”].

4.27 Limitation Period. Prequalification may be conducted for a specific project or contract or for a class or category of projects or contracts. A determination by the District that the Applicant is prequalified to submit a bid or proposal for a class or category of projects or contracts shall, unless otherwise cancelled, revoked or limited by the District in accordance with the terms of the Prequalification Documents governing such determination, remain valid for a period of twelve (12) months after the date of submission by the Applicant of its Prequalification Submittal, at which point the District may either allow the prequalification status of the Applicant to expire of its own force or the District may, in its sole discretion, either conduct a new prequalification or based on submission of updated or new information by the Applicant renew the Applicant’s prequalification status for another twelve (12) months.

4.28 Waiver of Irregularities. The District reserves the right to waive minor or clerical irregularities, errors or omissions in the information contained in any Prequalification Submittal or in regard to any Applicant’s compliance with the prequalification process, and to make all final determinations with respect thereto.
4.29 Not Public Records. Except as otherwise provided by applicable laws, the Prequalification Submittal (including, but not limited to, any included financial statements) are not public records and are not open to public inspection.

4.30 Applicable Laws. All Prequalification Submittals must be submitted, filed, made and executed in accordance with applicable laws, whether such applicable laws are expressly referred to herein or not.

4.31 Costs and Expenses. Applicants shall bear, at their own expense and without reimbursement by the District, all costs and expenses associated with their participation in the prequalification process.

4.32 Receipt of Notices. Notices by the District to an Applicant that are issued after the deadline in the Prequalification Schedule for submission of Prequalification Submittals shall be deemed delivered and received by the Applicant if provided by delivery, mail, facsimile or e-mail to the Applicant at the address provided by the Applicant at the Pre-Qualification Conference, in the Pre-Qualification Questionnaire, or at the Applicant’s last known address.

4.33 Notice of Prequalification. The District will issue a Notice of Prequalification to Applicants who have completed and submitted Pre-Qualification Submittals. Formal issuance of a Notice of Prequalification is for the convenience of the Applicants and is not a condition to the validity of the District’s determination that an Applicant is or is not prequalified.

4.34 Non-Transferable. Neither an Applicant’s Prequalification Submittal nor a Prequalified Applicant’s prequalification status is assignable or transferable. Any attempt to assign or transfer in violation of this provision shall be null and void at its inception.

4.35 Subsequent Responsibility Determinations. A determination that an Applicant is prequalified does not constitute a waiver by the District of its right to make a subsequent determination that a Prequalified Applicant, or any sub-bidder to a Prequalified Applicant, is not responsible to submit a bid or proposal for a particular contract, including, without limitation, any contract contemplated by the Prequalification Documents.

4.36 Debriefing. At the District’s option, exercised in its sole discretion after the issuance of the Notice of Prequalification, the District may make available for those requesting it an opportunity for a debriefing. Debriefings, if conducted, will be conducted in accordance with the Prequalification Schedule. At the pre-qualification debriefings, summaries of the overall evaluations of Prequalification Submittals will be reviewed. Copies of Prequalification Submittals or scoring of individual questions will not be provided nor will there be point-by-point comparisons of competing Prequalification Submittals.

ARTICLE 5
APPEAL

5.1 Protests. Any Applicant may dispute the District’s determination relative to that Applicant’s disqualification or failure to prequalify by filing a protest provided that each and all of the following are complied with:

5.1.1 The protest is in writing.

5.1.2 The protest is filed with and received by the District at the following address, Los Angeles Community College District, 770 Wilshire Blvd, 3rd Floor, Los Angeles, CA, 90017, Attention: Executive Director of Facilities Planning and Development, not more than five (5) calendar days following the date of issuance of the District's Notice of Prequalification and prior to the closing time for receipt of bids (if any) for the contract(s) or project(s) that are the subject of the prequalification.
Failure to timely file the protest shall constitute grounds for the District to deny the protest without further consideration of the grounds stated therein. Timely receipt of a protest shall not constitute grounds for postponement of the closing time for receipt of bids.

5.1.3 The protest sets forth, in detail, all grounds for the protest, including without limitation all facts, supporting documentation, legal authorities and argument in support of the grounds for the protest. Any grounds not set forth in the written protest shall be deemed waived. All factual contentions must be supported by competent, admissible and credible evidence. Any protest not conforming to the foregoing shall be rejected as invalid.

5.2 Statement of Grounds. Upon written request by the Applicant, provided either prior to or included as part of the Applicant’s written submission of its protest, the District shall provide notification to the Applicant in writing of the basis for the disqualification, including a summary of any evidence adduced by the District in support of its determination.

5.3 Hearing. An Applicant that has properly filed a protest in accordance with the requirements of this Article 5 shall be given notice and opportunity to appear before an Appeal Committee, consisting of individuals appointed by the Board of Trustees for the District, to rebut any evidence used as a basis for disqualification and to present evidence as to why the Applicant should be found qualified.

5.4 Final Decision. The Appeal Committee shall provide a written decision to the Applicant submitting the protest, either concurring with or denying the protest. The written decision of the Appeal Committee shall be final, unless overturned by the Board of Trustees.
ATTACHMENT NO. [ ]

PREQUALIFICATION QUESTIONNAIRE

Applicants must provide all of the information requested. If additional space is needed, please continue on a separate page and attach it to this Prequalification Questionnaire.

I. CONTACT AND BUSINESS INFORMATION

The contact and general business information requested in this Section I shall be provided by the Applicant and Applicant Members. Although this information is required as a condition of prequalification, the responses provided will not be included in the scoring of the Applicant’s Prequalification Submittal.

A. Applicant and Contact Information

1. Applicant Information:

a. Name of Applicant: ____________________________________________________
   (if a license is required by the Instructions, enter name as it appears on license)

b. Address: ________________________ (street) ________________________ (city) ________________________ (state)

c. Phone: ________________________

d. Fax: ________________________

E-mail: ________________________

e. Business Form:(check one)
   - Corporation
   - Partnership
   - Individual/Sole Proprietor
   - Joint Venture
   - LLC
   - Other _______ (Describe ________________)

f. Length of time in business in California: _____________________________________. (If not continuous, state all start and end dates)

g. Name, telephone and e-mail address of contact person: ________________________.

2. Applicant Member Information: (See, Paragraph 1.5 of the Instructions to Applicants for definition of “Applicant Member”. Provide the following information for each Applicant Member)

a. Name of Applicant Member
   (if an Applicant license is required by the Instructions and the Applicant Member is the qualifier for the license, enter name as it appears on the Applicant Member’s individual license)

b. Address: ________________________ (street) ________________________ (city) ________________________ (state)

c. Phone: ________________________

d. Fax: ________________________

E-mail: ________________________
e. Business Form:(check one)

☐ Corporation    ☐ Partnership    ☐ Individual/Sole Proprietor
☐ Joint Venture   ☐ LLC
☐ Other ______   (Describe ________________)

f. Length of time in business in California: _________________________________. (If not continuous, state all start and end dates)

g. Name, telephone and e-mail address of contact person:____________________________

3.  **Principal Managing Partner Information (Project Joint Ventures):** (See, Paragraph 4.4 of the Instructions to Applicants for the definitions of “Project Joint Venture” and “Principal Managing Partner”. If the Applicant is not a Project Joint Venture, then enter “not applicable”)

   a. Name of Project Managing Partner: _______________________________________
      
   b. Address:________________________  ____________________________ (street) (city) (state)
      
   c. Phone:________________________
      
   d. Fax:__________________________    E-mail: __________________________
      
   e. Business Form:(check one)

      ☐ Corporation    ☐ Partnership    ☐ Individual/Sole Proprietor
      ☐ Joint Venture   ☐ LLC
      ☐ Other ______   (Describe ________________)

   f. Length of time in business in California: _________________________________. (If not continuous, state all start and end dates)
      
   g. Name, telephone and e-mail address of contact person:____________________________

B. **Business Information**

1. Corporations:

   a. If the Applicant is a corporation, provide the following information for each officer of the corporation and for owners of 10% or more of the corporate stock:

      | Position | Name and Social Security Number | Years with Co. | % Ownership |
      |----------|---------------------------------|----------------|-------------|
      |          |                                 |                |             |
      |          |                                 |                |             |
      |          |                                 |                |             |
      |          |                                 |                |             |
b. State the state and date of incorporation: State:_______ Date:______

c. State the corporation’s Federal Tax ID number: _________________________________

d. If the Applicant is an out-of-state corporation, has the corporation complied with California’s laws governing the conduct by out-of-state corporations of business in California?

