

Hacienda La Puente Unified School District

Administrative Audit

Prepared for

Lozano Smith, Attorneys at Law

Volume I

Investigative Report and Attachments

Investigation by:
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P.I. License #27653

May 2, 2013

Synopsis of Investigation

The Hacienda La Puente Unified School District received a letter alleging Board of Education member Dr. Joseph Chang had traveled to China on behalf of the BELA Education Group. The BELA Education Group was known to recruit and facilitate Chinese students to come to the United States and attend schools in the Hacienda La Puente Unified School District. It was suspected this organization paid for Dr. Chang's travel expenses. As a School Board member, this would be a conflict of interest for Dr. Chang. Dr. Chang denied that the BELA Education Group paid for his travel expenses, but that Norman Hsu, a close personal friend, paid them. Hsu is a former School Board member and is believed to be affiliated with the BELA Education Group. The evidence supports there could be a reasonable perception by others of a conflict of interest on Dr. Chang's part regardless if the BELA Education Group or Hsu paid for his travel expenses.

The letter also alleged that School Board member Anthony Duarte made an inappropriate political agreement with Norman Hsu in exchange for Hsu's support for Duarte to be appointed to the School Board. Duarte allegedly agreed to vote on issues consistent with the existing Chinese Board members. The evidence supports this allegation was unfounded.

The District also learned Dr. Chang was suspected of placing undue influence and pressure on District staff members to approve the applications of international students even though these students did not meet the application requirements. Dr. Chang directed staff members to approve certain international students on a "conditional" basis after the staff believed the students did not meet the requirements. The evidence supports this allegation was founded.

The District also had concerns regarding the living conditions of international students living with host families as well as financial arrangements these students/parents had with recruiters and host families. The District received information that the overall living conditions, including housing, food and supervision, were lacking for some international students. The financial requirements paid by the students/parents appeared to be excessive considering the services received. The evidence supports there were a number of host families that provided living conditions that were lacking. Some of these residences provided inadequate food and insufficient levels of supervision. The evidence was inconclusive in regard to the financial arrangements between the students/parents and the recruiters and host families.

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Transcripts and audio recordings of interviews are included in Volume II.

Persons interviewed

In chronological order of interview:

1. Santorufo, Anthony Dr.
2230 N. Third Ave.
Upland, CA 91784
(909) 767-8091

- 2.

Hacienda La Puente Unified School District

- 3.

Hacienda La Puente Unified School District

- 4.

Hacienda La Puente Unified School District

- 5.

Hacienda La Puente Unified School District

- 6.

Hacienda La Puente Unified School District

7. Nakaoka, Barbara Dr.
(626) 933-3801
Superintendent
Hacienda La Puente Unified School District

8.

(Monday and Wednesday)
(Tuesday and Thursday)

Hacienda La Puente Unified School District

9. Duarte, Anthony

(626) 304-0110

Board of Education member

Hacienda La Puente Unified School District

10. Chen, Jay

(626) 534-3544

Board of Education President

Hacienda La Puente Unified School District

11.

Hacienda La Puente Unified School District

12.

Hacienda La Puente Unified School District

13.

Hacienda La Puente Unified School District

14. Chang, Joseph Dr.

(626) 705-6359

Board of Education member

Hacienda La Puente Unified School District

Introduction

I (Private Investigator Chuck Thomas, California P. I. License Number 27653) was assigned to the investigation.

On December 20, 2012, I met with _____ and Hacienda La Puente Unified School District Superintendent Dr. Barbara Nakaoka. On October 26, 2012, Dr. Nakaoka had received a letter from Dr. Tony Santorufo (Attachment A). Dr. Santorufo made specific allegations against certain members of the District's Board of Education and the District's International Student Program. Although there are a number of issues identified in this letter, the focus of this investigation was to determine:

1. Did the Board President, Dr. Joseph Chang, accept a gift of travel and/or lodging from BELA Educational Group for a trip to China, and that trip was related to District business? (Note: the BELA Educational Group is also referred to as the BELA Group and BELA Education Group)
2. What role did Dr. Chang play, if any, in the District's decisions regarding the admission of students to the International Student Program?
3. Did a Board member, Mr. Anthony Duarte, enter into any agreements with Norman Hsu, Junbo Chan, Dr. Chang and Dr. Santorufo during the provisional appointment process of Duarte to the School Board of Education?
4. What is the condition of housing, supervision and safety of students admitted to the District's International Student Program, as determined from inspections and audits performed by the District staff? Also, how do these conditions compare to industry standards for housing, supervision and safety of foreign students?
5. What are the financial arrangements between the students (and their parents) admitted to the District's I-20 Program, on the one hand, and the persons or entities recruiting those students? How do those arrangements compare to industry standards for the recruitment or placement of foreign students?

During this investigation, all interviews were audibly recorded unless otherwise noted. Transcripts of the recorded interviews and compact discs of the recordings are attached to this report. A paraphrased synopsis of each interview is included within this report.

The Norman A. Traub Associates case number is 12156.

This investigation was completed on May 2, 2013.

Investigation

The following is a list of paraphrased items from Dr. Santorufo's letter that are pertinent to this investigation:

- Junbo Chan, who operates the BELA Educational Group as a side business, sent an "angry email" to Dr. Chang, Norman Hsu and Dr. Santorufo complaining that officers had gone to the home of visiting Taicang students. The officers questioned the students about their living arrangements. Dr. Chang, in a reply email, stated that the visit was an error on the part of the District's Pupil Services Director.
- Dr. Chang accompanied Hsu and Dr. Santorufo on three trips to China between December 2011 and July 2012. All expenses were paid by the BELA Group. Dr. Chang told Dr. Santorufo to not mention that he went on these trips because it would be a problem with the Board since Dr. Chang was representing the School District. Dr. Chang said he had not informed the Board, offered an opportunity to other Board members to go to China or had reported back to the Board about the trip. Dr. Santorufo thought it was "curious" that Dr. Chang had been the "strongest advocate for BELA" with the District and was receiving all expenses paid trips to China.
- Parents of the international students pay a significant amount of money to come to California. The parents will pay a Chinese school approximately \$15,000, of which half goes to the BELA Group. The students living at Junbo Chan's house pay \$12,000 each for the school year. In addition, Dr. Santorufo believes Hsu receives several hundred dollars a month to be a "counselor" for a student.
- One student told Dr. Santorufo that he was "very lonely" because he did not have much contact with students outside of school.
- Dr. Santorufo was present during a conversation between Hsu, Junbo Chan, and Dr. Chang the morning after School Board candidate interviews and two weeks before the Board was to vote on Anthony Duarte's appointment to the Board. The conversation included a discussion "involving agreements made among them and Anthony Duarte."

For a copy of Dr. Santorufo's letter refer to Attachment A.

The Hacienda La Puente Unified School District Board of Education consists of Mr. Jay F. Chen (Board President), Mr. Gino Kwok, Esquire (Board Vice President), Mr. Anthony Duarte, Mr. Rudy Chavarria and Dr. Joseph K. Chang. Norman Hsu had been a Board member until November 2011. Dr. Barbara Nakaoka is the Superintendent.

Interview with Dr. Anthony Santorufo

On January 11, 2013 at approximately 9:55 a.m., I interviewed Dr. Santorufo at the Hacienda La Puente Unified School District. He gave his permission for this interview to be audibly recorded. The following is a paraphrased synopsis of this interview:

Dr. Santorufo has a doctorate in education. He has served as a teacher and principal at the middle and high school levels and was the Assistant Superintendent for secondary schools, pupil services and special education for the Rowland Unified School District. He has worked in the education profession for approximately 36 years.

Dr. Santorufo was familiar with the “2+1 Program.” It involves international students coming to the United States to obtain their high school diploma and then attend an American university. It also involves working with the high schools in the other country, China, to align their courses of instruction with the American courses and provide American teachers so those students are better prepared when they come to United States for their senior year of high school. The “2+1 Program” refers to the student completing two years of high school in China and then one year in the United States. The student, if successful, would receive an American as well as a Chinese high school diploma. Dr. Santorufo has been working with the schools in China to develop courses there, which should be geared toward the student being successful in the United States.

Dr. Santorufo was aware of a number of different companies, in China and the United States that he referred to as a “recruiter or broker.” These brokers solicit students to come to the United States and will assist them in completing their applications, which would include their I20 Federal Homeland Security application, which is required of all international students. A particular school district would also have to be approved and agree to accept students under an I20 application. The Hacienda La Puente Unified School District is such a district. Dr. Santorufo believed there were approximately 20 or 30 international students currently enrolled in the Hacienda La Puente Unified School District.

Dr. Santorufo had worked with the BELA Educational Group, which works to assist Chinese students in coming to the United States to further their education. They started in approximately 2011. The president of this private company is Junbo Chan, who lives in Vancouver, Canada. Chan is also the North American representative for the Chinese Education Council, which basically is Hanban. Hanban is an organization that promotes Chinese language and culture and connects with a variety of schools in the United States. Norman Hsu, a former Hacienda La Puente Unified School District Board Member, is the BELA Educational Group Acting Director and Dr. Santorufo had been the Academic Superintendent since May 2012. He had since resigned in August 2012. As the Academic Superintendent, Dr. Santorufo would travel to China to speak at workshops and conferences to share information with parents and students about coming to the United States to further their education. There are other recruiters working with the Hacienda La Puente Unified School District besides the BELA Educational Group, but Dr. Santorufo does not know their names and has not worked with them.

To the best of Dr. Santorufo's knowledge, the Hacienda La Puente Unified School District is the only school district that BELA Educational Group works with to bring students from China to

their school district to be students at Wilson High School. However, these students, technically, are not part of the “2+1 Program” because they have not completed the first two years of the program in China. There are two students currently attending Wilson High School whose education and housing arrangements were made by Chan and Hsu through connections with friends or other associates, but are not a part of the “2+1 Program.”

Dr. Joseph Chang, a Hacienda La Puente Unified School District Board Member (and Board President during 2012), has attended several meetings with Junbo Chan, Norman Hsu and Dr. Santorufo during trips to China to promote the program. Dr. Chang would introduce himself to an audience as the Board President of Hacienda La Puente Unified School District. At one particular high school presentation, Dr. Chang spoke about how the School District supported the international program and specifically talked about what Wilson High School had to offer. The audience included students who might be interested in coming to the Hacienda La Puente Unified School District to continue their education.

Dr. Santorufo went to China four times between December 2011 and July/August 2012. He believes Dr. Chang joined him and Chan and Hsu on these trips on three different occasions. Dr. Chang spoke at meetings to solicit Chinese students to come to the United States on each of these three trips. Dr. Santorufo believed Dr. Chang was representing the Hacienda La Puente Unified School Board because he would introduce himself as the President of the Board. Others would also introduce him with this title. However, Dr. Santorufo does not recall if Dr. Chang ever actually said the Board had actually approved the international student program. One time, he asked Dr. Chang if the Board had made any official decision regarding the program, however Dr. Chang did not answer him. Dr. Santorufo does not know why Dr. Chang did not respond to his question.

When Dr. Santorufo would travel to China, all his expenses were paid for by the BELA Educational Group, specifically by Chan and Hsu. Dr. Santorufo believes they also paid for all expenses for Dr. Chang as well. Dr. Santorufo never saw Dr. Chang involved in any type of financial transaction at any of the hotels nor did he ever see Dr. Chang ever try to pay for anything. All of the hotel and travel arrangements had been made through Hsu. Dr. Santorufo never saw anything that would indicate Dr. Chang paid for anything. Dr. Santorufo never spoke with Hsu or Dr. Chang about this particular issue. However, prior to Dr. Santorufo's last trip to China in July/August 2012, Chan told Dr. Santorufo that Dr. Chang had asked Chan if Dr. Chang could go on the trip. Dr. Santorufo told Chan he did not believe it was necessary for Dr. Chang to attend because Dr. Santorufo did not need him to translate. Dr. Santorufo told Chan, "Basically, it's your money. I mean, you can spend it any way you want." Dr. Chang ended up not attending the trip and Dr. Santorufo presumed it was because Chan told Dr. Chang that Chan would not be paying for his travel.

