



LACCD OFFICE OF THE
INSPECTOR GENERAL
INTEGRITY * TRUST * COMMUNICATION

CONFIDENTIAL REPORT

Investigation Report

Counterfeiting & Sales of I-Tap Cards



LACCD OFFICE OF THE
INSPECTOR GENERAL

INTEGRITY • TRUST • COMMUNICATION

April 26, 2011

Chancellor Dr. Daniel J. LaVista
Los Angeles Community College District
770 Wilshire Blvd.
Los Angeles, CA 90017

Chancellor LaVista,

This is the Office of Inspector General's Investigation Report on the sale of counterfeit I-Tap cards by a part-time District employee.

The Office of Inspector General's investigation found that the Sheriff's Department arrested the employee and charged him with burglary and grand theft.

I appreciate the courtesies and cooperation extended to us during this investigation.

Sincerely,

Christine Marez
Inspector General
Los Angeles Community College District

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ALLEGATION

A Los Angeles City College (LACC) staff member was producing and selling counterfeit I-TAP cards on Craigslist.

BACKGROUND

During construction on many campuses, on-site parking for students and staff was reduced while the parking area space was used for construction of new facilities and construction staging. The I-TAP Program (a low-cost transit pass program) was initiated to satisfy an EIR (environmental impact report) mitigation requirement to offset an expected increase in student parking on streets around the campuses.

The I-TAP Program allows students to purchase a six (6) month pass to the Metro system for \$15. The District agreed with Metro to subsidize the I-TAP Program at an agreed-upon rate of \$1.66 per week per student for the Full Time Student (FTS) enrollment of the college using bond funds, i.e., approximately \$44 per student per pass sold. The \$15 received for purchase of each pass was subsequently returned to the bond fund. Sales of the I-TAP passes were typically handled through the Campus Business Office.

On November 3, 2010, Metro requested the District compare its sales data for I-TAP cards with its inventory of card blanks at the various campuses at the end of each day to limit the potential fraud that had previously been experienced at LACC. This was the first awareness LACCD (the District) had of the incident. The Office of Inspector General (OIG) received notice of this fraudulent activity on December 9, 2010.

INVESTIGATION APPROACH

To start the investigation, all available documentation relating to the allegation was obtained and reviewed. The source of the allegation was interviewed to verify the information, obtain any additional information and determine the current status of the issue. Concurrently, documentation on the I-TAP program was obtained and reviewed.

From the information provided, parties familiar with and/or involved in the issue were identified for interviews and to obtain additional relevant information and/or documentation.

Interviews with the identified parties were conducted and the findings documented.

This is the Investigation Report documenting the OIG's conclusions and recommendations

FINDINGS

On December 15, 2010, the OIG met with Tom Hall, Director of Facilities Planning and Development, to review the status of the issue, collect information and start an investigation. Mr. Hall had been given responsibility for administering the I-Tap Program when the BuildLACCD consultant position that had been responsible for the program was vacated and eliminated.

Mr. Hall provided background information on the I-Tap program and advised that the program would be ending after the 2011 Spring semester. He had no additional information regarding the status of the matter and advised contacting the Metro representative, Mr. David Sutton.

Mr. Sutton was contacted on December 15, 2010 and reported that the issue appeared to have already been resolved. The individual at LACC who was selling the counterfeit passes apparently had purchased blank cards from the vendor, "loaded" them at the campus office with the machine provided by Metro, advertised them on "Craigslist" and sold them.

The Sheriffs Department had been asked to handle the problem. The case had been assigned to Detective Frank Richter. Detective Richter informed the OIG that the individual had been identified as Arthur Amirkhanian. He had been a temporary/part-time employee at LACC. He has been arrested on charges of burglary and grand theft and found guilty of both. As Mr. Amirkhanian had no prior convictions, he was sentenced to 36 months of probation.

CONCLUSION AND RECOMMENDATIONS

Metro appears to be satisfied with this result.

No further action by the District or OIG appears warranted.

REPORT DISTRIBUTION

Chancellor Daniel J. LaVista
Board of Trustees
Tom Hall, Director of Facilities Planning & Development
Camille Goulet, General Counsel

EXHIBITS

None