☐ Yes ☐ No

2. Sole Proprietorships:
a. If the Applicant is an individual doing business as a sole proprietorship, please complete the following:

<table>
<thead>
<tr>
<th>Owner Name and Social Security Number</th>
<th>Years as Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b. Current fictitious business name(s) and date(s) of filing of fictitious business name statement(s): ______________________________.

3. Partnerships, Joint Ventures, Other Associations:

a. If the Applicant is a joint venture, partnership or other association of persons or entities, provide the following for each Applicant Member of the joint venture, partnership or association. (Attach additional pages if necessary):

<table>
<thead>
<tr>
<th>Name of Individual (with Social Security Number) Or Entity (with Federal Tax ID number)</th>
<th>Principal Contact</th>
<th>Position</th>
<th>Years with Joint Venture/Partnership</th>
<th>% Ownership Interest</th>
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b. State the date the partnership, joint venture or other association was formed:__________.

c. State the partnership's, joint venture's or other association's Federal Tax ID number:_______.
d. Is there any limitation on the duration or proposed activities of the partnership, joint venture or other association?

☐ Yes  ☐ No

If so, please explain: ________________________________

C. License Information

(Only to be completed if the Instructions state that a license is required for prequalification. If more than one license is required, provide the information requested for each license)

1. License Class:__________________________  License Number:______________
2. Expiration Date:________________________
3. Name of Qualifying Individual(s):________________________________________

4. Supplemental classification(s) held, if any:________________________
5. License Number(s):____________________________________________________
6. Expiration Date(s):___________________________________________________
7. Name of Qualifying Individual(s):____________________________________

8. Has the Applicant ever been licensed under a different name or license number (other than the license number(s) described above)?

☐ Yes  ☐ No

If yes, give name(s), license number(s), state(s) where licensed and date(s) of expiration: __________________

II. PUBLIC CONTRACTS EXPERIENCE

The questions in this Section II concern the Applicant’s and Applicant Members’ experience in public contracting. The term “Public Contracts” as used herein include the following:

**Category 1:** A Category 1 Public Contract includes a contract for the furnishing, sale or lease of equipment, materials or supplies to any state or local authority, agency, department or special district (including, without limitation, any school district or community college district).

**Category 2:** A Category 2 Public Contract includes a contract for the furnishing of services, other than construction services, to any state or local authority, agency, department or special district (including, without limitation, any school district or community college district).
Category 3: A Category 3 Public Contract includes a contract for the construction, reconstruction, erection, alteration, renovation, improvement, demolition, or repair (other than routine and recurring maintenance, such as minor painting, landscape maintenance, maintenance to keep, operate and maintain water, power or waste disposal systems and resurfacing of streets at less than one inch) of any plant, building, structure, ground facility or utility system that is owned or operated by any state or local authority, agency, department or special district (including, without limitation, any school district or community college district).

The Category of Public Contract for which prequalification is being sought by the District is a Category ___ Public Contract; however, questions may ask for information concerning any or all the above listed Categories of Public Contracts.

A. General Requirements

The questions appearing under this Part A of Section II constitute minimum requirements in order for the Applicant to prequalify. Evaluation is on a pass/fail basis. A “no” answer to any question shall result in automatic disqualification.

1. Is it true that the Applicant currently holds the following license(s): [Insert applicable license or “not applicable” if no license is required by the Instructions]?
   - Yes
   - No

2. Is it true that the Applicant or an Applicant Member completed during the past ___ (__) years at least two (2) Category ___ Public Contracts each having a total contract value of at least $_______? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)
   - Yes
   - No

3. Is it true that within the last ___ (__) years a surety firm has not had to complete, or pay for completion of, a Category ___ or ___ Public Contract on behalf of Applicant or any Applicant Member because the Applicant or Applicant Member was terminated by the project owner? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)
   - Yes
   - No

4. Is it true that within the last ___ (__) years neither the Applicant nor any Applicant Member has failed, due to a default by the Applicant or an Applicant Member, to complete a Public Category ___ or ___ Public Contract? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)
   - Yes
   - No

5. Is it true that within the last ___ (__) years neither the Applicant nor any Applicant Member has been debarred from contracting with a state or local authority, agency, department or special district (including, without limitation, any school district or community college district)? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)
   - Yes
   - No
6. Is it true that no owner, officer, director or managing officer of the Applicant or an Applicant Member [Insert the following, if applicable: “or responsible managing employee on the Applicant’s contractor’s license"] has ever been indicted or convicted (including, without limitation, a plea of guilty or nolo contendre) of a felony crime? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes ☐ No

7. Is it true that neither the Applicant nor any Applicant Member has ever been indicted or convicted (including, without limitation, a plea of guilty or nolo contendre) of a crime (including a felony or misdemeanor) relating to the bidding, awarding or performance of a contract with a state or local authority, agency, department or special district (including, without limitation, any school district or community college district)? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes ☐ No

8. Is it true that neither the Applicant nor any Applicant Member has ever been determined by a public agency, public authority or court of law to have submitted a false claim to a state or local authority, agency, department or special district (including, without limitation, any school district or community college district)? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes ☐ No

[Insert the following Questions 9 through 14 if the prequalification is for a public works contract or other contract that includes performance of non-incidental labor]

9. Is it true that neither the Applicant nor any Applicant Member has ever had penalties assessed against it pursuant to Labor Code sections 1777.1 [violation of prevailing wage or related requirements]? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes ☐ No
10. Is it true that neither the Applicant nor any Applicant Member has ever been found in violation of Labor Code sections 1777 [violation of payroll requirements], 1777.5 [apprenticeship requirements], 1778 [unlawful kickbacks], 1779 [charging a fee for registering], or 1780 [charging a fee to obtain employment]? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes  ☐ No

11. Is it true that within the last ___ (___) years CAL OSHA has not cited and assessed penalties against either the Applicant or an Applicant Member for any “willful” violations of its safety or health regulations in connection with performance of a Category ____, ____, or ____ Public Contract? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes  ☐ No

12. Is it true that within the last ___ (___) years has CAL OSHA has not cited and assessed penalties against either the Applicant or an Applicant Member for more than ___ (___) “serious” violations of its safety or health regulations in connection with a Category ____, ____, or ____ Public Contract? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes  ☐ No

13. Is it true that the Applicant’s “Experience Modification Rate (EMR)” (as established by the Workers’ Compensation Insurance Rating Bureau) is not greater than 1.00? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes  ☐ No

14. Is it true that the Applicant has established an Injury and Illness Prevention Program in accordance with California Code of Regulations, Title 8, Sections 1509 and 3203?

☐ Yes  ☐ No

[Insert the following Question 15 if the prequalification is for a contract that requires the bidder hold a contractor’s license]
15. Is it true that within the last ____ years no contractor license held by the Applicant or any Applicant Member been revoked or suspended? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes  ☐ No

[Insert the following Question 16 if the District has adopted a procedure for performance evaluations on District contract(s) or project(s)]

16. Is it true that within the past ____ years neither the Applicant nor any Applicant Member has received an "unacceptable" rating on a performance evaluation conducted the District or any of its Colleges? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

☐ Yes  ☐ No

17. Is it true that neither the Applicant nor any Applicant Member has ever been denied an award of a Category ____, or ____ Public Contract based on a finding by a public agency that they were not a responsible bidder?

☐ Yes  ☐ No

18. Is it true that at no time within the last ____ years has the Applicant or an Applicant Member refused to sign a Category ____, or ____ Public Contract awarded to it?

☐ Yes  ☐ No

19. Is it true that within the last ____ years no claim or other demand been asserted against any bid bond, performance bond or labor and material payment bond posted by the Applicant or an Applicant Member in connection with a Category ____, or ____ Public Contract?

☐ Yes  ☐ No

20. Is it true that within the last ____ years CAL OSHA has not cited and assessed penalties against the Applicant or any Applicant Member for any “serious,” “willful” or “repeat” violations of its safety or health regulations in connection with a Public Works project?