Dr. Santorufo's experience in the education profession was that if a school board member was to travel on behalf of the school board then it would be considered an official visit and the district would pay for the trip. Dr. Santorufo does not know for sure if the Hacienda La Puente Unified School District School Board had approved Dr. Chang to travel to China representing the School Board. However, prior to a meeting (approximately June/July 2012) he had with School District Superintendent Dr. Nakaoka, Dr. Chang and Chan, Dr. Chang told Dr. Santorufo not to mention

that he had gone on these trips to China. Dr. Chang told him, "I've got appear neutral" with regard to the BELA Educational Group. Dr. Chang also talked about how there was a protocol for the Board to have an open discussion whenever a Board Member was invited to travel somewhere. Dr. Chang did not mention anything to him about who was paying for his trip.

Dr. Santorufo did not know what role, if any, Dr. Chang would play in the District's decision regarding admitting a student to the International Student Program. It was Dr. Santorufo's understanding that the District Superintendent would make this decision after seeking input from a committee that included the school principal and counselor. Dr. Santorufo does not know if Dr. Chang influenced or affected this decision in any way. However, Hsu had told Dr. Santorufo that their strategy was to convince the Superintendent to give approval to admit a student and the Superintendent would then direct the principal to do whatever was needed. Dr. Santorufo does not believe the School Board was involved in this approval process.

Dr. Santorufo did know that Dr. Chang wanted to be a liaison between the BELA Educational Group and the School District and the Superintendent thought this was a good idea. Dr. Santorufo believed it was unusual for a board member to serve as a liaison with a private company. He believed it was the Board's responsibility to set policy and hire the superintendent. If there was to be a liaison with a private company, this should be someone in the District's Administration. Dr. Santorufo has never discussed with Dr. Chang or anyone else why Dr. Chang wanted to be the liaison and does not know for sure why he had this desire. However, Dr. Santorufo suspects it could have something to do with the fact Dr. Chang was receiving these paid trips to China. Dr. Chang wanted to show his support for the program and at the same time there was considerable free time for those who went on the trips.

Dr. Santorufo was aware there were currently two female students enrolled in a Hacienda La Puente Unified School District school who did not have high enough grades to be admitted. They started in the District in September 2011. Hsu, who had previously served on the School Board for 20 years, told Dr. Santorufo he had made arrangements to get these two students into the program even though they did not qualify. Dr. Santorufo does not believe Hsu was a Board Member when he did this and does not know if Dr. Chang was involved in this particular approval process. Hsu was involved in the Confucius Classroom program and the Hanban Program with Chan when Hsu was on the School Board. However, Dr. Santorufo is not aware of Hsu ever receiving any type of travel or gifts by any private organization while Hsu was on the School Board. However, Hsu had told Dr. Santorufo, "With a little bravado," that the District Attorney had investigated him for his trips to China while he was on the School Board. Hsu told Dr. Santorufo this toward the end of 2011 or beginning of 2012 in a casual conversation. Hsu told him, "Oh, they didn't find anything."

Dr. Santorufo does not know Anthony Duarte and does not believe he has ever met him. However, Dr. Santorufo had attended a breakfast meeting at a Bob's Restaurant or Denny's Restaurant in the City of Industry with Chan, Dr. Chang and Hsu. This occurred the morning after the School Board met and conducted interviews with School Board applicants. There had been a vacancy on the Board created when Anita Perez, a Hispanic woman from La Puente, decided to resign from the School Board. The current Board Members were interviewing candidates to fill the position. Hsu told all of them at the breakfast meeting he had been

contacted by Duarte who told Hsu that he wanted to get the position on the Board and what he would need to do to be appointed to the position. Hsu is "well-known" and "very influential" and Dr. Santorufo described him as a "powerbroker" in the Chinese community. Even though he is no longer on the School Board, Hsu frequently gives advice to Dr. Chang and Dr. Chang asks Hsu questions a lot. Dr. Santorufo believes Hsu and Dr. Chang have a close relationship. Hsu told them at the breakfast that he told Duarte he would give him his support for the Board position, but Duarte would have to agree to vote, in general, with the Chinese Board Members so they maintained a majority on the Board. According to Hsu, Duarte agreed to vote along with the Chinese Board Members and Hsu agreed to exercise his influence to support Duarte's appointment to the position. Dr. Santorufo believed this meant Hsu would influence Dr. Chang to vote for Duarte to fill the vacancy. Dr. Chang responded to Hsu's comments about Duarte by saying that Duarte would get the position and the argument would be that Duarte is Hispanic from La Puente just as Anita Perez was. There would then still be representatives to the Board from the north and the south side of the District. Dr. Chang, although he did indicate at this breakfast meeting he felt Duarte would get the position, said he was not going to "sell it (to other Board members)." Dr. Chang did also say he could not discuss the matter because it was confidential. Dr. Santorufo never heard Dr. Chang specifically say he would vote for Duarte. Two weeks later, Dr. Santorufo learned Duarte had been appointed to the School Board. Chan had not made any comments regarding what either Hsu or Dr. Chang had said.

Dr. Santorufo knew there were two international students, _____ who lived at a house owned by Chan on _____ near Wilson High School. Dr. Santorufo has been to this residence at least five or six times. He described it as being a five bedroom, two-bathroom residence with no living room furniture, a TV, dining room table and chairs and only two desks with computers. He had been told the students' parents were paying \$1,500 a month for their children to live there. Each boy had his own separate bed. _____ told Dr. Santorufo he did not like living there because he was all alone and had little contact with the American culture. There was a sufficient amount of food, however it was not very good and it would frequently be left sitting out on a table for hours after a meal. The supervision of the two boys was described as minimal to Dr. Santorufo. Dr. Santorufo had never noticed any conditions that he thought were a health or safety concern, other than the food being left out after meal. Dr. Santorufo has never seen any Board Members or school officials at the residence, however he has seen Hsu there on occasion. Dr. Santorufo had seen an email from Chan where he wrote to Dr. Chang that he was angry after hearing about a visit to the house by school district officials. Apparently, the officials had concerns about the conditions of the home. Chan wrote to Dr. Chang something similar to, "What's going on over there? You're the Board President. Take care of it, fix it."

Dr. Santorufo had heard about the financial arrangements for these international students from Hsu. Hsu said the parents pay \$15,000 to the school in China and the BELA Educational Group gets 50% of that. The parents also pay the District approximately \$8,700 for the Average Daily Attendance (ADA) costs. He does not know of anyone affiliated with the School District who personally receives any money from the students.

One of Dr. Santorufo's responsibilities with the BELA Educational Group was to recruit American teachers to go to China to teach the students planning on coming to the United States.

He had a difficult time finding quality teachers willing to take this position. In a conversation about this with Dr. Chang, he told Dr. Santorufo to, "Just get a white teacher, they don't have to be any good." Dr. Chang made this comment in July 2012.

Dr. Santorufo resigned from his position at BELA Educational Group on August 17, 2012 because the Company's values were inconsistent with his values. Parents and students were being told they would be able to attend American universities like Princeton, Berkeley and Harvard, but very few were getting into these colleges. Dr. Chang was aware of his concerns. During a conversation about this, Dr. Chang said to him something similar to, "If one or two kids get in a four-year, it doesn't matter. We'll send them to the community college, you know?" Dr. Chang mentioned he is a good friend with the Chancellor at East Los Angeles Community College. Dr. Santorufo believes Chan and Hsu are more concerned about making money off of the international students than furthering their education. He does not know if Dr. Chang feels the same way, but based on things said by Hsu, Dr. Santorufo thinks Dr. Chang may think this as well.

Dr. Santorufo recently learned from [redacted] that she too had concerns over the home living conditions of the students. Dr. Santorufo expressed his concerns that a particular student, [redacted] was not receiving proper supervision and the house he was living in (Chan's house) did not have heat. [redacted] had to call Hsu, [redacted] guardian, 10 times before he got an answer to his problems. When he finally did talk with Hsu, [redacted] was told by Hsu, "Well, there won't be any heat. We've gotta make money." Also, [redacted] hair was literally falling out and no one seemed to be addressing the issue. Dr. Santorufo discussed these issues with [redacted]

Dr. Santorufo's motivation in writing the letter to Dr. Nakaoka was that he sees himself as an advocate for the children and doing the right thing. He believes international students are at risk and the information they and their parents are receiving is false.

Dr. Santorufo would forward any emails he may have that might be pertinent to this investigation.

Investigation

During my interview with Dr. Santorufo, he provided me with his written responses to the following questions:

1. Did the Board President, Dr. Joseph Chang accept a gift of travel and/or lodging from BELA Education Group for a trip to China that was related to District Business?
2. What role did Dr. Chang play, if any, in the District's decisions regarding admission of students to the I-20 program?
3. Did a Board member, Mr. Anthony Duarte, enter into any agreements with Norman Hsu, Junbo Chan or Dr. Santorufo during the provisional appointment process?
4. What is the condition of housing and supervision of students admitted to the District's I-20 program?
5. What are the financial arrangements between the students (and their parents) admitted to the District's I-20 program, on the one hand, and the persons or entities recruiting those students?

Dr. Nakaoka provided Dr. Santorufo with these questions prior to my interview with Dr. Santorufo. His written responses to these questions were consistent with the answers provided to me during his interview.

Refer to Attachment B for Dr. Santorufo's written answers.

Emails from Dr. Santorufo

On January 11th and January 23, 2013, I received a number of emails forwarded to me from Dr. Santorufo. The following is a paraphrased analysis of those emails pertinent to this investigation:

- Dated April 12, 2012, Hsu sent an email to Dr. Chang and Dr. Santorufo, in which Hsu discussed how he is in the process of making flight reservations to travel to Guanzhou. Dr. Chang ended up responding back on April 13, 2012, stating he would not be able to attend this trip because of an upcoming board meeting.
- Dated May 2, 2012, Hsu sent an email to Dr. Santorufo where he states, "I am now planning the next parents' meeting trip in Guanzhou, the first one held on April 29 was very successful. Please let me know your possible dates, the meeting will be held on May 26, we can leave here on May 22 or 23, direct flight to Guanzhou. Or, as Joseph said to take a side trip, then we can fly to Hong Kong and then going to Guanzhou via Macau and Zhuhai, but we need to pay our own accommodations in Hong Kong and Macau. Please let me know. Norman."

Dr. Chang is not listed in the address section of the email, so it is not known if this particular email was sent to him. However as indicated in Hsu's writing, it appears "Joseph" would be involved with this particular trip.

- Dated June 2, 2012, Dr. Santorufo wrote to Dr. Chang that Dr. Chang is the liaison with the Hacienda La Puente Unified School District and Wilson High School. Dr. Santorufo states he would like to have a meeting with "Barbara" and [redacted] so they can have a common understanding of the program and have their complete cooperation and support as the number of students increases.
- Dated August 14, 2012, subject, "International Students Visited by the Student Services Director," from Dr. Chang. Dr. Chang explains in the email why [redacted] and the Police Department conducted a home visit. The School had concerns students were living without proper guidance and the living conditions were poor. Dr. Chang wrote the School District had made two mistakes in this home visit. First, [redacted] should not have brought a police officer with her to the location because the students involved are good students. Second, [redacted] should have given a clear instruction to [redacted] on how to talk with the involved families. The Deputy Superintendent, at an August 17 meeting, will explain to the students that the School District had made a mistake and this will not happen again.

