

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

**Assessment of District Compliance
with Review and Approval Policies
for Contract Professional Timesheets
and Invoices: Hill International, Inc.
Contract No. 440007487**

**OA 24-1443
March 14, 2025**

**Sue Stengel
Inspector General**





Los Angeles Unified School District

Office of the Inspector General

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March 14, 2025

Ms. Krisztina Tokes, Chief Facilities Executive
Facilities Services Division
Los Angeles Unified School District
333 S. Beaudry Avenue, 19th Floor Los Angeles, CA 90017

RE: Assessment of District's Compliance with Review and Approval Policies for Contract Professional Timesheets and Invoices - Hill International, Inc., Contract No. 4400007487

Dear Ms. Tokes:

This is the final report on our assessment of the District's review and approval of timesheets and invoices submitted by Hill International, Inc. under Contract No. 4400007487. Please contact our office if you have any questions.

Sincerely,

Mark H. Pearson

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Mark H. Pearson, CPA, CFE, CIGA
Assistant Inspector General

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Sue Stengel, Esq., CIG
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Attachment

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**Assessment of District Compliance with Review and Approval Policies for Contract
Professional Timesheets and Invoices
Hill International, Inc., Contract No. 4400007487**

EXECUTIVE SUMMARY

This audit evaluates whether the invoices submitted by Hill International, Inc. (Hill) under Contract No. 4400007487¹ (Contract) with the Los Angeles Unified School District (District) were reviewed and approved in compliance with the District's established policies and procedures, CT-005 Standard Protocol for Validating Contract Professional Hours.² The purpose of the audit was to improve contractor oversight and accountability of the District's capital improvement program.

Conclusion

The audit found that the Facilities Service Division (FSD) Management reviewed and approved Hill invoices and time sheets according to the District's policies and procedures.

INTRODUCTION

Hill International, Inc. (Hill), established in 1976, is a consulting firm that provides construction project and cost management services.³ On November 18, 2019, the Los Angeles Unified School District (District) awarded Hill Contract No. 4400007487 to provide professional construction and project management and related support services to the District's capital improvement program.

The Contract's original period spanned from December 1, 2019, to November 30, 2021, with an initial not-to-exceed (NTE) amount of \$5,000,000 and three one-year extension options. Since its inception, the Contract has been amended 12 times, resulting in a revised term that extends through November 30, 2024, and an increased NTE amount of \$7,000,000. As of April 30, 2024, the cumulative expenditures under the contract total \$5,492,478.

Hill provided the services of 7 contract professionals (CPs) for the audit period under the Contract. The staffing categories of CPs appointed to the District included the following:

- Real Estate Asset Manager
- Owner Authorized Representative (OAR I & II)
- Project Program Scheduler
- Sr. Regional Construction Scheduler
- QA/QC Electrical Technical Reviewer
- Field Supervisor
- Project Cost Estimator

¹1990016-4400007487 Hill International, Inc. CM - Agreement (signed w RM) (7).pdf

²Microsoft Word - CT-005 Consultant Staff Work Hours Protocol - Revised1

³https://en.wikipedia.org/wiki/Hill_International

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These CPs operated on a staff-augmentation basis, with their daily work supervised and managed by the Facilities Services Division (FSD) personnel. The CPs' hours were recorded in the District's Consolidated Online Time-Reporting System (COLIN). Hill submitted monthly invoices to FSD based on these records and the contractual hourly billing rates. The CPs assigned supervisors were responsible for validating and approving timesheets and invoices, following the established policies and procedures.

SCOPE AND OBJECTIVES

The objective of our examination was to ensure that the invoices and timesheets submitted by Hill were reviewed and approved according to the District's policies and procedures. The audit scope covered invoices submitted for services from December 31, 2019, to April 30, 2024.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions. We believe the evidence obtained provides a reasonable basis for our findings and conclusions.

METHODOLOGY

We performed the following audit procedures to achieve the audit objectives:

1. Policy and Procedure Analysis:

- We reviewed FSD policies and procedures governing the validation and approval of CP timesheets.

2. Interviews:

- We interviewed Hill personnel to gain insights into their invoice submission process.
- We interviewed personnel from FSD to gain insights into supervising CPs and validating their hours.

3. Sample Selection:

- We selected a statistical sample of 27 invoices and the corresponding 137 timesheets submitted under Contract No. 4400007487.

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4. Invoice Review:

- **Invoice Approval:** We reviewed the approved invoices to determine they were approved by District employees.
- **Billing for Overtime/Weekend/Holiday Work:** We reviewed invoices to ensure that CPs did not bill for overtime work or for work performed on District holidays, weekends, or shutdown days unless prior written approval from the Branch Director was obtained.

5. Timesheet Review:

- **CP's Signature Date:** We reviewed CP's signature date to make sure the timesheet was signed after the last workday of the billing month.
- **Timesheet Approval Signature:** We reviewed the timesheet approval signature to determine that the approver was not from the same firm or sub-consultants.
- **FSD Supervisor Approval:** We examined whether the designated FSD supervisors approved the timesheets, as required by the established protocols.

RESULTS OF AUDIT

Audit found that Hill invoices and timesheets were properly documented and approved by FSD management.

1. Invoice Review:

- All invoices were properly approved by District employees.
- No instances of billing for overtime, holiday, weekend, or shutdown day work were found without prior written approval from the Branch Director

Conclusion: Full compliance was observed with no exceptions.

2. Timesheet Review:

- CP timesheets were signed after the last workday of the billing month, as required.
- Approval signatures were from individuals independent of the CP's firm or sub-consultants and in line with established procedures.

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- All timesheets were reviewed and approved by the designated FSD supervisors, adhering to established protocols.

Conclusion: Full compliance was observed with no exceptions.

AUDIT TEAM

Stella Lai, Audit Manager
Valerie Logan, Principal Auditor

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Maybe you know something about fraud, waste, or some other type of abuse in the school district.

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General Contact Information

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