☐ Yes  ☐ No
(NOTE to Applicant: If you have filed an appeal of a citation, and the Occupational Safety and Health Appeals Board has not yet ruled on your appeal, you need not include information about it.)

☐ Yes    ☐ No

[SPACE RESERVED FOR ADDITIONAL QUESTIONS RELATING TO PROJECT-SPECIFIC MINIMUM/PASS-FAIL REQUIREMENTS]

B. Past Project Experience

The following questions concern the Applicant’s general experience in public contracts. Failure or inability to provide the required number of past projects requested shall result in disqualification. In those instances where a question asks for further information that includes the name of a contact person, the Applicant is required to identify, whenever possible, the person available and most knowledgeable about the circumstances that are the subject of the question. If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture.

1. List ☐ Category ☐ Public Contracts, having a contract value of more than $___________ that the Applicant (or, if the Applicant is a Project Joint Venture, its Principal Managing Partner) has completed in the past ___ (__ ) years. For each such Public Contract listed state: (a) the project name; (b) a general description of the Applicant’s scope of performance required under the contract; (c) the total dollar amount of the contract; (d) the name, address and telephone number of a representative for the project owner who may be contacted as a reference; (e) the date of actual completion of the contract and (f) whether the contract was completed within the contractual time and the budget or price provided for in the contract.

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<tr>
<th>Project Name</th>
<th>Scope</th>
<th>Price</th>
<th>Owner Contact (Name/Address/Telephone)</th>
<th>Completion Date</th>
<th>Successful Completion (yes/no)</th>
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</table>
B. PROJECT-SPECIFIC PUBLIC CONTRACTS EXPERIENCE

[SPACE RESERVED FOR ADDITIONAL PROJECT-SPECIFIC SCORED QUESTIONS]

III. FINANCIAL INFORMATION

A. General Information

The general financial information requested in this Part A of Section III must be provided by the Applicant (or, if the Applicant is a Project Joint Venture, its Principal Managing Partner). Although this information is required, the responses provided will not be included in the scoring of the Applicant’s Prequalification Submittal.

1. Accounting

a. Name of Accounting firm: __________________________ Phone: __________ Fax: __________

b. How many years has this firm prepared financial statements for the Applicant?: _____

c. How many years has this firm prepared tax returns for the Applicant?: ______

d. Applicant’s fiscal year end: ______________

e. Are all Applicant’s current taxes obligations fully paid?: ☐ Yes ☐ No. If no, explain reasons___________________________.

f. Accounting Method:

□ Cash □ Accrual □ Other (Explain: ____________________________)

g. Method of Reporting Income:
h. Do the methods used in preparing the Statement of Financial Condition or independent accountant’s report conform to the methods of accounting and reporting of income used by the person or entity audited for the year audited?

☐ Yes  ☐ No  If no, explain reason: ____________________________.

2.  **Bank**

   a. Name of Bank __________________________ Account Manager ______________

   b. Address __________________________ Phone Number (___) __________

   c. Account Numbers: __________________________

   d. Amount of line of credit $___________  Amount in use $___________

   How secured: __________________________  Expiration date: __________

B.  **Minimum Financial Ability Requirements**

The questions appearing under this Part B constitute minimum requirements in order for the Applicant to prequalify. Evaluation is on a pass/fail basis and failure to meet any of these minimum requirements shall result in automatic disqualification. There is no separate scoring of the Applicant’s responses.

1.  Within the last ____(__) years has the Applicant or any Applicant Member either: (1) declared bankruptcy; (2) had filed against it a petition for involuntary bankruptcy; (3) been placed in receivership; or (4) entered into an assignment of substantially all of its assets for the benefit of its creditors? (If the Applicant is a Project Joint Venture, then answer on the basis of the experience of the Principal Managing Partner of the Project Joint Venture)

   ☐ Yes  ☐ No

2.  If the Applicant is not a Project Joint Venture (as described in Paragraph 4.4 of the Instruction to Applicants), is the estimated total amount of the contract for which prequalification is required herein of $___________ exceeded by either: (a) the product of ten (10) times the Applicant’s working capital (current assets); or (b) the product of four (4) times the Applicant’s net worth* (assets less liabilities)?

   ☐ Yes  ☐ No  ☐ Not Applicable-Applicant is a Project Joint Venture

[Note: An answer to the preceding question that “Applicant is a Project Joint Venture” shall not result in disqualification unless the answer to the next Question No. 3 is “No”.]
3. If the Applicant is a Project Joint Venture (as described in Paragraph 4.4 of the Instructions to Applicants), is the estimated total amount of the contract for which prequalification is required herein of $________ exceeded by either: (1) the product of ten (10) times the working capital (current assets) of the Principal Managing Partner; or (2) the product of four (4) times the net worth* (assets less liabilities) of the Principal Managing Partner?

☐ Yes  ☐ No  ☐ Not Applicable-Applicant is not a Project Joint Venture

[Note: An answer to the preceding question that “Applicant is not a joint Project Joint Venture” shall not result in disqualification unless the answer to the preceding Question No. 2 is other than “Yes”.]

* If the Applicant is submitting Supplemental Financial Resources in the form of a letter of credit, the amount of the letter credit shall be deemed an additional asset of the Applicant for purposes of determining the Applicant’s “net worth” and “working capital.”

C. Statement of Financial Condition

The following Statement of Financial Condition and Certificate of Accountant, or an independent accountant’s report, is required in order to verify that the Applicant has met the minimum financial requirements for prequalification.
### STATEMENT OF FINANCIAL CONDITION

<table>
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<tr>
<th>Description</th>
<th>Value</th>
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<tr>
<td>CURRENT ASSETS</td>
<td>$_____</td>
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<tr>
<td>CURRENT LIABILITIES</td>
<td>$_____</td>
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CERTIFICATE OF ACCOUNTANT (AUDIT)

I (We) have audited the Statement of Financial Condition of ________________ ("Company") as of ________________. The Statement of Financial Condition is the responsibility of the Company. My (our) responsibility is to express an opinion on the Statement of Financial Condition.

My (our) audit was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as I (we) considered necessary in the circumstances.

In my (our) opinion, the accompanying financial statement included on pages ___ to ___, inclusive, sets forth fairly the financial condition of ________________ as of ________________, in conformity with generally accepted accounting principles.

_________________________________________________________  ________________________________
(Print Name of CPA)  (CPA to sign here)

_________________________________________________________  ________________________________
(Name of CPA Firm)  (Date signed)

_________________________________________________________  ________________________________
(Address of CPA)  (CPA License No.)

_________________________________________________________
(CPA Telephone No.)
CERTIFICATE OF ACCOUNT (REVIEW)

I (We) have reviewed the accompanying financial statement of ________________ (“Company”) as of ________________. The information included in the financial statement is the representation of the management of the Company.

Based on my (our) review, I am (we are) not aware of any material modifications that should be made to the accompanying Statement of Financial Condition in order for it to be in conformity with generally accepted accounting principles.

NOTE THIS REVIEW CONSISTS PRINCIPALLY OF INQUIRIES OF COMPANY MANAGEMENT AND APPROPRIATE ANALYTICAL PROCEDURES APPLIED TO FINANCIAL DATA. IT IS SUBSTANTIALLY LESS IN SCOPE THAN AN EXAMINATION IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS, THE OBJECTIVE OF WHICH IS THE EXPRESSION OF AN OPINION REGARDING THE FINANCIAL STATEMENTS TAKEN AS A WHOLE. ACCORDINGLY, I (WE) HAVE NOT EXPRESSED SUCH AN OPINION.

__________________________                  ________________________________
(Print Name of CPA)                                                (Date signed)

__________________________                  ________________________________
(Name of CPA Firm)                                                (Address of CPA)

__________________________                  ________________________________
(Address of CPA)                                                (CPA License No.)
AUTHORIZATION TO RELEASE INFORMATION

The undersigned Applicant hereby authorizes and consents to the District obtaining information from third parties, including, but not limited to any individual(s) or individual representative(s) of any firm(s), entity(ies) or organization(s) listed in the Applicant's Prequalification Submittal, for the purpose of verifying the information provided by the Applicant or for any other purpose related to the evaluation of Applicant's qualifications. Applicant recognizes that to ensure the effectiveness of the prequalification process, such individuals must be able to speak frankly and openly. Accordingly, Applicant hereby fully and unconditionally releases and discharges the third party individuals and the firms, entities and organizations they represent, from any claim or liability relating to information provided by it/him/her/them to the District in connection with the processing, investigation and evaluation by District of the Applicant's Prequalification Submittal.