Refer to Attachment C for the emails.

Dr. Santorufo's Personal Calendar

Dr. Santorufo faxed to me a copy of his personal schedule for December 2011, March 2012, April 2012 and May 2012. He told me the schedules would indicate the dates in which he traveled to China. Much of the content of these documents is not legible, however Dr. Santorufo's dates of travel to China do not appear to be pertinent to the focus of this investigation.

For copies of Dr. Santorufo's calendar for these months, refer to Attachment D.

Email from Junbo Chan Regarding "Serious Concern"

Dr. Santorufo also faxed to me a copy of an email titled "Serious concern" he received on August 13, 2012 from Junbo Chan. The email had actually been sent from Chan to Dr. Chang and Dr. Santorufo had been copied. The narrative states:

"Dear Joseph,

All things happened on our students today are absolutely unacceptable. Right now, all the students' parents, partner schools in China and local Chinese education official authorities are concerning the situation seriously.

I believe that you, as the president of Education Board in Hacienda La Puente Unified School District, should have the ability to solve this problem appropriately with your wisdom and won't let it happen again.

Thank you so much and look forward to your continuing support."

For a copy of this described email refer to Attachment E.

Email from Dr. Santorufo to

Regarding Inspection of Host Residence

I received an email that was dated January 8, 2013 that originally had been sent from Dr. Santorufo to _____ and Dr. Nakaoka. In summary, Dr. Santorufo expresses his appreciation for _____ action to protect and provide for the welfare of the international students and specifically the welfare of two international students, _____. Dr. Santorufo states that _____ live in a residence owned by Junbo Chan and the students pay him \$1200 each per month. Another student, _____ (different student named _____), lived at the same residence during the 2010–2011 school year. _____ paid Junbo Chan \$1500 per month and had very little contact with American students or families outside of his time at school. Dr. Santorufo also states that he observed that the food at the residence was not "particularly appetizing" and the food was often left out on a table for hours.

For a copy of this described email refer to Attachment F.

Board Policies Regarding International Students and Board Member Responsibilities

I reviewed the Board policies regarding the International Students Program and Board Member responsibilities. The following is a list of pertinent sections related to this investigation from this document:

- In determining whether to admit the student, the Superintendent or designee shall consider whether the following condition exists: The student's English proficiency is sufficient for successful study at school. (Section 5111.2)
- A student shall be admitted for a maximum of one year. (Section 5111.2)
- It is required that all students have appropriate adult supervision with authority for proper control, medical treatment, and financial responsibility. Students must also live with the responsible adult with established residency within the district. (Section 5111.2)
- The Governing Board recognizes the Board is the unit of authority over the District and that a Board member has no individual authority. Board members shall hold the education of students above any partisan principle, group interest, or personal interest. (Bylaws of the Board 9200)
- Individual members of the Board shall not exercise any administrative responsibility with respect to the schools or command services of any school employee. Individual board members shall submit requests for information to the Superintendent. (Bylaws of the Board 9200)
- Board members shall be reimbursed for traveling expenses incurred when authorized in advance by the Board. (Bylaws of the Board 9250)
- Governing Board members shall not engage in any employment or activity, which is inconsistent with, incompatible with, in conflict with or inimical to the Board member's duties as an officer of the district. (Bylaws of the Board 9270)

- If a Board member or designated employee determines that he/she has a financial interest in a decision, as described in Government Code 87103, this determination shall be disclosed. The members shall be disqualified from voting unless his/her participation is legally required. (Bylaws of the Board 9270)
- Gifts of travel and related lodging and subsistence shall be subject to the prevailing gift limitation except as described in Government Code 89506. (Bylaws of the Board 9200)
- A Board member should recognize that he/she has no legal authority except when he/she is acting as a part of the Board. (Bylaws of the Board 9271)
- A Board Member is to remember at all times that, as an individual, he/she has no legal authority to commit the Board to any action outside of a meeting of the Board and to conduct his/her relationships with the school staff, the local citizenry, and all media of communication on the basis of this fact. (Bylaws of the Board 9271)
- A Board Member is to resist every temptation and outside pressure to use his/her position as a school Board member to benefit either him/herself or any other individual or agency apart from the total interest of the school district. (Bylaws of the Board 9271)

For a copy of the “Board Policies Regarding International Students and Board Member Responsibilities” refer to Attachment G.

California Attorney General materials regarding the "Uniform Supervision of International Student Exchange Visitor Placement Organizations Act (USISEVPO)"

I reviewed the materials on the USISEVPO provided by the California Attorney General. Note: an "organization" is defined as a person, partnership, corporation, or other entity that regularly arranges the placement of international student exchange visitors for the purpose of providing students with the opportunity to attend a school in the United States. The following is a list of pertinent sections related to this investigation from this document:

- The selection of suitable students for participation in an international student exchange visitor program by an organization shall be limited to students who have a sufficient command of the English language to enable them to function well in an English-speaking academic and community environment. (California Code of Regulations Section 358)
- An organization is responsible for making arrangements for the placement of each student with a host family whose residence is conveniently located near the educational institution, make every effort to assure the maximum degree of compatibility between the family and the student, shall visit the home of them personally, interview each host family, and select only those homes which reflect the high quality expected of the program. (California Code of Regulations Section 362)
- The organization shall be responsible for placing the student with a host family which can provide housing that furnishes separate private sleeping quarters for each sex, a separate bed for each student, no more than four people per bedroom and maintain the residence in a clean and sanitary condition, free of hazards, and in good repair. The residence shall be accessible to other resources in the event of an emergency. (California Code of Regulations Section 363)
- The organization shall maintain regular personal contact with each of its students, the host family and the high school in which the student is enrolled. The organization shall

attempt to resolve any problems, which may arise involving the student, school or host family. (California Code of Regulations Section 366)

- The organization shall provide each student, each student's immediate family and the host family with a document, which discloses all monies paid to the organization. (California Code of Regulations Section 368)

Hacienda La Puente Unified School District Chart Identifying Current Issues of the International Student Program

I reviewed this School District document, which identifies current issues of the International Student Program and solutions to those issues. I later learned District Staff member prepared this document after an analysis of the program. The following is a synopsis of those issues pertinent to this investigation:

- Current issue - students are being accepted who do not have the necessary English language skills to be successful in high school. Some of the students are scoring low on the California English Language Development Test (CELDT) and require intensive English instruction. These students earn poor grades, disappoint the family who sent them, and negatively affect the API scores at the high school.

Solution - be more selective on which students the District will accept. Require the Test of English as a Foreign Language (TOEFL) test with the application.

- Current issue - the program allows F-1 students to attend a public school for one year only. Students who attend HLPUSD for their sophomore or junior year then transfer to a private school in the area. This situation creates an undue burden on District staff and school to provide additional English Language Development support and classes. The private school then benefits from the District's efforts and increases their graduation rate.

Solution - recommend that the District focus on and accept seniors only. These seniors will demonstrate English language skills on the TOEFL (which they have to take for college anyway) or they will have already attended a private American school and will be able to show ability to be successful or they will have been part of the 2+1 program, which provides American teachers teaching American classes while in China.

- Current issue - this year the District has had issues regarding housing of international students. Some students were/are staying in a home with male and female students and no guardian. Some homes have more than six students attending different schools. This is against DCFS regulation. Some students are living in extremely modest conditions. On a number of occasions, the student was not living at the address provided or with the host listed on the registration form. HLPUSD requires adults who volunteer in the District to fill out a volunteer application, which includes a live scan. However, nothing is done for students who live in host homes.

Solution – the District has developed minimum standards for host family housing, which the host parent will be required to sign. The District will continue to make home visits.

When violations by host family policies occur, the District will discontinue accepting students from that agency/recruiter. The District will require a volunteer application.

- Current issue - the school counselor is being pressured by some recruiters to "bend the rules" and the counselor to accept students for a short time without the necessary paperwork, the recruiters are providing the students with information that they are able to stay more than one year and it is okay because they are in the process of getting a J-visa. The recruiters are also asking for student information they are not authorized to have.

Solution - while the situation is improving, the District recommends a review of the policies with counselors and recruiters be completed and that the District stop accepting students whose agent violates these policies.

For a copy of the entire "current issues" document refer to Attachment I.

Inspection of Host Family Residences by Police Department

At the request of _____ the Hacienda La Puente Unified School District Police Department assisted _____ with the inspection of two host family residences. Officer Roberts inspected _____, Hacienda Heights. _____ concerns were over an alleged lack of adequate smoke detectors and alarms, emergency exits and whether the students had access to locked gates which surrounded the perimeter of the residence. Officer Roberts found the home was safe with adequate smoke alarms, emergency exits and gates.

Officer Mesta inspected _____, Hacienda Heights. Officer Mesta found the furnace was not working, but there was adequate heat being provided with portable heaters and the furnace element was being repaired for the entire house.

For details of the documentation of the inspections provided by the Police Department refer to Attachment J.

Advertising Flyer for American Families Interested in Being a Host Family

I was provided an advertising flyer seeking American families interested in becoming a host family for international exchange students from China. There is no date on the flyer, however it indicates the host family would house students "this summer" and for the 2012 – 2013 school year. The summer housing rates the host family would receive were "\$1100 four 4 weeks private room" and "\$2000 two students separate bed shared room." For the school year (10 months) the rate was "\$1100 per month (private room)." The document provides contact information for "Mr. Jeremy Allred, cell _____."

For a copy of the flyer referred to Attachment K.

Hacienda La Puente Unified School District "Superintendent's Report International Delegations"

I reviewed the Superintendent's Report on International Delegations, dated January 10, 2013. The following are items from this report that are pertinent to this investigation:

- The District is creating an efficient screening and application process that meets legal requirements, so that students under our District's responsibility are safe, supported and properly cared for. There have been incidents where students were "kicked out of the host family's home." Arrangements had to be made to escort the student back to China to their parents. There has been a reported lack of food, heat and proper supervision of students by the host family.
- Between June 2008 and November 2012, there have been 13 trips to China involving District staff and/or Board members.

For a copy of the Superintendent's Report refer to Attachment L.

Interview with

On January 14, 2013 at approximately 1:05 p.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

_____ has worked for the Hacienda La Puente Unified School District for _____ years as a teacher and then as an administrator.

_____ The District's International Student Program is a function of Student and Family Services. The International Student Program started at the School District in September 2010. However, the District had started the formal application process with the government to be able to have such a program in January 2010.

The international students come to the School District by way of a recruiter who works with the School District to assist with the student's application process. Once the application has been approved, the student is eligible to enroll in one of the District's schools. There are a number of different recruiters who work with the School District. These recruiters have knowledge of students from China who are interested in attending schools in the United States.

One of the recruiters is the BELA Educational Group. _____ believes this company is approved by the Chinese government and operates under the umbrella of Hanban. _____ was not certain, but believes Hanban is a Chinese organization similar to the Department of Education in the United States.

_____ first experience with the BELA Educational Group was in August 2012 when they requested she attend ceremonies at two schools in China representing the School District. She went on the trip with Norman Hsu, Dr. Joseph Chang and four other teachers. The BELA Educational Group paid for all of her expenses (airfare, hotel, meals). Although she was representing the School District, she believes the BELA Educational Group paid for her travel because they wanted to show the Chinese students and their parents this educational program was legitimate and was supported by the School District. During the presentations in China, _____ sat next to Dr. Chang who assisted her with translation. She did not think it was unusual for the BELA Educational Group to be paying for her expenses because they were promoting their program and wanted to ensure it met the District's standards. She believes the School District Board approved of her making the trip on behalf of the District, however with the understanding there would be no expenses paid by the District.

