



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

**Audit Report of MW Partners, Inc.
Contract No. 4400004356**

CA 21-1286

May 21, 2021



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

**Kelly Gonez, President
Dr. George J. McKenna III
Mónica García
Scott M. Schmerelson
Nick Melvoin
Jackie Goldberg
Tanya Ortiz Franklin**
Members of the Board

Austin Beutner
Superintendent of Schools

William Stern
Inspector General

May 21, 2021

Ms. Judith Reece, Chief Procurement Officer
Procurement Services Division
Los Angeles Unified School District
333 S. Beaudry Avenue, 28th Floor
Los Angeles, CA 90017

RE: Audit of MW Partners, Inc.
Contract No. 4400004356

Dear Ms. Reece:

This is the report on our audit of contract no. 4400004356 awarded to MW Partners, Inc.

Please contact our office if you have any questions.

Sincerely,

Austin E. Onwualu

Austin Onwualu, CPA, CIG
Deputy Inspector General, Audits

William Stern

William Stern, MBA, CIG, QIAL, CPP, CFE
Inspector General

c: Cheri Thomas
Richard Lui

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Audit of MW Partners, Inc. Contract No. 4400004356

Introduction

The Office of the Inspector General (OIG) audited contract number 4400004356 (contract) awarded by the Los Angeles Unified School District (District) to MW Partners, Inc. (MWP) for software development, network engineering, network configuration, enterprise architecture, and project planning services. The contract amount was \$2,516,011 and the contract period was January 1, 2016 through December 31, 2020.

Scope and Objectives

The objectives of our examination were to determine the following: (i) whether the amounts billed were adequately supported and allowable according with the contract terms and conditions, and (ii) whether services were provided as required by the contract and work orders.

Methodology

To accomplish our examination objectives, we performed the following procedures:

- Interviewed Information Technology Division (ITD) staff to obtain an understanding of the District's internal control and processes
- Inquired with MWP's management regarding their internal controls and business operations
- Compared the billed hourly rates with authorized hourly rates against the authorized contract rate
- Validated the number of hours billed against MWP's timesheets
- Reviewed the approval of signatures on the timesheets to determine if the project manager/project supervisor approved the timesheets
- Verified the mathematical accuracy of the invoices
- Interviewed the ITD Senior Director and project managers/supervisors to determine if the services/deliverables were provided as required for the amounts billed



**Audit of MW Partners, Inc.
Contract No. 4400004356**

Results of Audit

1. Determine whether the billed amounts were adequately supported and complied with the terms and conditions of the contract.

MWP submitted to the District 117 invoices totaling \$2,227,633 for services provided from January 1, 2016 through December 31, 2020 related to the five work orders issued under the contract. The five work orders were awarded to obtain the services of five contract professionals to work with ITD on a staff augmentation basis. The following table shows the services provided and duration for each work order:

Work Order No.	Services Provided	Duration
1	Oversaw the implementation of the My Integrated Student Information Systems Project (MiSiS)	3/19/2018 to 6/30/2021
2	Delivered solutions and related components and maintained daily interaction with functional experts and end users to ensure all aspects of the project were delivered as planned	3/17/2018 to 3/31/2020
3	Delivered solutions and related components and maintained daily interaction with functional experts and end users to ensure all aspects of the project were delivered as planned	3/17/2018 to 3/31/2020
4	Planned and implemented an integrated enterprise application design strategy to achieve consistent user experience and promote productivity and innovation	6/30/2018 to 6/30/2021
5	Provided Organizational Change Management (OCM) services within the District for the Whole Child Integrated Data project.	2/24/2020 to 6/30/2020

The amounts billed under the five work orders are listed below:

Work Order No.	Work Order Amount	No. of Hours Billed	Amount Billed	Labor Category	Contract Professional
1	\$ 1,096,640	5,898	\$ 878,802	Project Director, Level III	Sabia, Gary
2	369,648	3,960	369,648	Developer, Level III	Nelakurthy, Chinnu
3	329,211	3,699	329,211	Developer, Level II	Katarpu, Prathyush



**Audit of MW Partners, Inc.
Contract No. 4400004356**

4	672,072	4,891	601,532	Project Manager, Level III	Jalili, Adel
5	48,440	308	48,440	Project Director, Level III	Charles, Julia
Total	\$2,516,011	18,756	2,227,633		

We selected a statistical sample of 30 invoices totaling \$ 689,693 (31% of the total amount billed) for testing. We validated the number of hours billed on a sample of invoices against MWP's timesheets and verified that the hourly rates used to bill for the services were the authorized hourly rates. We also reviewed the approval of signatures on the timesheets to ensure that the project manager/project supervisor approved the timesheets. Based on the work performed, we determined that the amounts billed were adequately supported and allowable according with the contract terms and condition

2. Determine whether services were provided as required by the contract and work orders.

Based on our interviews with ITD's Senior Director and the project managers/supervisors who oversaw the work of the contract professionals, we found that services were provided by the contract professionals as required by the contract/work orders and that ITD management was satisfied with their work performance.

Audit Team

This audit was performed by the following auditors:

Stella Lai, Audit Manager
Vilma Baquir, Senior Auditor



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Independent Auditor's Report

We have examined the amounts billed by MW Partners, Inc. (MWP) under contract number 4400004356 (contract) for the period from January 1, 2016 through December 31, 2020, and MWP's compliance with the terms and conditions of the contract. MWP's management was responsible for the amounts billed and for complying with the terms and conditions of the contract. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and accordingly, included examining, on a test basis, evidence supporting MWP's compliance with the contract requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the amounts billed by MWP under the contract for the period from January 1, 2016 through December 31, 2020 were adequately supported and allowable according to the contract terms and conditions, in all material respects, and services were provided as required by the contract and work orders.

Austin Onwualu

Austin Onwualu, CPA, CIG
Deputy Inspector General

Digitally signed by Austin Onwualu
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general, ou=OIG, email=austin.onwualu@lausd.net,
c=US
Date: 2021.05.21 16:54:31 -0700

April 30, 2021

Know about fraud, waste or abuse?

Tell us about it.

Maybe you are a school district employee, a parent or just a concerned citizen. Regardless, you can make a difference!

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

The Office of the Inspector General has a hotline for you to call. You can also email or write to us.

If you wish, we will keep your identity confidential. You can remain anonymous, if you prefer. And you are protected by law from reprisal by your employer.

Whistleblower Protection

The Board approved the Whistleblower Protection Policy on February 12, 2002. This policy protects LAUSD employees who make allegations of improper governmental activity from retaliation or reprisal. To assure the reporting of any activity that threatens the efficient administration of the LAUSD, reports that disclose improper governmental activities shall be kept confidential.

General Contact Information

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Los Angeles, CA 90017
Phone: (213) 241-7700
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Fraud, Waste and Abuse Hotline

(866) 528-7364 or (213) 241-7778

inspector.general@lausd.net