________________________  
Name of Applicant

________________________  
Signature

________________________  
Title

________________________  
Date
ATTACHMENT NO. ___

VERIFICATION

STATE OF CALIFORNIA, COUNTY OF _________

I have read the foregoing PREQUALIFICATION QUESTIONNAIRE (including, without limitation all attached pages) and know its/their contents.

☐ The matters stated in the foregoing document are true of my own knowledge except as to those matters which are stated on information and belief, and to those matters I believe them to be true.

☐ I am an __ officer, __ a partner, __ a member, __ sole proprietor of __________, a __________ ________, and am authorized to make this verification for and on its behalf, and I make this verification for that reason.

☐ I am informed and believe and on that ground allege that the statements made in the foregoing document are true.

☐ The matters stated in the foregoing document are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters I believe them to be true.

Executed on _________________ (date), at _________________ (city), California.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

_____________________________
Type of Print Name

___________________________
Signature
I. CONTACT AND BUSINESS INFORMATION

Section I is a non-scored portion of the Prequalification Questionnaire.

II. PUBLIC WORKS EXPERIENCE

A. Minimum/Pass-Fail Experience Requirements

The questions appearing under Part A of Section II of the Prequalification Questionnaire constitute minimum requirements in order for the Applicant to prequalify. Evaluation is on a pass/fail basis. A “no” answer to any question shall result in automatic disqualification. There is no other or separate scoring of the Applicant’s responses to this Part A of Section II.

B. General Public Works Experience

The questions appearing under Part B of Section II concern the Applicant’s and Applicant Members’ general experience in Public Works (as that term is defined in the Prequalification Documents). The Applicant’s responses to the questions in this Part B will be scored. The maximum possible score for this Part B is _____ (___) points. Failure to achieve a minimum score of _____ (___) points for this Part B shall result in disqualification. The District is not obligated to conduct further investigation into an Applicant’s responses. However, points assigned to an Applicant’s response are subject to being reduced (not below “0” points for any single response) for any information received in the course of any investigation of the Applicant’s responses that the District, in its sole discretion, determines to reflect inordinately poor past performance or conduct.

<table>
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<tr>
<th>Question #</th>
<th>Quantity</th>
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<th>No</th>
<th>Base Score</th>
<th>Investigation* (Optional)</th>
<th>Total Score</th>
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<td>Question #</td>
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<td>___ pts.</td>
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<td>___ pts.</td>
</tr>
<tr>
<td>II, B, 8</td>
<td></td>
<td>N/A</td>
<td>N/A</td>
<td></td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td></td>
<td>0 Contracts = ___ pts.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>1 Contract = ___ pts.</td>
<td></td>
<td></td>
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<td>2 Contracts = ___ pts.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>&gt;2 Contracts = ___ pts.</td>
<td></td>
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<tr>
<td>II, B, 9</td>
<td></td>
<td>N/A</td>
<td>N/A</td>
<td></td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td></td>
<td>0 Claims = ___ pts.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>1-2 Claims = ___ pts.</td>
<td></td>
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<tr>
<td></td>
<td>&gt; 2 Claims = ___ pts.</td>
<td></td>
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<tr>
<td>Question #</td>
<td>Quantity</td>
<td>Yes</td>
<td>No</td>
<td>Base Score</td>
<td>Investigation* (Optional)</td>
<td>Total Score</td>
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<tr>
<td>------------</td>
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<tr>
<td>II, B, 10</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
<td>__ pts.</td>
<td>N/A</td>
<td>__ pts.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1-2 Cites = __ pts.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>&gt; 2 Cites = __ pts.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II, B, 11</td>
<td>&lt;50%</td>
<td>N/A</td>
<td>N/A</td>
<td>__ pts.</td>
<td>N/A</td>
<td>__ pts.</td>
</tr>
<tr>
<td></td>
<td>51-100%</td>
<td></td>
<td></td>
<td>__ pts.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II, B, 12</td>
<td>&lt;50%</td>
<td>N/A</td>
<td>N/A</td>
<td>__ pts.</td>
<td>N/A</td>
<td>__ pts.</td>
</tr>
<tr>
<td></td>
<td>51-100%</td>
<td></td>
<td></td>
<td>__ pts.</td>
<td></td>
<td></td>
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<tr>
<td>II, B, 13</td>
<td>1.0 - 1.24 = 0 pts.</td>
<td>N/A</td>
<td>N/A</td>
<td>__ pts.</td>
<td>N/A</td>
<td>__ pts.</td>
</tr>
<tr>
<td></td>
<td>0.8 – 1.0 = __ pts.</td>
<td></td>
<td></td>
<td>__ pts.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>&lt; 0.8     = __ pts.</td>
<td></td>
<td></td>
<td>__ pts.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SPACE RESERVED FOR SCORING OF PROJECT-SPECIFIC QUESTIONS**

<table>
<thead>
<tr>
<th>Total Score (Disqualified if total less than ___ points)</th>
</tr>
</thead>
</table>

*The District has the discretion to conduct or not conduct additional reference interviews of at least two (2) of the project contacts listed in the Applicant’s response to Question No. 1 of Part B, of Section II of the Prequalification Questionnaire. These additional reference interviews are separate from and in addition to any interviews that the District may conduct of the project references furnished by the Applicant in response to Part D of Section II of the Prequalification Questionnaire. If additional reference interviews based on the Applicant’s responses to Question No. 1 of Part B of Section II are conducted for any Applicant, they will be conducted for all Applicants. Scoring of such additional reference interviews will be as follows: The Applicant’s ‘base score’ for Question No. 1 is based on the number of projects completed. Points will not to be added to the Applicant’s base score based on information provided in additional reference interviews. However, based on the information received from the interview, the interviewer will rate the Applicant’s performance on a scale of 1 to 10. For each such reference interview, if the interviewer’s rating is less than “5”, then the District will make deductions from the Applicant’s base score for Question No. 1 as follows:
<table>
<thead>
<tr>
<th>Rating</th>
<th>Points Deducted</th>
</tr>
</thead>
<tbody>
<tr>
<td>(for each interview)</td>
<td>(for each interview)</td>
</tr>
<tr>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>1</td>
<td>5</td>
</tr>
</tbody>
</table>

If the total number of point reductions received for both such reference interviews exceeds the Applicant's base score for Question No. 1, the Applicant's score for Question No. 1 will be “0”; no additional points will be deducted.

C. PROJECT-SPECIFIC PUBLIC WORKS EXPERIENCE

[SPACE RESERVED FOR ADDITIONAL SCORING]

D. REFERENCES

The District has the discretion to conduct or not conduct interviews of project references listed in Part D of Section II. If such additional interviews are conducted for any Applicant, they must be conducted of all such references and for all Applicants. Based on the information obtained from each interview, the Interviewer will rate for each interview the Applicant's performance on a scale of 1 to 10. If the Applicant receives a score of less than “5” on an interview, the Applicant will be automatically disqualified. The interviews are scored on a “pass/fail” basis. Scores are not added to other scores received on other Parts of the Prequalification Questionnaire. The scoring of the interviews of project references listed in Part D of Section II of the Prequalification Questionnaire, if conducted, are scored separately from the scoring of additional project references provided in the Applicant’s response to Question No. 1 of Part B of Section II of the Prequalification Questionnaire, discussed above.

III. FINANCIAL INFORMATION

A. General Information

Part A of Section III is a non-scored portion of the Prequalification Questionnaire.
B. **Minimum/Pass-Fail Financial Ability Requirements**

The questions appearing under Part B of Section III of the Prequalification Questionnaire constitute minimum requirements in order for the Applicant to prequalify. Evaluation is on a pass/fail basis. A “yes” answer to Question No. 1 or a “no” answer to either Question No. 2 or Question No. 3 in Part B of Section III shall result in automatic disqualification. There is no other or separate scoring of the Applicant’s responses to this Part B of Section III.