_____ does not know who paid for Dr. Chang's expenses on the trip to China, however she assumed they were being paid for by the BELA Educational Group. She believes this because Dr. Chang has a relationship with the BELA Educational Group and she did not think the trip was of any great personal benefit to him. She did not think he took the time while on the trip to visit friends or relatives. She has never had a discussion with anyone regarding this issue. She does not believe Dr. Chang was "officially" representing the School District, however he participated in all of the discussions regarding the District's schools and school administration. The people in China definitely knew he was a School Board Member with the Hacienda La Puente Unified School District, however _____ was not aware of him saying anything to

specifically indicate he was on official business for the District. If Dr. Chang had said something like this in her presence, it would have been in Chinese and she would not have understood it. He also assisted [redacted] in interacting with the Chinese dignitaries. She believes Dr. Chang went on this trip because he has a passion and an interest in having Chinese students participate in the international program. She has had discussions with him where he has shared this with her. A majority of the discussions were about the 2+1 Program and were led by Hsu. She described this program as Hsu's "baby," as it is his favorite program.

[redacted] knew Dr. Chang was involved in the development of the application requirements and other documents related to the International Student Program. [redacted] and other staff members developed the application and administrative regulations and then submitted them to Dr. Nakaoka. Later, they would receive the documents back from Dr. Chang with certain items crossed out. She did not recall all of the items he deleted from the various documents. However, she did recall he changed the number of reference letters required for the application and the English language-testing requirement was eliminated. [redacted] did not perceive that Dr. Chang eliminated anything that would have personally benefited him. The changes he made were items that could have been perceived as being too difficult, unduly or troublesome for the applicant.

[redacted] has had a number of conversations with Dr. Chang regarding the program. On one occasion, she asked him how many international students he desired to be in the District's program. He responded that he would like to have a total of 2000 students in each of the District's four high schools. He wanted the number of international students to be equal to the number needed for each high school to reach this 2000 student level. For example, if there were currently 1300 students at one particular high school, the school would reach the 2000 student number by adding 700 international students. [redacted] described this as, "It's a big vision."

[redacted] has also discussed with Dr. Chang the issue that the District's schools are regular high schools and are not language schools. When the students come to the District they take regular high school classes when many of them would benefit from some type of English immersion program. That is why [redacted] believes there is more potential for success with the 2+1 Program as opposed to some other international student program. Students in the 2+1 Program come to the United States better prepared to be successful. In addition, the District (or any public school) is legally only allowed to accept a particular student for one year. So if an international student comes to the District for their sophomore or junior year, they legally cannot attend a public school for their second or third year. They would have to move on to a private school. The 2+1 Program is designed for the international student to be "frontloaded" with beneficial educational courses in China during their sophomore and junior years. Therefore, when they come to the Hacienda La Puente Unified School District for their senior year they are more likely to be successful and graduate, which [redacted] believes would be a benefit to the District. When [redacted] discussed this with Dr. Chang, he suggested the student could still come to the District prior to their senior year of high school. He asked [redacted], "What if they just come for one year and they just then basically defect and stay?" He went on to say, "You know, we admit people without papers all the time." The students would basically become an immigrant as opposed to being in the United States on a student visa.

[redacted] She had this discussion with Dr. Chang

at breakfast during their trip to China in August 2012. Hsu was also at the breakfast and commented they did not want to do what Dr. Chang had suggested because, "We want the program to be above board."

This would also be inconsistent with the School District's commitment to not have these international students become a financial burden on the State of California.

Dr. Chang did not respond to her comments, but Hsu did comment that he agreed with her. Hsu made the comment, "We don't want any monkey business. We're not monkeys." Hsu's comment brought end to this discussion. This comment by Dr. Chang, "You know we admit people without papers all the time," was the only time he ever mentioned something to

knew Anthony Duarte was a recent appointee to the School Board. was not aware of anything that she considered to be unusual or inappropriate in regard to him being appointed to the Board. She was aware that Dr. Santorufo had made an allegation that Hsu, Chan and Dr. Chang had a discussion about getting Duarte appointed to the Board because has read the letter Dr. Santorufo sent to Dr. Nakaoka. However, knew nothing about these allegations.

When the international students are attending school in the United States, they live with a "host family." estimates there are approximately 15 such residences where Hacienda La Puente Unified School District international students live. She has visited each one of these residences. The District, by policy, does not get involved in the process of locating residences for these students. This is a responsibility of the recruiter and/or a host family.

knew the BELA Educational Group was a recruiter that brought students to the Hacienda La Puente Unified School District. Specifically, Hsu, Chan and Dr. Chang work together to bring students to the District. She has heard the three of them discuss the process and requirements for a student from China to come to the School District. She did not think Dr. Chang was doing this as a part of his official capacity as a Board Member, however he would discuss some of the requirements for attending a District school, such as Wilson High School.

has found that the living conditions of each of these 15 host residences vary in their accommodations. For example, when she visited the BELA Educational Group residence, she found there were four students who were living there temporarily (for just two weeks) as part of a summer camp put on by the company. There were two other students living at this residence who were attending Wilson High School for the entire school year. The School District's primary concern was for these two full-time students. Concerns had arisen that they were not being properly supervised, so went to the residence to determine if this in fact was true. Initially, was not able to determine if there was adequate supervision and the students were being properly cared for. On a subsequent visit to the home, and after talking with the two students, was able to confirm the students were receiving adequate supervision by a Chinese couple that were living there and providing adequate food. There actually had been adult supervision from a person from Canada when first learned of the

concern, but this person had subsequently returned to Canada. During this transitional process of supervision, an adult couple moved into the residence. [redacted] does not think there was a significant period of time where the students lacked appropriate supervision. The inspection of this particular residence took place at approximately Thanksgiving time 2012. She found the BELA Educational Group residence to be extremely nice and had air conditioning. It was not particularly "homie," as it did not have a couch or a "living room looking feeling." There were four bedrooms upstairs and two downstairs. Initially, [redacted] was concerned because each bedroom had just a mattress on the floor. However, she has later considered that this is not an unusual sleeping accommodation in different parts of the world. She did not consider these sleeping conditions to be any type of violation. [redacted] has since talked with [redacted] and he told [redacted] everything was fine at the residence. She has also spoken with the school counselor regarding the issue with [redacted] specifically and was told [redacted] seemed to be doing fine.

[redacted] did not have any other concerns from a legal standpoint regarding the housing conditions of any other international students. However, there is a host residence operated by a recruiter named [redacted]. [redacted] considers his home to be more problematic than the concern she had with the BELA Educational Group home. [redacted] house is very nice, air-conditioned and is set up with Chinese ambience. [redacted] concern is that there are at least six students living there, however only three of these students attend Hacienda La Puente Unified School District schools. There did not appear to be an adult living at the residence providing appropriate supervision. [redacted] had discussed this issue with [redacted] and he told her he operates two such houses. He assured [redacted] he would be living at one of the residences and his wife was living at the other.

[redacted] has contacted Child Protective Services (CPS) regarding one of [redacted] residences (located within a couple blocks of Wilson High School). The students had complained to about the food and they were afraid because [redacted] and his wife frequently fought with each other. [redacted] does not know the specifics of the CPS inspection, however she believes the problem was rectified to CPS's satisfaction.

[redacted] understood the standards for a host residence was that each student must have their own bed and the female students must have separate sleeping quarters from male students. She had also been told by a social worker that there cannot be any more than six children per one adult in a residence. However, [redacted] did not know if these were legal requirements or not. Also, she was not sure what the industry standard would be for such a residence. She was not aware of any of the 15 host residences that did not have proper plumbing, hot water and appropriate bathroom facilities. There is not a staff position within the School District responsible for periodically checking on the living conditions of these residences. However, the school counselors do communicate with the international students on a regular basis. These conversations do include the students' living conditions. The only time [redacted] would go to a residence to check on the living conditions would be if they received specific information regarding an individual host residence.

[redacted] believes each student (and their parents) pay \$1200 per month to the host family. She believes this amount is a standard figure. The student also pays an unknown amount of money to the recruiter, which [redacted] believed was significant. The School District does not receive any portion of these funds. The only fees collected by the District were for tuition that is based on the

legitimate calculated costs of the student's education. This amount is identified on the students' application.

I reviewed the document with [redacted] titled "I-20 International Student Program," which she had authored in October 2012 (Attachment I). The document identified current issues with the program and possible solutions. One identified concern was, "More written policy is needed to ensure the program is run ethically and efficiently." [redacted] expressed concern because she believes the recruiters are exploiting the international students financially. She does not have firsthand knowledge of this, however she believes recruiter [redacted] is the most offensive in this area of concern. These costs are taking away from the School District's primary objective of educating students within the District. She is concerned the international student program is "so big" it can be detrimental to the community. She believes there need to be constraints placed on the program so that this issue does not get out of control. Students come to the program with the understanding they will attend a university after they graduate, however this is not necessarily occurring. Currently, there are five international students at one school that the school counselor believed their applications should not have been approved because that counselor believed these students would not be successful in the program. The students were deemed not to have the educational background necessary, however Wilson High School was pressured by Dr. Chang to accept them anyway. [redacted] understood Dr. Chang called the High School principal and told her to accept the students "conditionally" and if the students needed more services, then they (the student) could just pay for them. Dr. Chang had exerted his influence over the principal to have her approve these particular applications.

[redacted] does not know why Dr. Chang wanted the students admitted "conditionally," other than she knows he is passionate about wanting a large number of international students within the District. She knows Dr. Chang wants to take these international students whether they are freshmen, sophomores, juniors or seniors. [redacted] recalls Dr. Chang telling her about his opinion on this topic and commented about how there are already a significant number of students who do not speak English within the District who bring down the test scores. Therefore, he did not see anything wrong with approving these students "conditionally." She had this conversation with Dr. Chang during their breakfast meeting in China. [redacted] believes there is inappropriate pressure placed on the schools to accept the students and therefore there is the potential for the program to get out of control.

[redacted] has recommended that the Administrative Regulations be modified to include provisions to enable the staff to have better control over the program. However, she did know that one of her suggestions, that only high school seniors be accepted, was not approved by Dr. Chang. He directed [redacted] to take this particular provision out of her recommendations before the document was to be presented to the International Student Program Committee. This committee, which has not been meeting in the past, is now going to reconvene under the new Board President.

[redacted] identified a second current issue of concern in her document. There have been issues regarding the housing of international students. Some of these issues involved students living in homes without appropriate supervision, some residences have more than six students attending different schools within the District (against Department of Family and Children Services'

regulations) and a number of students were living at an address not provided to the District.

recommended the District develop minimum standards for host family housing, consistent home visits and if a recruiter violates these policies the District would discontinue accepting students from that recruiter. Also, the District should require the host families to complete a volunteer application, which would include live scan fingerprinting.

