

LACCD Board President Mona Field Admits To Misuse of Bond Funds As The Van de Kamps Coalition Demands Expedited Investigation Of Its Allegations Of Other Abuse Of Bond Funds

Coalition Alleges LACCD Board Illegally Handed Bond-Funded Community College Satellite Campus Over To Charter School And Non-Profit Workforce Centers Supported By Mayor Villaraigosa's Office

(March 12, 2010 Los Angeles) At its Board meeting on Wednesday, March 10, 2010, after revelation by the district's bond counsel of District staff's misuse of unknown amounts of bond funds, the Los Angeles Community College Board of Trustees ("LACCD") admitted to problems with administration of its \$5.7 billion dollar bond fund capital construction program. The stunning admissions by Board President Mona Field and Trustee Georgia Mercer of routine and daily misuse of voter-approved bond funds led the Van de Kamps Coalition, a community-based advocacy group, to renew its call upon the LACCD Citizens Bond Oversight Committee to take immediate proactive action.

"We believe the Citizens' Bond Oversight Committee must urgently bring in California's Attorney General, Jerry Brown, and Los Angeles County District Attorney, to commence a proper independent investigation of alleged wrong doing in the conversion of the \$72 million Los Angeles City College Satellite Campus at the former Van de Kamps Bakery into a general fund money making scheme of District officials," said Coalition Steering Committee Member Miki Jackson.

The Van de Kamps Coalition is a community-based organization that acted to save and preserve the historic Van de Kamps Bakery when it was threatened with possible demolition more than a decade ago. In 2000, former State Senator Richard Polanco, bolstered by a study that showed an urgent need for adult, for-credit educational opportunities in Northeast Los Angeles, obtained \$3 million in seed money from the State of California to help LACCD purchase the site and develop a Northeast Satellite Campus. In 2001, the LACCD Board, Los Angeles City College Academic Senate and Shared Governance Groups endorsed and began planning to construct and open the Northeast Satellite Campus of Los Angeles City College at Van de Kamps.

Just last month, at the last Citizens' Bond Oversight Committee meeting, Polanco accused District officials of "shenanigans" in the last-minute conversion of the Van de Kamps campus from a community college facility to a commercial tenant-leased facility. "It's a bait-and-switch," Polanco told tight-lipped Bond Oversight Committee members. At the end of that meeting, the Oversight Committee voted to merely ask the District's General Counsel if the Oversight Committee could begin an investigation of the Van de Kamps situation with access to its own independent investigator and legal counsel. State law requires a community college district to provide reasonable assistance to bond oversight committees from non-bond funds and unlike LACCD, the bond oversight committee for Los Angeles Unified School District has its own investigator and legal counsel.

At Wednesday's meeting, bond counsel Lisalee Anne Wells, of the law firm of Fulbright & Jaworski, told the Board of Trustees that large sums of bond money had been spent "on matters not directly related to campus construction, such as travel and public relations." Wells did not indicate whether the improper expenditures she identified included the hundreds of thousands of dollars now being spent to redesign the Van de Kamps Bakery building to suit the desires of Mayor Villaragosa's unemployment programs. Unless halted by current investigations, those unemployment programs are slated in just a few months to go into the Van de Kamps building instead of community college classes.

"Since last summer, our group of community volunteers has been ringing the fire bell of potential misuse of bond funds. District officials, especially Board President Mona Field, have disparaged our organization and ignored the improper redirection of bond-funded community college facilities at Van de Kamps," said Laura Gutierrez of the Coalition. "The vote of the Bond Oversight Committee to commence an investigation at Van de Kamps, and the public statements of the district's bond counsel that funds are being misspent, contradict claims by Board President Field that the bond program is 'a success, although the District missed a few details.' Hundreds of thousands of dollars and the misdirection of a \$72 million campus into the hands of the Mayor's pet projects and favored non-profit organizations is not a few details," she said, "it's wholesale fraud."

Perhaps in an effort to politically paper over its own neglect, on Wednesday the Board of Trustees took an action to create a new Office of Inspector General, reporting to themselves. "Things are closing in on the Board," observed Coalition member Andrew Garsten. "For months, the LA Times has been preparing a multi-part series regarding misspent bond funds. Our Coalition filed an environmental lawsuit to halt changes at Van de Kamps without proper review. The Bond Oversight Committee agreed that an investigation of Van de Kamps is warranted. Does anyone think an Inspector General appointed and fired by this Board of Trustees will have any real credibility to conduct impartial investigations?" he observed.

Attorney Daniel Wright, who was retained by the Van de Kamps Coalition and who also spoke last month to the Citizens' Bond Oversight Committee, suggested that the creation of the Office of the Inspector General is a sleight of hand by the District. "The Oversight Committee asked the District's General Counsel Camille Goulet if there were funds to pay for an independent investigator and separate legal counsel as LAUSD has. She said she would get back to the Oversight Committee at the next quarterly meeting, but one wonders if the creation of the Inspector General under the thumb of the Board of Trustees is a prelude to denying funding to the Oversight Committee to have its own investigator and legal counsel."

Netty Carr, one of the founding members of the Van de Kamps Coalition, remains skeptical of the Board's sincerity. "Why isn't the LACCD Citizens' Bond Oversight Committee calling a special meeting and asking us to present the substantial evidence we have gathered?" she said. "And we know that Attorney General Jerry Brown's office agreed that there was a problem at Van de Kamps, but then Brown's office claimed it had no money to continue an investigation. This makes no sense to us as state law gives the Attorney General the power to recover the cost of an investigation from LACCD!" she observed. Shaking her head, "It seems today that elected officials can rip off the taxpayers and Bond Oversight Committees and the elected law enforcement officials just turn a blind eye. Where is the integrity our government once had?"