C. **Statement of Financial Condition**

Statements of Financial Condition or independent auditor’s reports are required in order to verify that the Applicant has met the minimum financial requirements for prequalification. The information provided in the Statements of Financial Condition or independent auditor’s reports is not being separately scored.
CHAPTER IV

LEGAL COUNSEL

4001.LEGAL COUNSEL. The Office of General Counsel is responsible for providing legal counsel for the District. The Office of General Counsel may seek additional legal services for the District from outside law firms in accordance with the Board’s rules and regulations. Any members of the Board, the Chancellor, College Presidents and their designees may request the opinion of the General Counsel.

The Office of General Counsel shall be considered a Board support unit and report to the Board of Trustees through the Chancellor.

The General Counsel shall serve as the Board Parliamentarian.

Adopted 12-02-69
Amended 01-28-76
Amended 02-04-76
Amended 06-25-80
Amended 11-14-01

4002.CONTACTS WITH PUBLIC AGENCIES. The Chancellor shall establish the procedures to be followed pertaining to the relationships of the District to federal, state, county, and city departments, and to inquiries regarding federal and state laws and city and county ordinances.

Adopted 12-02-69
Amended 01-28-76
Amended 02-04-76
4004. **CLAIMS FOR MONEY OR DAMAGES.** As a prerequisite to suit against the Los Angeles Community College District, any claims against the District for money or damages which are not governed by any other statutes or regulations expressly relating thereto, shall be presented and acted upon in accordance with Title I, Division 3.6, Part 3, Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910), of the Government Code of California.

Adopted 06-09-70

4004.10 **Claims by Public Entities.** Claims by the state or by a state department or agency or by another public entity.

Adopted 06-09-70

4004.11 **Claims for Fees and Allowances.** Claims for fees, salaries or wages, mileage, or other expenses and allowances.

Adopted 06-09-70

4004.12 **Claims Under District Retirement System.** Applications and claims for money or benefits under the Los Angeles Community College District Retirement System or any other retirement system, not governed by any other statutes or regulations expressly relating to the presentation or such applications or claims.

Adopted 06-09-70

4005. **CLAIMS AND OTHER LEGAL PROCESS- PLACE OF SERVICE**

The designated place for service of claims, lawsuits, subpoenas for records or other types of legal process upon the District is the Office of the General Counsel. The General Counsel's Office may refer claims, subpoenas for records or other matters served to other offices for handling, resolution or supervision.

The District’s program manager for its bond construction programs is authorized to accept service of stop notices on behalf of the District for projects within its purview. Upon service of a stop notice, the program manager will promptly take steps as may be required by law, including reservation of funds and notification of the general contractor.

Adopted 06-25-97
Amended 08-11-04
Amended 03-25-09
LOS ANGELES COMMUNITY COLLEGE DISTRICT

CLAIM FOR DAMAGES TO PERSON OR PROPERTY

Instructions:
1. Read the entire form carefully.
2. Fill out the form completely. Attach additional information, if necessary.
3. Sign the claim form.
4. Deliver or mail claim to:

   Board of Trustees
   Los Angeles Community College District
   c/o Office of the General Counsel
   770 Wilshire Boulevard
   Los Angeles, California 90017

<table>
<thead>
<tr>
<th>Name of Claimant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
</tr>
<tr>
<td>City</td>
</tr>
<tr>
<td>Home telephone</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address and telephone number to which communications should be directed:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
</tr>
<tr>
<td>City</td>
</tr>
<tr>
<td>Telephone</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>When did the damage or injury occur?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
</tr>
<tr>
<td>Time:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Where did the damage or injury occur?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
</tr>
<tr>
<td>City</td>
</tr>
</tbody>
</table>
Please provide the name(s) of any employee(s) involved in the occurrence or transaction.

<table>
<thead>
<tr>
<th>Name(s):</th>
<th>Department:</th>
</tr>
</thead>
</table>

Describe in detail how the damage or injury occurred.

Please describe the type and the amount of damages or injury incurred as of the date you filed this claim.

Jurisdiction for complaint (check one): ___ Municipal Court  ___ Superior Court

**PLEASE BE ADVISED:**
1) Claims for death, or injury to person or to personal property must be filed within 6 months after the occurrence or transaction. (Gov. Code section 911.2)
2) All other claims for damages must be filed within 1 year of the occurrence or transaction. (Gov. Code section 911.2)
3) The Board of Trustees will grant or deny the application within 45 days after it is received by the Board. (Gov. Code section 911.6(a))
4) If the Board does not act on the application within 45 days, the application is deemed to have been denied. (Gov. Code section 911.6(c))

<table>
<thead>
<tr>
<th>Signature of Claimant or person acting on his/her behalf:</th>
<th>Date</th>
</tr>
</thead>
</table>

Print or type name

If other than Claimant, give relationship:
PROCEDURES FOR RETAINING LEGAL SERVICES

In retaining law firms for individual cases or matters, the following procedure shall be followed:

A. For ongoing work, the General Counsel shall conduct an open and competitive process to establish a panel of law firms with commonly-required expertise. In the event a need for additional expertise arises, the General Counsel shall make recommendations to the Board for additional firm(s) as necessary.

B. Supervising Office

1. For general matters involving the District, the Board of Trustees delegates authority to the General Counsel, or his/her designee, to select and supervise the firm to which an individual case or matter will be assigned. The General Counsel, or his/her designee, shall report the selection of counsel, the basic terms of the firm’s proposal, and the reason for the selection at the first meeting of the Board of Trustees following the selection.

2. Bond counsel will continue to be supervised by the CFO/Treasurer or designee for issuances or other funding transactions.

3. For new transactions involving construction matters and for real property acquisition, the Board of Trustees delegates authority to the Executive Director of Facilities Planning and Development or designee to supervise the firm to which an individual case or matter is assigned, effective December 1, 2012.

4. Counsel for the Office of Inspector General and for the District Citizens’ Oversight Committee will be selected and supervised by the Chancellor or designee, effective December 1, 2012.

5. For all transactions involving construction, construction defects litigation and real property acquisition, the Board of Trustees delegates authority to the Executive Director of Facilities Planning and Development or designee to select and to supervise the firms to which individual cases or matters will be assigned, effective January 1, 2013.

6. The applicable office shall be referred to as the Supervising Office.

Adopted 11-14-01
Amended 12-01-04
Amended 11-07-12
C. The Supervising Office shall solicit proposals from a minimum of three law firms for each individual case or matter, except as set forth in section G below.

D. For litigation in superior or federal court, or administrative proceedings, including arbitrations or administrative hearings, the proposal from each law firm will contain a proposed budget, including a litigation plan, a list of services to be provided, a per-unit price for categories pursuant to regulations promulgated by the Chancellor, and a maximum budget for those legal services not subject to unit-based pricing.

1. For matters subject to unit-based pricing, the unit price shall cover all of the firm’s professional fees associated with the matter, including travel time to and from hearings and depositions, preparation for hearings, trial, motions, and depositions, and the like, except for reimbursable costs allowable under the law firm’s contract with the District.

E. If a law firm’s proposal is accepted, the budget for matters not subject to unit-based pricing shall be binding unless the Supervising Office determines that unforeseeable circumstances have arisen. Under such circumstances, the Supervising Office may, in the exercise of discretion, agree to an amended budget. The Supervising Office shall promptly notify the Chancellor and the Board of Trustees of the unforeseeable circumstances, the reason for agreeing to an amended budget, and the amount of the amendment allowed, taking appropriate measures for the preservation of confidentiality in attorney-client communications and attorney work-product to protect the District’s interests.

F. Limited jurisdiction civil cases shall be paid at a rate up to, but not to exceed, $7,500.00, exclusive of costs, through trial or arbitration.

G. Transactional matters, such as contract review or negotiations shall not be subject to the unit-based billing system. Whenever possible, the Supervising Office shall obtain a proposal for a transactional matter, including an estimate of the total number of hours required and a total budget amount. The budgeted amount shall be binding except as provided in section E above. Transactional matters may be assigned to counsel without soliciting multiple proposals.
OIG
RECOMMENDATION
STATUS REPORT
2010-2012
# Table of Contents

Executive Summary ................................................................................................................. 1  
OIG Recommendations Status & Benefits .............................................................................. 2
Executive Summary

The Office of Inspector General (OIG) of the Los Angeles Community College District is reporting to the Board of Trustees the status of all recommendations issued in its audits, reviews, and investigations for the period covering October 2010 through August 2012.