A third current issue identified by was some recruiters/guardians were falsifying information regarding the students and their living arrangements. This can be extremely problematic because the students place a great deal of trust in these recruiters/guardians and it would be unfair to the students if they had to withdraw from the District

recommends that recruiters be required to register with the District, have regular communication with the District and the recruiter will comply with the District's policies. The District should not accept students from recruiters who are repeat offenders.

understanding was the document she prepared had been forwarded to each Board Member and the reconvening International Committee. This committee had been formed last year to provide oversight to the program, however it was disbanded by Dr. Chang who believed the committee was not necessary. believes the new Board President reinstated the committee. The committee will review her document and recommendations and then provide its recommendations to the entire School Board.

believes Dr. Chang has been pushing for this program for a number of years because, "It is a passion for him." He works very hard at the program with Hsu and Chan. She had no knowledge that Dr. Chang has ever received any financial compensation from either of them.

also has concerns about when dignitaries from China visit schools within the District. These officials are, "Given the royal treatment." There is the perception the school staff should, "All of a sudden drop what you're doing, stop what you're doing and take care of this." She believes the administrative time involved in this program is astronomical. She recommends the District either eliminate the program or restrict it to a total of 25 students district-wide. There should be additional staff assigned to the program so it can be run appropriately.

was aware the BELA Educational Group was attempting to send American teachers to China to teach students who were part of the 2+1 Program. However, she was not aware of any District Board members or staff who have been involved in this process, particularly any effort to send unqualified teachers.

Interview with

On January 14, 2013 at approximately 3:00 p.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

_____ Hacienda Heights. She has been a teacher and an educator for _____ years at

Wilson High School initially started the International Student Program at the start of the 2011/2012 school year with 20 international students. Currently, the school has 14 such students.

_____ believes there are challenges with the International Student Program, such as the students having a difficult time adjusting to the American culture and school setting, living with the host family and language barriers. Some of the students adapt better than others. The students and the school staff are continually learning as they go through the program.

_____ did not completely understand how these international students were coming to Wilson High School. She did know there were recruiters, and even District Board Members, involved in the process of the students coming to the school. Board Member Dr. Chang and former Board Member Hsu are actively involved, however _____ did not know Dr. Chang's actual involvement in the program. There have also been delegations from China who have visited her school, however _____ was not sure what their role was in this process. She does know there has been an increase in the number of applications for students to attend Wilson High School. Wilson High School also has a "sister school (Yu Hang High School)" from China with which they are involved in an exchange program. Approximately 40 students from Yu Hang High School come to Wilson High School for approximately two weeks during the months of January/February.

_____ first concern about the International Student Program is if Wilson High School has the appropriate staffing and if the international students are proficient enough in English to handle the rigorous curriculum at the school. Second, _____ is concerned about how these students' test scores and graduation rates were going to affect the school. Third, the students come to the District without their parents and _____ is concerned about the District being liable in case something happens to one of the students. The District may not necessarily know anything about a host family that the student is living with or how the student is placed with a particular family.

_____ She is not sure the school's reputation, financial situation and staffing with regards to this program are being appropriately considered. She believes a school counselor would need an exuberant amount of time to address the social, emotional and academic issues of these international students.

_____ does believe the "cultural exchange" aspect of the program is a positive experience for the school. Generally, the students are, "A joy to have."

_____ had little knowledge of the BELA Educational Group, but did know this company was responsible for bringing at least two students to _____. She had no information whether Dr. Chang was involved with this company or if he had traveled to China related to the student

program. However, she did know Dr. Chang has been involved in the International Student Program

did not know if Dr. Chang has been involved with the international student program in other ways, however she assumed he was

Also, she knew Dr. Chang wanted a particular international student to attend a recent holiday luncheon he attended. later learned this particular student was the daughter of a Chinese consul.

believes Dr. Chang has tried to influence and/or encourage to accept students from the International Student Program. The High School staff routinely reviews the applications for these students thoroughly and has the ability to either accept or deny them. There have been at least five applicants has denied based on the recommendation of staff. However, Dr. Chang and Hsu had “recommended” last summer accept the students “conditionally” to see if they will work out. spoke with Dr. Chang and Hsu separately after they arrived for a “surprise visit.” Both of them made basically the same comments to

knew Duarte was a recent appointee to the School Board. She was not aware of anything unusual taking place in regard to him being appointed to the Board.

was aware and a School Police Officer had made a visit to a host residence owned by the BELA Educational Group. They had received concerns from Dr. Santorufo about the living conditions there. Afterward, received a “Not so flattering email” and a telephone call from both Dr. Chang and Hsu. They told the students were scared because a police officer showed up at the residence and this has made the District look very bad. believes has also made other home visits as well, however mostly the school staff will just talk with the students periodically to ask them how things are going with their host family situation.

As a result of these discussions with the students, the school staff learned that one particular student, had not been coming to school for six days. They tried to call the host family,

but found the phone was disconnected. This host family was _____ with whom they have had problems with in the past. They decided to conduct a home visit to check on the status of the student. _____ also used this incident as an example of how she is not sure what her responsibilities are in regard to these international students. If this student had not been in the International Student Program, the school staff would not have necessarily made a visit to the residence. They normally will not take such action unless there is a suspicion the student is being abused or neglected.

_____ believed the industry standards for housing for these students states there is to be a single room with a desk and bed for each student and male students must be separated from female students. She believes these standards are being adhered to within the School District. However, _____ believes each host family should be fingerprinted to ensure they have no criminal record.

_____ is not aware of the financial arrangements made between the students/parents and the recruiters and host families. She believes the School District gets approximately \$8600 per student for the school year. _____ believes the District is losing money with the program.

Interview with

On January 25, 2013 at approximately 10:00 a.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

_____ has worked for the Hacienda La Puente Unified School District for _____ years. She is a _____
She has been working at _____

At the start of the interview, _____ said that she believes the School District needs to streamline the International Student Program and there needs to be a clearer understanding of what the goal of the Program is. She believes there needs to be a firm District policy regarding the Program's application acceptance policy. For example, some international students have been accepted at Wilson High School on a conditional basis. This can be problematic. This school year, there are only 18 international students. If that number were to increase, the staff would have a difficult time meeting the needs of the students. This could be especially true in the area of the students meeting the English language requirements. There have been international students who have been accepted at Wilson High School who have not met the English-speaking requirements, but were accepted into the school on a conditional basis. _____ did not know how these particular students were accepted, but believes there should be a more formal policy that dictates which students will be accepted.

_____ did not know what the financial arrangements were between an international student and a host family. However, she is concerned that there are host families who are more interested in the financial income than providing what is in the best interest of the student. Understandably, this particular issue is primarily the responsibility of the parents, students, and recruiters who facilitate bringing the students to the United States. However, _____ is concerned there are students here with little parental support. In October 2012, she had five students come to her and basically tell her that their living situation was unacceptable. They were all from the same host family, _____. Two of these students attended Wilson High School. They believed their living conditions lacked proper supervision and the food being served was lacking. The students were not being offered enough food or the expiration dates on the items was expired. The students attending Wilson High School were _____ no longer attends the High School as she was attending on a conditional basis, but failed to meet the educational requirements. _____ suspects that if _____ had better supervision she very well may have been able to meet the requirements.

_____ did report the deficiencies in the housing for the two Wilson High School students to Social Services and to _____. _____ never made a personal visit to this residence, however she believes the Police Department and _____ did. _____ was also aware of another host residence where proper heating was not being provided. She was told that the residence's heat had not been turned on for a number of days during a time when it was very cold. The host family was Norman Hsu. _____ had spoken with one of the students about the heating, _____ who lives there. He told _____ the heating had not been working, but Hsu was going to have it repaired. When she asked _____ if it was really cold he responded, "Well it's not any colder than where I come from." _____ also said that food is prepared for _____

the students and if they do not eat all of it, it is just reheated again until it is all gone. There was another student at this particular house, whose hair was physically falling out. spoke with Hsu and asked him about this. Hsu told her all of and the hair condition was attributed to stress.

was not aware of the actual sleeping conditions of these residences, but believes the students have separate individual rooms and the house is immaculate. She is not aware of any male students sharing a room with a female student.

did not know whose responsibility it was from the School District to oversee and conduct inspections of the host residences. She believes the District needs to establish a policy regarding this issue. She does not have any knowledge of what are accepted living standards for a host residence and is not sure if the District has adopted any such standards. Part of this policy should include a provision for regular ongoing inspections.

does not work with the recruiters who bring these international students to the District. She was aware of the BELA Educational Group, as she knows Hsu and Dr. Tony Santorufo work with this company.

has never been asked to do anything regarding the International Students Program by any School Board Member that she thought was inappropriate or made her feel uncomfortable.

understanding was each international student was supposed to pay the District \$8600 for the school year. The student also paid the host family \$1200 or \$1300 a month (she has heard both dollar amounts) and an extra \$200 a month if they wanted to have a separate bedroom.

Interview with

On January 25, 2013 at approximately 11:05 a.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

District for _____ She works with the international students culture.

_____ has concerns about the International Students Program. Specifically, many of these students are not proficient in speaking English. Therefore, it is difficult for them academically and acclimating themselves to the culture. The students then become frustrated, as do the teachers.

During the school year, there were very few international students who had acceptable applications to Wilson High School. However, the students were “conditionally” accepted. They were to be accepted based on an agreement to obtain certain grades and attend school regularly. _____ estimates there are approximately 12 international students currently in the District attending on a conditional basis. It is her understanding that _____ developed a contract for these students to sign and enter into.

_____ believed there are international students attending in the District who lack proper home supervision. She has found there were guardians listed on the School’s emergency contact cards, however after talking with some of the students, _____ learned this adult was not living at the location. The students were living on their own. Last school year, students also told her the food being provided at their residence was lacking and they felt they did not have a real connection with the host family. Her perception is that approximately half of the international student’s overall living conditions are good, while the other half are lacking.

_____ of the quality or quantity of food being provided to the students.

_____ was aware of two particular host families, _____ and _____ she believed were not providing adequate supervision to the students. After talking with the students, her perception was the students living with _____ were living in a “dorm atmosphere” as opposed to a regular residence. _____ was not aware of the overall housing condition and living arrangements for these two particular residences. She does not know what the accepted standards are for a host residence. _____ believed it was the responsibility of _____ and the Police Department to periodically inspect the housing and living conditions of these residences. However, these residence checks are currently only done after the school staff becomes aware of specific concerns. _____ believes the lack of supervision for these students can lead to truancy issues and overall classroom disruption.

_____ has not worked with any specific School Board Members regarding the International Student Program. She has never been contacted by any of them regarding the program.

understands the international students pay a District tuition fee of \$8600. She was not aware of the financial arrangements between the students/parents and their host families. She has not worked with any of the recruiters who were bringing students into the School District.

Interview with

On February 8, 2013 at approximately 9:30 a.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

The Student Family Services Department is responsible to process applications received from international students. Upon approval of the application, the Department will issue the I-20 form, which the student uses to get their F-1 visa.

The Student Family Services Department also serves as a liaison between the District and the high school in which the international student is placed. Recently, the Department has begun to monitor the homes of the international students to ensure the residences are safe and the living conditions for are appropriate. To do this, _____ will interact with the host families and/or guardians for these students. _____ estimated there were 20 international students in the District when the 2012/2013 school year started, however four of them have since moved back to China.

_____ was aware of an effort by the BELA Group, a recruiter of international students, to establish a "2+1 Program" within the School District. This program is designed for students to complete two years of high school in China and one year in the United States. The school curriculum in China would be based on United States' standards so when the student came here they would be more familiar with the American schools. _____ believes School Board Member Dr. Chang and former School Board Member Norman Hsu are affiliated with the BELA Group. However, due to her limited experience with the Student Family Services Department, _____ does not have a good understanding of the relationship between the School District and the BELA Group. _____ told _____ she had traveled to China with Dr. Chang at which time Dr. Chang introduced the School District at some of the ceremonies they attended. _____ did not know if Dr. Chang was officially representing the Hacienda La Puente Unified School District on the trip. However, _____ does not know how he would have been able to go on the trip to China and separate himself from representing the School District. She does not believe the School Board had taken any formal action to approve Dr. Chang representing the School District on any trip to China. _____ does not know who paid for Dr. Chang's travel expenses.