In accordance with the standards and protocols of the Association of Inspectors General (AIG), the OIG is responsible for reporting on its specific audit, review, and investigation recommendations in order to ensure the timely implementation of necessary Bond Program improvements and to report progress and results of the OIG effort.

This report includes a comprehensive update of OIG report findings and recommendations, many of which resulted in District actions of policy reform and increased controls in core Bond Program processes.

Noted Bond Program improvements and benefits:

- The OIG rendered thirty-six (36) recommendations of which twenty-eight (28) recommendations have been implemented and eight (8) are in process to be completed by December 2012.
- The Board of Trustees approved several policy reforms or revisions to core Bond Program business processes.
- OIG recommendations and corresponding District actions resulted in a cost savings and recovery of $1.8 Million dollars for the Bond Program.
- The District strengthened its Design-Build procurement policies and increased formal bidding internal controls to assure integrity and accountability in the selection of construction contractors.
- The OIG review of Bond Counsel’s recommendations to reduce or eliminate noncompliant services, tasks, or positions increased the Bond Program’s compliance to Proposition 39 requirements.
- The District and the Board of Trustees initiated measures to debar a District contractor and review the performance of the managing College Project Manager “CPM” firm based upon evidence of False Claims and other violations. The District’s actions increased the level of accountability for contractors and construction management firms providing services to the Bond Program.

The Office of the Inspector General remains committed to maintaining the highest possible standards of professionalism and quality in its audits, reviews, and investigations, and will continue tracking and updating the Board on the status of its recommendations and implementation of improvement actions in the Bond Program.
OIG Recommendations Status & Benefits

The following information summarizes the OIG audits, reviews, and investigations’ recommendations, the actions of the Board of Trustees and the District, and the status or direct benefit and improvement received by the Bond Program.

The OIG rendered thirty-six (36) recommendations of which twenty-eight (28) recommendations have been implemented and eight (8) are in process to be completed by December 2012.

Audits and Reviews

<table>
<thead>
<tr>
<th>No.</th>
<th>OIG Recommendation</th>
<th>District / Board Action</th>
<th>Improvement and Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>OIG-001A - Van de Kamp Innovation Project Financial Review</td>
<td>The Office of the Inspector General performed a review of the Van de Kamp Innovation Project in order to identify all fund sources allocated to the project and total expenditures incurred. The OIG found that as of February 2011, the District expended $86,493,481, which exceeded the approved allocation of bond funds of $81,547,406 by $4,946,075.</td>
<td>The Board directs staff to reconcile VDK costs between CFO and BuildLACCD systems.</td>
<td>Improvement: CFO and BuildLACCD reconcile project costs in Program Management Financial System (May 2011-Nov 2011). Benefit: Increased fiscal accountability at the project level; reduces overspending approved budgets.</td>
</tr>
<tr>
<td>1</td>
<td>Reconcile Van de Kamp (VDK) project expenditures and implement a quarterly cost reconciliation to ensure projects stay within approved budgets.</td>
<td>The Board directs staff to reconcile VDK costs between CFO and BuildLACCD systems.</td>
<td>Improvement: CFO and BuildLACCD reconcile project costs in Program Management Financial System (May 2011-Nov 2011). Benefit: Increased fiscal accountability at the project level; reduces overspending approved budgets.</td>
</tr>
<tr>
<td>2</td>
<td>Modify public Dashboard reports to allow for better public and staff understanding of the total project costs.</td>
<td>Board directs Facilities Executive Director and BuildLACCD to modify Dashboard reports.</td>
<td>Improvement: Public Dashboard Reports are updated on BuildLACCD website (Oct 2011). Benefit: Increased transparency in reporting program information to the public.</td>
</tr>
<tr>
<td>3</td>
<td>LACCD should direct a review of the Van de Kamp project Labor Compliance and OCIP reported contractor labor hours in order to reconcile unreported hours found by the OIG during this review; and report results to the OIG.</td>
<td>BuildLACCD and Risk Manager review and close out OCIP I Program, which included VDK (June 2011); Based upon the closeout BuildLACCD found no additional costs to the OICP program due to unreported hours.</td>
<td>Improvement: OCIP I Program (including VDK) is closed out with no additional costs incurred due to unreported hours. Benefit: Reduced unforeseen OCIP Program cost expenditures.</td>
</tr>
<tr>
<td>4</td>
<td>Update the Bond Cost Principles to ensure a higher degree of bond program expenditure compliance.</td>
<td>Board directs and approves revisions to the Cost Principles.</td>
<td>Improvement: Cost Principles are revised to strengthen compliance to Prop 39 requirements. BuildLACCD implemented PM/CPM staff training of the Cost Principles as part of the continued Compliance monitoring process. Benefit: Increased compliance to Prop 39 requirements.</td>
</tr>
</tbody>
</table>
The objective of this review was to determine if recommendations from Bond Counsel Fulbright & Jaworski, LLP were implemented and verify if the identified Bond Program non-compliant expenditures and positions had been reduced and/or eliminated. Although some recommendations had been implemented, the OIG found instances of Prop 39 non-compliant positions and programs that had not been reduced or eliminated.

<table>
<thead>
<tr>
<th>No.</th>
<th>OIG Recommendation</th>
<th>District / Board Action</th>
<th>Improvement and Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The District should objectively evaluate the level of administrative and management overhead and costs being incurred for non-intern staffing under the PVJOBS contract and determine value added for the Bond Program.</td>
<td>BuildLACCD management reviews PV Jobs contract amount and scopes of work.</td>
<td>Improvement: Upon expiration of the PV Jobs contract, the Board approved separate contracts for both e7 and the intern outreach programs with scopes of work compliant with Prop 39. Benefit: Increased compliance to Prop 39 requirements.</td>
</tr>
<tr>
<td>2</td>
<td>The District should review and reconcile differences of food services and entertainment costs: between Bond Counsel and the Cost Principles; and develop a clear and concise food policy for the Bond Program; and prepare and present mandatory training to all bond funded staff.</td>
<td>The District reconciles differences in the food policy and proposes policy revisions to ensure Prop 39 compliance for all food and entertainment expenses. Board approves revised Cost Principles (February 2012).</td>
<td>Improvement: Cost Principles are revised to strengthen compliance to Prop 39 requirements and PM and CPM food related reimbursable expenses are re-aligned. PM/CPM implement staff training of the Cost Principles. Benefit: $300,000 cost savings to Bond Program due to a 2% annual reduction of PM and CPM food reimbursed expenses.</td>
</tr>
<tr>
<td>3</td>
<td>Based on the OIG’s determination that the videos produced by the PVJOBS Sustainability Media Studio (SMS) program provide insufficient added value to the Bond Construction Program, the District should discontinue use of bond funds for this program.</td>
<td>The District commences a review of the current videos as submitted by SMS and determines that the videos are not reasonable costs to the Bond Program; and directs termination of SMS contract task order.</td>
<td>Improvement: The District terminates SMS Studios Task order. Benefit: $1.5 Million cost savings to the Bond Program.</td>
</tr>
<tr>
<td>4</td>
<td>The District should develop a clear, concise policy defining what constitutes “tenant improvements” and therefore is not eligible to be funded with bond proceeds.</td>
<td>The District develops a clear, concise policy defining what constitutes “tenant improvements” and updates the Cost Principles. Board approves revised Cost Principles (February 2012).</td>
<td>Improvement: Cost Principles are revised to strengthen the Bond Program compliance to Prop 39 for tenant improvements. Benefit: Increased compliance to Prop 39 requirements.</td>
</tr>
<tr>
<td>5</td>
<td>The District should develop a clear, concise policy prohibiting the use of staff resources for “lobbying” or “soliciting contributions” during work hours; and direct the Program Manager to prepare and present mandatory training to all bond funded staff.</td>
<td>General Counsel develops a policy prohibiting the use of staff resources for “lobbying” or “soliciting contributions” during work hours. BuildLACCD expands its current training program to include the new policy. Board approves revised Cost Principles (February 2012).</td>
<td>Improvement: Cost Principles are revised to strengthen compliance to Prop 39 requirements for “lobbying” or “soliciting contributions”; BuildLACCD implements PM/CPM expanded staff training of the Cost Principles. Benefit: Increased compliance to Prop 39 requirements.</td>
</tr>
<tr>
<td>No.</td>
<td>OIG Recommendation</td>
<td>District / Board Action</td>
<td>Improvement and Benefit</td>
</tr>
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<tr>
<td>6</td>
<td>The OIG recommends that the Cost Principles be reviewed by District Management and Bond Counsel and updated to include quantifiable measures, as appropriate.</td>
<td>General Counsel and outside Bond Counsel prepare an update to the Cost Principles and developed a timetable for the annual review/revisions of the Cost Principles.</td>
<td><strong>Improvement:</strong> The District commits to an annual review and update of the Cost Principles. BuildLACCD expands its current training program to include any Cost Principle revisions and new requirements. <strong>Benefit:</strong> Long-term due diligence by the District increases compliance with Prop 39 requirements.</td>
</tr>
</tbody>
</table>

**OIG-003 - Selection of Construction Contractors Audit**

The OIG examined the Bond Program’s process for the selection of contractors for Design-Bid-Build and Design-Build procurements to review compliance to LACCD policies and procedures and statutory requirements. The OIG found only one instance of noncompliance to policies and procedures and internal control deficiencies.

<table>
<thead>
<tr>
<th>No.</th>
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<th>District / Board Action</th>
<th>Improvement and Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Develop and implement controls to prohibit Design-Build Selection Committee members from revising their scores once a Design-Build contractor is identified during the scoring session.</td>
<td>Board directs changes to the Bond Program Design-Build policy to prohibit Design-Build Selection Committee members from revising their scores once a Design-Build contractor is identified during the scoring session.</td>
<td><strong>Improvement:</strong> Design-Build Contractor Selection Policy revised and Design-Build Procedures are updated. <em>(Touchpoint Handbook - Revised December 2011).</em> <strong>Benefit:</strong> Increased internal controls in Design-Build procurement process.</td>
</tr>
<tr>
<td>2</td>
<td>The OIG recommends the District require self-reporting of potential conflicts of interest through the completion of Conflict of Interest/Confidentiality Disclosure Forms to be signed by all Selection Committee members prior to scoring.</td>
<td>Board directs Chancellor/General Counsel to submit an Execution Plan for Conflict of Interest Management (November 2011). Chancellor Directive issued to implement Conflict of Interest Disclosure/Confidentiality Form for use in all procurements (April 2012).</td>
<td><strong>Improvement:</strong> Chancellor’s Directive on Conflict of Interest (COI) Management is implemented for all Bond program procurements. BuildLACCD revised Touchpoint Handbook to include Conflict of Interest Disclosure/Confidentiality Form and related process improvement requirements for all future procurements. <strong>Benefit:</strong> Increased internal controls in Design-Build procurement process.</td>
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<td>3</td>
<td>The District develop or update, and implement procedures with adequate internal controls to ensure that the Design-Build contractor selection process is administered consistently to assure continued compliance with laws and regulations. The Program Manager should ensure specific controls should be added to ensure the proper recording of bids—date and time stamped to indicate the timely receipt of the bid packages.</td>
<td>BuildLACCD increases the specificity of the Design-Build procurement procedures and associated documents; including controls to ensure that bid package submittals are properly recorded.</td>
<td><strong>Improvement:</strong> Design-Build Contractor Selection Procedures revisions <em>(Touchpoint Handbook - Revised December 2011).</em> <strong>Benefit:</strong> Increased internal controls in Design-Build procurement process.</td>
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<td>4</td>
<td>The OIG recommends that all project documents be scanned and uploaded to the online archival/document retention system, DocView, within 60 days from contract award.</td>
<td>Board directs changes to Design-Build archiving procedures; procurement documents shall be archived within 60 days from contract award.</td>
<td><strong>Improvement:</strong> Design-Build Contractor Selection Procedures revisions <em>(Touchpoint Handbook - Revised March 2012).</em> <strong>Benefit:</strong> Increased internal controls in Design-Build procurement process.</td>
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<td>1</td>
<td>The District should establish a Bond Program policy for the selection of professional services consultants; and direct the PM to enhance its written policies and procedures for the selection process for professional service consultants.</td>
<td>The District directs the PM’s professional services group to further develop existing Professional Services processes and standardize for all (9) CPM firms.</td>
<td>Improvement: BuildLACCD is currently revising the Professional Services Selection Procedures (Touchpoint Handbook - Scheduled release date October 2012). Benefit: Increased internal controls for professional services contract procurement.</td>
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<td>2</td>
<td>The District require PM and CPMs to provide detailed information (i.e., listing minimum three firms submitting fees proposals and briefly describe the justification of the selected consultant) of the proposed project in the Proposed Board Action (PBA) report.</td>
<td>The District instructs BuildLACCD to modify all Proposed Board Actions (PBAs) to include the justification to support the selection of the awarded professional services consultant.</td>
<td>Improvement: BuildLACCD is currently revising the Professional Services Selection Procedures (Touchpoint Handbook - Scheduled Revised release date October 2012). Benefit: Increased transparency in Board review and approval of professional services contracts.</td>
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<td>3</td>
<td>All Selection Committee members, proposal evaluators, and interviewers be trained under a set of clearly established administrative procedures that serves as the standard guideline in proposal evaluation, bid scoring, and bid result communication to the proposers.</td>
<td>The District directs BuildLACCD to develop procedures and training (for procurement Selection Committee members) to ensure the standardization and the quality of the procurement process.</td>
<td>Improvement: BuildLACCD is currently revising the Professional Services Selection Procedures (Touchpoint Handbook - Scheduled Revised release date October 2012). Benefit: Standardization of professional services procurement process increases accountability of Selection Committee members and increases quality of the process.</td>
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<td>4</td>
<td>The OIG recommends the District develop, or update, and implement contract procurement procedures to ensure adequate internal and quality controls for professional services contracting.</td>
<td>The District instructs the PM to eliminate the terminology of a “prequalified list” for Professional Services Consultant services as currently posted on the BuildLACCD.org website (except for Design-Build pre-qualification lists, which undergo a separate pre-qual process). The new process requires that consultants demonstrate their qualifications through an RFQ/RFP process.</td>
<td>Improvement: BuildLACCD is currently revising the Professional Services Selection Procedures (Touchpoint Handbook - Scheduled Revised release date October 2012). Benefit: Added controls in the prequalification process increases the quality of professional service consultants providing services to the Bond Program.</td>
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<td>5</td>
<td>The OIG recommends that all project documents be scanned and uploaded to the online archival/document retention system, DocView, within 60 days from contract award.</td>
<td>The District instructs the PM to mandate a 60-day archiving requirement to improve retention of procurement documents.</td>
<td>Improvement: BuildLACCD archiving policy previously revised per OIG recommendations (Touchpoint Handbook March 2012). Benefit: Increased internal controls in document retention and retrieval.</td>
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**OIG-005 - Bond Fund Management Audit**

The OIG objective of this audit was to determine whether the Program Management (PM) and Campus Project Management (CPM) firms have provided oversight to ensure that Bond Program reimbursable expenses are reasonable and allowable under Proposition 39. For compliance of reimbursables allowed by Proposition 39, the OIG noted no exceptions. In its review of allowable reimbursables expenses per the CPM firm contracts, the OIG found items totaling $12,799 purchased by various CPM firms that were not allowable.

| 1   | District directs the PM to enhance its current procedures to include specific written procedures for reimbursable expenses that include controls to enforce the Cost Principles. | The District instructs BuildLACCD to enhance the current procedures regarding reimbursable invoice payments and provide annual training on invoice submittal for the CPM firms. | Improvement: BuildLACCD develops a checklist for all the firms to highlight some of the areas of concern related specifically to the language applying to allowable reimbursable costs (September 2012). Benefit: Increased compliance to Prop 39. |
| 2   | The District should review the contract “Reimbursable Expenses” list included in the existing PM and CPM contracts and consider amending the contracts at some point to remove items that are not allowable per the proposed revisions to the Cost Principles. | The District agrees that there should be a review of the listed contractual reimbursable items in light of the revised Cost Principles. The District is currently reviewing reimbursable items in PM contract for upcoming Program Management contract procurement (Dec 2012). | Improvement: The District’s future contracts for PM and CPM services shall include only Prop 39 compliant allowable expenses. Benefit: Increased Proposition 39 compliance |