_____ does not believe Dr. Chang is the official School Board liaison to the BELA Group, however there is a common understanding there is a connection between the BELA Group and Dr. Chang and Norman Hsu.

The BELA Group, as a recruiter of international students, charges these students money to facilitate bringing them to the United States and to the Hacienda La Puente Unified School District. _____ has heard the students pay between \$25,000 and \$30,000 to come to the School District, but the District is only receiving \$8,400 of that money. She believes the recruiter receives the remainder.

has never spoken with Dr. Chang regarding his relationship with the BELA Group or his travel expenses to China.

The Student Family Services Department, in reviewing the international students' applications, "get pressure" from Board Members. recalls an incident where an application had missed a required deadline. However, Dr. Chang contacted the Superintendent's Office to direct to meet with the recruiter for this particular applicant. met with the recruiter, who was quite upset the application was not being processed. insisted change the starting date for the school year so this particular international student could attend. The District did not change the date, The District also receives pressure to accommodate student delegations, primarily from China, to the schools. These delegations can be quite burdensome to the District.

The practice of the School District has been for the students to visit the District without established guidelines and "then we (School District) sit there nervously hoping that nothing happens." had provided a document to Dr. Chang that wanted the visiting delegation students and international students to receive and complete, however Dr. Chang responded the document would be too much of a burden on the students. Dr. Chang implied was being "unhostly" by asking for the students to complete the document.

knows there are currently approximately five international students in the School District who had received conditional approval to attend a District school. The students had been given this approval even though they had not met the application requirements. Their language skills and their grades were lacking. This "conditional approval" is a process that was never approved by the School Board. knew that Dr. Chang had spoken with in the past and asked her to conditionally approve certain students. believes approving the students conditionally is wrong because the District is setting them up for failure. The likelihood the student will be successful is low and that is not in the best interest of the student or the School District.

According to Federal regulations, an international student can only legally stay in the United States and attend a public school for one year. However, knew Dr. Chang had questioned at a December 2012 School Board meeting why the international students could not just become another illegal student like all the other students who attend schools on illegal immigration status. The School District Superintendent clarified to the Board this was illegal. The School Board did not approve Dr. Chang's suggestion.

was aware Duarte replaced Anita Perez on the School Board. However, was not aware of anything unusual that took place regarding Duarte's appointment to the Board.

The Student Family Services Department, as a matter of routine, started to conduct home visits to monitor the supervision and living conditions of the international students. If they become aware a student is not being treated appropriately, the staff will check on the living conditions and involve the Police Department and Social Services if necessary. These physical inspections of the host families are currently being conducted by has not conducted a home visit herself. However, has told about a number of different students who

have had a lack of supervision. had learned about one particular female student who had issues while living at residence however, and the staff had been unable to contact this student. The staff ended up sending the student an email. The student responded to the email and gave specific examples of a lack of proper supervision, poor food quality, a verbally and emotionally abusive host family and she had gotten sick. However, this student had already returned to China without the District's knowledge.

They were being told not to tell anyone what had happened at residence. This incident occurred within the past two weeks. speculates this student is being told not to talk about her living conditions in the United States so not to have a negative impact on reputation.

was also aware of one host residence owned by that lacked proper heating in the home and the proper amount of food was not being provided. Of the two male international students living there, one was having a difficult time assimilating into the American culture. This student was experiencing a great deal of stress to the point his hair was falling out. conducted a home visit to the location. Later, heard Dr. Chang was upset because of the home visit.

did not know the specific industry standards for living conditions for international students. However, she knew students had to stay in a bedroom with other students of the same sex, have an appropriate bathroom with running water, heating and proper adult supervision.

knew the international students paid \$8400 plus application fees to the School District for tuition. She did not know how much money these students paid the recruiters, however she believed the host families receive \$1200 a month from the international students. was not aware of any other fees these students may be paying. She did not know if additional fees are being paid to the legal guardians. She had heard a recruiter makes \$25,000 per student they recruit. She estimated a student could pay between \$40,000 and \$50,000 a year for their education here in the United States. did not know what the industry standards might be regarding the fees paid by international students. The School District has attempted to research what other school districts are charging. They have found other districts' tuition fees were \$14,000 as compared to the \$8400 charged by the Hacienda La Puente Unified School District. She believes the current amount charged by the Hacienda La Puente Unified School District is not enough to cover the actual expenses of the international student program.

is not so much concerned about the amount of money charged by the recruiters and host families as she is with the quality of the services being provided. She has ethical and integrity concerns about a student being used by an organization

There does not appear to be the appropriate level of concern for a student, for example, who is so stressed their hair is falling out or they are being forced to eat food that is not adequate.

Dr. Chang seems to place resistance against District staff who try to establish procedures to better monitor the program. There is such an emphasis on bringing in international students from China with little interest in developing

recruiting efforts with students from other countries.

also knows of a recruiter named who has worked with the Hacienda La Puente Unified School District. also works at the East Los Angeles College. If and her staff have concerns about an international student's application involving it is not unusual for Dr. Chang to call the Superintendent and tell her the student needs to be accepted. Dr. Chang has been able to use his influence as a Board Member to assist the BELA Educational Group as well Allred's group. did not know how long this has been taking place,

Interview with Superintendent Dr. Barbara Nakaoka

On February 8, 2013 at approximately 10:45 a.m., I interviewed Dr. Nakaoka in her office at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

Dr. Nakaoka has been the Superintendent of the Hacienda La Puente Unified School District for seven years, however the District has employed her for 42 years. She had previously served as the Chief Academic Officer.

This current school year is the second year the School District has been accepting students on an I-20 F1 Visa. However, the District has learned that some of these students coming to the District from China were somewhat limited in their capabilities to be successful as a student here. As a result, the BELA Group has started to initiate a "2+1 Program" to help better prepare these Chinese students for success in the United States and in the Hacienda La Puente Unified School District. The idea behind the program is for the student to spend two years of high school in China and then one in the United States. Legally, a student in the United States under a F-1 Visa can only attend a public school for one year.

Dr. Nakaoka believes there are 19 international students currently enrolled in the Hacienda La Puente Unified School District. There are 18 such students attending Wilson High School and one at Los Altos High School. There is currently not a limit on the number of international students who can be enrolled in the District. However, School Board Member Dr. Chang has suggested there should be 100 international students at each of Hacienda La Puente Unified School District high schools. The School Board itself has not taken any formal action on establishing a limit on the number of international students.

To Dr. Nakaoka, the BELA Group is an arm of the Chinese government. She thinks this because a person who is a part of Hanban heads the Group. The Hanban is a part of the education department in China that promotes the Chinese language and its culture.

The Hacienda La Puente Unified School District does not have a formal working relationship with the BELA Group. However, there is a relationship between the Group and former Board Member Norman Hsu and current Board Member Dr. Chang. Dr. Nakaoka knows Dr. Chang has traveled to China with the BELA Group, however she does not know for sure who paid for Dr. Chang's expenses for the trip. She was not sure what expenses, if any, the District has paid for Board Members and/or employees who have traveled to China. Dr. Nakaoka has not spoken directly with Dr. Chang about who paid for his expenses on trip. However, she has shown him the letter written by Dr. Santorufo where he alleges the BELA Group paid for Dr. Chang's travel expenses. Dr. Nakaoka did not recall if the School Board has ever formally approved Dr. Chang to represent the District on any of these trips. However, Dr. Nakaoka recalls that after the August 2012 trip to China, Dr. Chang repeatedly said that he had gone on the trip just as a translator. He had not passed out any business cards and had not spoken about the District. Dr. Nakaoka thought Dr. Chang's comments about his participation on the trip were unusual.

Dr. Chang and Norman Hsu informally serve as a liaison between the School Board and District and the BELA Group. Dr. Nakaoka believes there has been a concern about this situation because it appears that at least Norman Hsu and the BELA Group receive a fee for facilitating student delegations who visit the School District. Dr. Nakaoka has not commented to anyone about the District's relationship with the BELA Group or if Dr. Chang should be a liaison to them.

The District's Student and Family Services Department reviews the applications submitted by the international students. If the Department rejects an application for whatever reason, Dr. Chang and Norman Hsu will promptly contact the Department and direct that the student's application be conditionally approved. Dr. Nakaoka does not know why Dr. Chang and Norman Hsu do this, however she believes Dr. Chang is doing this in his capacity as a Board Member. In this circumstance, she does not believe Dr. Chang can distinguish himself between being a private citizen and a Board Member. The process of giving conditional approval status to an applicant is something the School Board has not authorized. Dr. Nakaoka believes a formal decision needs to be made about this issue so the staff can handle them consistently. Most of the students who are approved on a conditional basis have difficulty with the English language and therefore their potential for success is limited.

A woman named Anita Perez had been a Board Member, however she retired from the Board with one more year on her term. After an interview process by the School Board, Duarte was voted by the Board to replace Perez. Dr. Nakaoka had read in Dr. Santorufo's letter of the allegation Duarte solicited the political support from Norman Hsu to replace Perez on the School Board. However, Dr. Nakaoka did not know anything about that allegation. She did know Norman Hsu is politically influential even though he is no longer on the School Board.

The School District had established a committee to review the international student program. However, the committee had not been meeting during the time Dr. Chang was the School Board President. Dr. Nakaoka believes the new Board President will begin utilizing the services of this committee to provide recommendations on the international student program.

Dr. Nakaoka believes the School District should be monitoring the host families of the international students. There should be standards for these families to ensure the students are provided with the proper living conditions and supervision. The District's staff has been adopting standard conditions and is in the process of implementing them.

Dr. Nakaoka has been told by her staff that some host families provide substandard food, lack of proper heating and overall poor supervision. One of the students living with one of these host families was actually losing his hair. Dr. Nakaoka understood this particular home was owned by the BELA Group. Her staff also told her there have been problems at residences owned by _____ as well. Dr. Nakaoka has discussed these concerns with Dr. Chang and the other School Board members and the need for Board policies to govern these issues. The District has the responsibility to ensure all of the District's students are being properly cared for.

Dr. Nakaoka has concerns over the amount of money the international students pay to the host families and recruiters, especially if their living conditions are lacking. She understood the

students pay over \$1000 a month to the host families. The students pay the District \$8600 in tuition fees, however Dr. Nakaoka believes this amount is significantly low. Other school districts with international student programs, such as Los Angeles Unified School District and Chino Valley School District charge a significantly higher tuition fee.

Dr. Nakaoka is also concerned about student delegations coming to District schools. These delegations can be quite burdensome to the staff, especially when they learn of the arriving delegation with very short notice. For example, Dr. Nakaoka recalled one of the Board Members calling her to tell her there were 40 educators from a delegation that were arriving at that time at Wilson High School. The District and High School had no time to prepare for the delegation.

Investigation

I learned from Dr. Nakaoka's staff the School Board conducted interviews with Board candidates to replace Anita Perez on July 9, 2012 at a Special Board Meeting. The meeting was open to the public.

Interview with

On February 19, 2013 at approximately 3:30 p.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

_____ She has been employed with the District _____ and has held the position of _____. She is not involved in the selection process for the international students, however she will work with these students in the schools whenever there is a problem. Frequently, she is called on to translate for the students and will make telephone calls to their parents in China if necessary.

_____ does not talk with the students and/or their parents regarding how much money they pay to live in the United States, how much money they pay the recruiters who facilitate bringing them here, or their living conditions. However, one student once told her the food at their residence was not good. Also, a parent once told _____ their student was living in the garage at the host residence. It was cold in the garage and the student got sick. _____ did not recall who the host family was with either of these two examples. She has seen an advertising flyer from a host family, _____ which advertised a student could live at his residence for \$1200 or \$1300 (_____ did not remember the exact amount) and \$1700 for two students. _____ had given her the flyer and asked her to email it to parents in China. Sometimes parents from China will ask her about the process involved in a student coming to the United States, however she refers them to the School District for that information. Most often, she contacts the parents if there is a discrepancy on the student's transcripts.

_____ has never gone to any of the residences of the host families. She has never talked with any of the School Board Members about any of the international students.

Interview with Board of Education Member Anthony Duarte

On February 19, 2013 at approximately 5:05 p.m., I interviewed Duarte at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

Duarte was appointed to the School Board in July 2012 and took his oath of office the next month. He was appointed to the Board to replace retiring Board Member Anita Perez. He had applied for the open position along with five other community members. The School Board interviewed him during a public meeting. Afterward, the School Board voted to appoint him to the position. He believes the interviews took place on July 9, 2012.

Prior to his appointment to the School Board, Duarte solicited political support from the five City Council Members from the City of La Puente, State Senator Ed Hernandez, Congresswomen Grace Napolitano and Judy Chu, Assembly Member Mike Eng and the four current Hacienda La Puente Unified School Board Members.

Duarte and Norman Hsu did talk on the telephone briefly regarding Duarte's potential appointment to the Board. Duarte described Hsu as a former Board Member who still has a great deal of influence in the community and has a close relationship with current Board Members Gino Kwok and Joseph Chang. Duarte did not seek Hsu's political endorsement or anything else. However, Hsu did ask Duarte if he would be able to work well with Kwok and Dr. Chang. Hsu expressed concern to Duarte that he may become politically aligned with Board Members Jay Chen and Rudy Chavarria and not work well with Kwok and Dr. Chang. Hsu said, "You know, I just wanna make sure that you're not tied in with Jay (referring to Jay Chen)." Duarte believes Hsu wanted to make sure Duarte would work to do what is best for the School District. The two of them did not talk about how Duarte might vote on a particular issue. Duarte never attempted to get his support in exchange for Duarte voting along the same political lines as Dr. Chang or Kwok. Hsu just said to him, "I need to know that you can work with Gino and Joseph." Duarte understood this to mean that Hsu would want Duarte to be able to sit down with Dr. Chang and Gino and hear their positions. Hsu may have interpreted their conversation differently, but Duarte made it clear he would work with anyone on the Board, but he would not be a "rubber stamp for Joseph and for Gino." Duarte never entered into any type of agreement whatsoever with Hsu. Duarte does not know why Hsu might have said that they had.

Since his appointment to the School Board, Duarte has heard that Hsu is not happy with him. Hsu feels that Duarte is not voting or working with Kwok or Dr. Chang. Duarte does not believe this is true and believes that he is working with these other two Board Members.

Duarte did talk with Dr. Chang about his conversation with Hsu. He told Dr. Chang that Hsu was supportive of Duarte applying for the position on the Board. Duarte told Dr. Chang about the conversation because he knew that Dr. Chang and Hsu were longtime friends. Duarte does not recall if Dr. Chang said anything after he told Dr. Chang this information. Duarte did not make any type of agreement with Dr. Chang, or anyone else, in exchange for Dr. Chang's support or vote for the appointment to the School Board. Duarte has never heard Dr. Chang say that Duarte would be a good appointment to the School Board because Duarte is Hispanic and is from La

Puente (as is Anita Perez). However, Duarte has heard other Board and community members say something similar.

Duarte was aware that Dr. Chang has traveled to China within the past two years. However, Duarte does not know if Dr. Chang traveled there with Hsu or the BELA Group or if Dr. Chang was representing the School District during these trips. Duarte has heard allegations that Dr. Chang's travel expenses were paid for by the BELA Group, but Duarte does not know if this is true.

Duarte was aware that the District is currently attempting to improve the screening process for the applications of the international students, however to date he has not had the opportunity to gain a good working knowledge of the overall program. He does not know if any School Board Members have been involved in the application screening process for these students. However, Duarte believes this would be inappropriate if it was true. He believes it is the District staff's responsibility to evaluate these applications and make decisions based on the applicant's qualifications. There should not be any type of influence from a Board Member on whether to accept a student or not. However, Duarte's perception is that there are existing and former School Board Members who have an "undue influence" on some of the administrative staff members and some of these staff members are afraid of these Board Members and a former Board Member. However, the staff members are afraid to communicate this because these current and former Board Members have controlled the Board for the last 15 to 20 years. Duarte identified these current Board Members as Dr. Chang and Gino Kwok and the former Board Member as Norman Hsu.

Duarte was not aware that some international students had been accepted into the District "conditionally." He was not aware of any Board Members attempting to influence the acceptance of certain international students. He believes this would be wrong if it is true. Duarte was not aware of the particulars, however he knew that Dr. Chang and Kwok have some type of the relationship with an international student recruiter name Jeremy Allred. Duarte did not know much about the BELA Group, but believes Hsu and Dr. Chang are associated with them. Duarte has not spoken with Dr. Chang about Dr. Chang's relationship with any of these recruiters. Duarte does not know how much money the recruiters charge for their services. Duarte is not aware of the housing conditions or the host families for the international students, however he supports the District staff making periodic inspections of the residences. He did not know what the industry standards are for such host families or residences. To the best of his knowledge, Duarte has never met an international student or a host family. He had no knowledge of how much money the international students pay to the recruiters or their guardians or the host families.

Duarte was aware the District periodically hosts various visiting delegations to the District schools. However, Duarte is not aware of anyone receiving any type of compensation or consideration for allowing the delegations to visit the schools.

Interview with School Board President Jay Chen

On February 20, 2013 at approximately 12:15 p.m., I interviewed Chen at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

Chen was elected to the School Board in 2007, was reelected in 2011 and currently serves as the Board President. He was aware of a number of different issues that have arisen within the International Student Program, however he has not been directly involved with the program. Issues within the Program, for a long time, had been handled by individual Board Members instead of being addressed by the entire School Board.

Chen knows that Board Member Dr. Chang has a relationship with one of the recruiters who works to bring students from China to the Hacienda La Puente Unified School District. He also knows that Kwok has had international students stay at his residence. Kwok has told Chen this. The two recruiters that Chen knows are most active within the District are Hsu and Jeremy Allred. Chen believes Dr. Chang has a relationship with both of these recruiters and has heard that Dr. Chang has traveled to China with them. He does not specifically know what role Dr. Chang plays with either of these recruiters, however Dr. Chang argues very strongly for them at Board meetings. Dr. Chang has been in complete support of the recruiters. Dr. Chang talks as if he has an intimate knowledge of the international student program, including how much the students pay to come to the District. He has stated the students spend "\$30,000" once they arrive in the United States and that is one reason why the students should be allowed to come. Dr. Chang has said the host families make \$1000-\$1200 a month for hosting these international students and the BELA Group makes \$7500 to \$15000 over two years and this is good for the economy. Chen thinks there was one particular meeting where Dr. Chang stated he had represented the School District on a trip to China and had told people there it was okay for certain students to come to the District. Chen has also seen a letter written by Dr. Chang where he wrote a letter to welcome the students to the School District. Dr. Chang wrote this letter as the President of the School Board. Chen does not believe the Board has ever given Dr. Chang the authority to represent the School Board.

Chen does not know if Dr. Chang has an official role or position with Jeremy Allred or the BELA Educational Group. He does not know if any recruiter has ever paid for Dr. Chang's travel expenses. However, Chen asked Dr. Chang this question and asked if he is compensated by the BELA Group at the last School Board meeting. Dr. Chang never gave Chen a straight answer. Chen believes Dr. Chang lost his temper over this question at the meeting. At one point, Chen thinks Dr. Chang did say he was not being compensated, however Chen was not sure what Dr. Chang's answer was.

Dr. Chang does have an official position with the Chinese Americans for Educational Development (CAFED). CAFED, in one of their roles, provides financial support to students who are here from China.

Chen knew the District staff reviews applications for enrollment from the international students. He has been told Dr. Chang has been involved in this review process and that Dr. Chang has tried to weaken the acceptance standards so that there would be fewer requirements for these

students to meet. Chen has heard Dr. Chang say he got rid of the International Students Committee because no international students were being admitted while the Committee was in session. Chen believes Dr. Chang eliminated the Committee to, "Basically open the floodgates so that more students could come in." Chen believes this is a direct effort on Dr. Chang's part to try to increase the number of students coming to the District. Chen has heard of the term "conditional approval" in regard to international students being approved for acceptance into the District. Chen has been told that Dr. Chang has directed that certain international students be approved in this manner. He has never spoken with Dr. Chang about these issues. However,

_____ have told Chen that a lot of the international students require extra tutoring and _____ have felt pressured to accept certain international students that the principal did not believe met the established standards. Chen believes _____ confronted with this situation the most is _____

_____ told Chen that Dr. Chang put pressure on _____ to accept certain international students even though they did not meet the qualifications. Chen has also been told that a teacher, _____ has been pressured by Hsu to participate in certain political events during her off time and to travel to China, even though she did not want to.

Chen believes it would be completely inappropriate for any Board Member to exert any type of pressure or influence on a principal to accept any of these international students. He believes the District needs to have policies to ensure these international students meet the accepted standards so the faculty is not overburdened by providing them remedial classes. It is wrong for any School Board Member to attempt to influence the application process so that a mediocre student is accepted.

Chen was not aware of any suspicious circumstances or areas of concern regarding Duarte's appointment to the School Board. Chen had read about this allegation in the letter from Santorufo, but did not know anything about this. Chen is not aware of Duarte entering into any type of agreement with Hsu. Chen talked with Duarte after he read these allegations in Santorufo's letter. Duarte told Chen that he did speak with Hsu, but Hsu just asked Duarte if he would be able to work on the School Board with Dr. Chang and Kwok and Duarte told Hsu that he could. Duarte told Chen he did not make any promises or agreements with anyone on how he was going to vote if he was a Board Member. Chen had no reason to believe that Duarte was not telling the truth.

Chen does have concerns in regard to the living conditions of the international students attending schools within the District. He is learning that the living conditions are not adequate, with too many students residing in one house. It appears the situation has become, "A money making scheme for whoever owns that house." Students are not being adequately fed, housing conditions are poor and some have even ended up leaving the host family and renting their own apartment. Chen also knows that some of the students have become very rude with the host families who in turn don't want to have anything to do with them. Chen believes this occurs because the District has no real screening process for these students. Chen has heard this information from school principals, District Superintendent and other District officials. He has never visited one of the host residences himself. Chen does support inspection of these residences by District staff.

Chen knew the international students pay between \$1000-\$1200 a month to the host families. He has seen this dollar amount advertised on flyers and Dr. Chang has commented about this amount during previous Board meetings.

Chen has no direct knowledge of Dr. Chang receiving compensation for any of the international students attending schools in the District or from any delegation that visits.

Statement of Norman Hsu

I requested to interview Hsu through his attorney, Steven Cote. Hsu chose not to be interviewed regarding this investigation. However, he was willing to answer prepared written questions. On February 22, 2013, I sent him the below listed questions. He responded to them, via Attorney Cote, on March 5, 2013. His answers are described below each question.

Questions for Norman Hsu

1. What is the relationship between Hacienda La Puente School District Board of Education member Dr. Joseph Chang and the BELA Educational Group? Does Dr. Chang receive any compensation or other benefit as a result of his relationship with the BELA Educational Group?