**OIG-007 - Bond Program Risk Assessment**

The OIG has performed a Fraud Risk Assessment of the Bond Program as included in its 2010-2011 Annual Work Plan. The survey identified two (2) High Risks, related to construction change orders, and thirteen (13) Moderate-High Risks including contract invoice processing, inspection of work, receipt of poor quality work, and unreported conflicts of interest.

| 1   | The OIG recommends conducting an audit, review or evaluation of the design effectiveness of the existing controls over the High and Moderate Risk Areas identified in the Fraud Risk Assessment and provide feedback of any control deficiencies; and the extent of such deficiencies, if any are identified. | OIG conducts Change Order Audit (Completion August 2012) in response to Risk Assessment identification of High Risks. District participates in audit and responds to findings/deficiencies. | Improvement: OIG Change Order Audit Report outlines Change Order procedure improvements and long term benefits (October 2012 Release date). |
| 2   | The OIG recommends additionally conducting a control analysis as part of an audit, review or evaluation to identify any existing design gaps within the internal control framework of the Bond Program. | Control Analysis is pending approval of OIG Annual Work Plan 2012-2013. | |
## Investigations

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<td><strong>INV-004 - Clark Strategic Partners Investigation</strong></td>
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<td>The OIG completed an investigation of several allegations of improprieties by Woodrow Clark, doing business as Clark Strategic Partners/Clark Communications. The majorities of the allegations appeared to be highly speculative and were not substantiated by the OIG.</td>
<td>1 OIG recommends that the District recover cost associated with duplicate invoice payment of $5,500 and a Mac Book purchased with Bond funds.</td>
<td>The District pursued action to recover funds and equipment.</td>
<td><strong>Benefit:</strong> The District recovered $5,500 and District equipment.</td>
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<td><strong>INV-005 Pierce College Disposal of Assets (Copier)</strong></td>
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| The OIG investigation found that two Xerox copiers leased with Bond funds were mistakenly sold in the campus surplus assets public auction and Campus representatives were unable to get the new owner to void the sale. The OIG could not determine if the disposal of the copiers was intentional or accidental. | 1 The OIG recommends that internal controls in asset tracking be strengthened and the reported new procedures be communicated to the responsible parties at all campuses. | BuildLACCD staff implemented new procedures and corrective actions in the tracking and management of surplus assets. | **Improvement:** BuildLACCD implements stricter controls (May 2011); VP of Administration signature approval required for all surplus asset sales.  
**Benefit:** Increase internal controls shall reduce loss of property and funds. |
<p>| <strong>INV-006 - GST Master Procurement Agreements</strong> | | |
| The OIG investigated Whistleblower allegations regarding software that was purchased through a Master Procurement Agreement at 79% more than LACCD could procure the item if purchased directly from the manufacturer, representing a $13,000 markup. | 1 The OIG recommends the performance of a review or audit of the Master Agreements related to the District's Bond Program | OIG review of the Master Procurement Agreements is pending approval of the OIG's Annual Work Plan. |
| <strong>INV-007- Possible Government Code 1090 Violations</strong> | | |
| The OIG investigated possible violations of Government Code Section 1090 perpetrated by Nick Quintanilla and other College Project Manager staff at Mission College. The alleged violations relate to financial conflicts of interest and the use of subcontractors at Mission College. The OIG found evidence to support Section 1090 violations in the performance of duties by the CPM at Mission College. | 1 OIG recommends that the District refer this report and evidence to the Los Angeles District Attorney or appropriate law enforcement agency for further investigation. | Board approves referral of OIG report and evidence to the LA District Attorney for further investigation. | <strong>OIG is currently working with the District Attorney's office; D.A. investigation is ongoing.</strong> |</p>
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<td>INV-009 - Alleged Coercion on Selection of the WLAC Watson/TLC Design Build Contractor</td>
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<td>The OIG investigated Whistleblower allegations of coercion and other irregularities that occurred during the scoring session of the Watson/Teacher Learning Center (TLC) Design-Build project at the West Los Angeles College (WLAC). The OIG found the selection of FTR International (FTR) was primarily the result of revised scores from the non-college representatives, and that there may have been a strong, underlying motive for the non-college representatives to revise their scores. The OIG could not identify any incontrovertible evidence of motive, relationship, or collusion between any of the specific parties involved in the selection of the winning Design-Build team.</td>
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| 1 | The OIG requires all Step 2 and Step 3 selection committee members to sign a Conflict of Interest Disclosure/Confidentiality Form prior to the scoring process, to disclose any financial or other conflicts of interests and certify to maintain the confidentiality of any materials and/or information reviewed during the selection process. | Chancellor Directive issued to implement Conflict of Interest Disclosure/Confidentiality Form for use in all procurements (April 2012). | Improvement: All Bond Program procurements currently include the requirement for selection committee members to complete the Conflict of Interest Disclosure/Confidentiality Form.  
Benefit: Increased accountability and transparency in Design-Build procurement process. |
| 2 | The OIG recommends the elimination of the “rescoring” practice that allows selection committee members to “revise” their score sheets once a design build contractor is identified during the scoring session. | Board directs changes to the Bond Program Design-Build policy. | Improvement: Design-Build Contractor Selection Policy revision and update to Design-Build Procedures (Touchpoint Handbook - Revised December 2011).  
Benefit: Increased accountability and transparency in Design-Build procurement process. |
| 3 | Revise the current Design-Build process, policies, and procedures, specifically as listed below; and communicate revisions to all BuildLACCD, College, and CPM staff; and take necessary actions to ensure compliance. | BuildLACCD increases the specificity of the Design-Build procurement procedures. | Improvement: Design-Build Contractor Selection Procedures revisions (Touchpoint Handbook - Revised December 2011).  
Benefit: Increased accountability and transparency in Design-Build procurement process. |
<p>| INV-010 - Alleged Coercion on Selection of LAMC Design-Build Contractor |
| The OIG investigated Whistleblower allegations of potential coercion and other irregularities in the scoring and selection of FTR International (FTR) as the Design-Build contractor for the Student Services Center project at Los Angeles Mission College (LAMC). The investigation disclosed the selection of the FTR/NBBJ team most likely resulted from the influence of, and opinions expressed by, the VP of Administration and LAMC Facilities Director or members of their staff or persons supporting their operations or projects during the period between initial scoring tabulation and “rescoring.” |
| OIG recommendations same as INV-009 report; Refer to INV-009 above for status of OIG recommendations |</p>
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<td>INV</td>
<td><strong>INV-011: Award of Waterline Relocation Work to FTR</strong></td>
<td>The OIG investigated false claims allegations and verified that FTR invoiced and certified as being 90-percent complete. The change order work to relocate the on-site DWP waterline and was paid $1,232,630.93 for the work that was not completed at the time of the payment. The actual waterline relocation was not completed until 2010.</td>
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|     | The OIG recommends initiating proceedings to review the California False Claims Act violation, and take appropriate actions regarding FTR and GSE. | The District initiated public hearing proceedings in January 2012; and recommended and approved a 5-year debarment of FTR. | Improvement: The District recommended and approved a 5-year debarment of FTR; and GSE settlement agreement that includes performance improvement measures and 1-year oversight by a District approved Project Executive. 
Benefit: Increased accountability for contractors and construction management firms providing services to the Bond Program. |
|     | The OIG recommends the District establish or enforce a policy that ensures no change orders are issued for work not located within the project limits. | District currently reviewing OIG Draft Change Order Audit findings; actions pending. | |
| INV | **INV-019: Allegations of Solicitation by Safety Program Managers**                   | The OIG investigated Whistleblower reports that alleged Bond Program safety consultants were soliciting contractor and subcontractor employees during work hours to sell training services for their own personal financial gain. The OIG obtained witness testimonies and signed witness declarations corroborating the occurrences of solicitation and coercion. |
|     | The OIG recommends the District take the appropriate personnel actions to avoid any further improprieties. | The District actions included termination of Safety Manager consultants. | Benefit: Increased accountability and integrity in the Bond Program. |