Response - "There is no relationship between Dr. Joseph Chang and BELA Education Group ("BELA"). Dr. Chang does not receive any compensation or other benefit from BELA.

2. Has Dr. Chang ever traveled to China while associated with the BELA Educational Group and if so, who paid for Dr. Chang's travel expenses? Were any such trips related to Hacienda La Puente School District business and was Dr. Chang representing the District?

Response - "The answer to both questions is no."

3. Does Dr. Chang have any relationship with any recruiters, besides the BELA Educational Group, who facilitate Chinese students coming to the United States to attend Hacienda La Puente School District schools? If so, please describe the relationships.

Response - "Mr. Hsu does not have sufficient personal knowledge to respond to this question."

4. Has Dr. Chang been involved in the process of reviewing applications from Chinese students who have applied to attend Hacienda La Puente School District schools as a part of the International Student Program? Has Dr. Chang attempted to influence District staff members in their decisions regarding these applications?

Response - "As far as Mr. Hsu knows, applications are reviewed by the staff of the Student Service Center, otherwise he does not have sufficient personal knowledge to respond to this question."

5. Have International Students been approved to attend Hacienda La Puente School District schools on a "conditional" basis and if so, has Dr. Chang been involved in this conditional approval process?

Response – “Mr. Hsu does not have sufficient personal knowledge to respond to this question.”

6. Did Hacienda La Puente School District Board of Education Member Anthony Duarte seek your, Norman Hsu, support during the provisional appointment process for his appointment to the District’s Board of Education? If so, did Mr. Duarte make any formal or informal agreements with you in consideration for your support?

Response - “Anthony Duarte did seek Mr. Hsu’s support but did not make any formal or informal agreements in consideration for that support.”

7. Are you aware of the living conditions of any of the International Students? Are these living conditions (housing, supervision, food) appropriate for these students? Please comment on the overall living conditions for these students.

Response – “Mr. Hsu is not aware of the living conditions of the International Students and therefore does not have sufficient personal knowledge to respond to this request for comment.”

8. What are the financial arrangements between the International Students (and their parents) attending Hacienda La Puente School District schools and the BELA Educational Group? What do these International Students (and their parents) pay to the BELA Educational Group and other recruiters, guardians and host families? Are there any other costs associated with the International Student program the students (and their parents) must pay?

Response – “BELA did not recruit any students from China other than two students from Guangzhou that were from local educators/friends family. BELA is not a recruiting agency and Mr. Hsu did not receive any funds and has no knowledge of the costs associated with the International Student Program.”

9. Does Dr. Chang receive any compensation, gifts or any other consideration as a result of Chinese delegations visiting Hacienda La Puente School District schools?

Response – “Mr. Hsu has no knowledge of anyone ever receiving any compensation, gifts or other consideration as a result of the Chinese delegations visiting Hacienda La Puente School District Schools.”

For further details of the questions asked of Hsu and his responses refer to Attachment M.

Investigation

At the conclusion of my interview with Chen, he recommended I obtain copies of the notes of a meeting on December 8, 2012 between Dr. Nakaoka and Jeremy Allred (Attachment N), Letter of Intent for Sister Schools between Wilson High School and Qingdao No. 16 High School Shandong, China dated November 13, 2012 (Attachment O), a letter dated November 26, 2012 from Dr. Chang with the subject of "Group Invitation Letter for Hacienda La Puente School District AP Enrichment Winter Camp at Glenn A. Wilson and Los Altos High School from January 26 – February 23, 2013" (Attachment P), and the adopted minutes of the regular meeting of the Hacienda La Puente Unified School District Board of Education on March 22, 2012 (Attachment Q).

The following item from these documents are pertinent to this investigation:

- Per Allred, host families will be compensated at the rate of \$1000 per student. (Attachment N)

I did not find any other items from these documents that were pertinent to this investigation.

Emails Provided by Jay Chen

After my interview with Chen on February 20, 2013, he provided me with copies of four separate emails. The first one, dated November 19, 2012, was from Dr. Chang to a number of different recipients. It appears Dr. Chang was announcing training that was available to local teachers. This email does not appear to be pertinent to this investigation.

The second email, dated November 19, 2012, was from Hsu to Dr. Chang and

The first portion of the email was in regard to an evaluation to be conducted on the

The second portion of the email, which Chen said he was most concerned with, was directed at [redacted]. It states, "I have always cared about you [redacted]. Though I am not a member of the Board of Education anymore, I can still be helpful to you at many places. I helped you solve your teaching identity, didn't I? So hope you can contact wisely." Chen believes this comment by Hsu to [redacted] is a threat toward her. Chen thinks Hsu is telling her to comply with Hsu's requests for her to operate the [redacted] as he has directed. Chen believes that this is an example of how Hsu and Dr. Chang are applying inappropriate pressure on teachers.

The third email, dated November 19, 2012, was from Hsu to [redacted] and [redacted]. It appears Hsu was communicating travel arrangements and attendance at the National Chinese Language Conference in Boston in 2013. This email does not appear to be pertinent to this investigation.

The fourth email, dated November 19, 2012, was from Chen to Nakaoka in which he inquired about Hanban officials and Hsu visiting Cedarlane School. Nakaoka explained to Chen the nature of the visit. This email does not appear to be pertinent to this investigation.

For copies of these four emails, refer to Attachment R.

Interview with

On March 4, 2013 at approximately 10:00 a.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

_____ with the Hacienda La Puente Unified School District.

_____ there have been two delegations. He believes the first delegation involved teachers from Taiwan and they visited the school for a couple of days. Hsu, who was a Board Member at the time, was involved with the visit. _____ interacted with Hsu, however does not recall anything unusual about any conversation he had with him. _____ does not remember any other Board Members being involved. The other delegation was from China and they only stayed at the school for a couple of hours. The District Office arranged the visits. The time and effort spent by _____ to host the visits was manageable and reasonable. He had no concerns in regard to either of the delegations. _____ has not been involved in the International Student Program.

_____ has had Board Members make suggestions _____ in regard to decisions. For example, Board Members have talked with him about certain students changing classes or putting others into an Honors Program. Parents have contacted the Board Member because they wanted their help. Specifically, _____ has been contacted by Hsu, when he was a Board Member, and by Dr. Joseph Chang on behalf of parents. Hsu and Dr. Chang have contacted him in this regard approximately five times each.

Just the fact that he is being asked by a Board Member to do something makes him feel uncomfortable. Dr. Chang had suggested to _____ at the beginning of this current school year that he move a particular student from one class to another. _____ ended up not following Dr. Chang's suggestion. _____ has not received any negative ramifications due to his decision, although he knows the involved parents were not happy. _____ has never felt pressure to act upon anything that he believed compromised his integrity or the decision he wanted to make. _____ has assumed that Dr. Chang and Hsu had come to him regarding these issues after the involved parents contacted them. They have never asked him to do something he considered to be unethical. However, these suggestions by Dr. Chang and Hsu were inconsistent with his past or current practice. Dr. Chang's and Hsu's involvement has affected _____ and to a lesser degree _____. When Dr. Chang and Hsu have made suggestions, it causes him to spend more time and effort investigating the particular issue. _____ must ensure they have as many of the facts as possible. They must analyze the situation again to ensure they are making the correct decision.

_____ has never received any type of suggestion from any Board Member in regard to the International Student Program. He has never worked with any of the recruiters involved with this program.

was not sure if it is unusual for a Board Member to deal directly with a parent because this way of dealing with issues has always been in place since he has worked for the District. He would prefer to deal directly with the involved parent or as opposed to receiving information through a Board Member.

was not aware of any concerns or inappropriate behavior on the part of anyone in regard to Duarte's appointment to the Board of Education.

was aware that Hsu, when he was a Board Member, had arranged for staff from the School District to travel to China with him. However, [redacted] did not know who paid for the travel expenses for those involved.

was aware that students from the International Students Program live in the United States with a host family. He did not know anything about their living conditions or what they pay to live here.

Interview with

On March 4, 2013 at approximately 11:10 a.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

School. She has been employed with the School District for approximately _____ years, however she has been a professional educator for approximately _____ years.

_____ was not very familiar with the International Student Program. She has never had the experience of working with any international student or teacher. However, approximately two or three summers ago, she did travel to China with Hsu and _____. While in China, _____ assisted with interviewing students who were candidates to come to the United States and attend Wilson High School on a student visa. Hsu was the only Board Member who traveled with them. She did not know who paid for her travel expenses, however she had been told by someone in the Superintendent's Office the trip was paid by some type of special funding. She had felt obligated to go on the trip. _____ did not know anything about the recruiters who work to bring international students to the School District, the financial arrangements involved or the living conditions of the students. Since this trip, _____ has had no involvement whatsoever in the International Student Program.

_____ has had various delegations visit _____ schools in the past. She did not have any concerns about their visits. She had been notified ahead of time by the Superintendent's Office of the upcoming visit. These visits have been for one day or less. These visits have not created a burden for her and she described them as a learning experience.

There is a Chinese program and a Confucius Classroom at Cedarlane Academy and at Wedgeworth Elementary School. Because of this, the Chinese Board Members often visit the schools. It is during these visits that _____ has interacted with the Chinese School Board Members. She also interacts with all the Board Members at District-level functions. _____ does not have a full understanding of what the role of a Board Member is when they are interacting with school principals. To _____ these interactions have been, "kind of confusing." There have been times when she has been asked to do something by a Board Member and she was not sure if it was appropriate for them to be asking her or not. When this happens, _____ will check with the Superintendent for guidance.

_____ had been asked by Dr. Chang and Hsu to have the Chinese Music Program perform at different functions.

For example, Dr. Chang asked for the Music Program to perform at Mesa Robles School for a Lunar New Year's Day event. The performance was after school hours and on a Saturday.

When they are campaigning, _____ has been asked to assist them by meeting with various community groups.

However, she did feel uncomfortable during this past fall when Hsu wrote her and her Confucius Classroom teacher an email saying the teacher needed more training. Hsu wrote that if the teacher did not receive the appropriate training or showed improvement, then this Chinese program would be relocated to another school or it would be eliminated. felt uncomfortable because she did not understand Hsu's perspective or how such a decision about this program would be made. said, "I was very alarmed that he was going to take it away."

She has been asked to help them with their elections, such as meeting people who would be able to also help them with the election. She has felt pressure to maintain an excellent Chinese program and teacher training, growing enrollment and a growing API.

She has never been asked to do anything she believed was illegal.

was not aware of anything unusual or inappropriate in regard to Duarte being appointed to the Board of Education.

Interview with

On March 4, 2013 at approximately 12:00 p.m., I interviewed _____ at the Hacienda La Puente Unified School District. The following is a paraphrased synopsis of this interview:

_____ worked for the District for approximately _____ years.

_____ was not familiar with the International Student Program. She has not had any involvement with the program at all. However, in June 2009 she did travel to China with Dr. Chang, Hsu and _____ on a District-related trip. She had been asked to go on the trip to learn how student instruction is done in China. _____ believes Hsu organized the trip and the District paid for her travel expenses.

_____ has had visiting delegations come to her school in the past. She had no concerns or issues with any of these delegations and did not believe they have been a burden to her.

_____ has never felt any pressure put on her by any Board Members to do something she did not think was appropriate.

_____ was not aware of any unusual or inappropriate issues involved with Duarte's appointment to the School Board.

Investigation

On March 12, 2013, I received information from District staff members about an international student who abruptly left the District and returned to China. The student communicated with staff members and told them that living with her host family was a “nightmare.” The quality of food was poor and the student frequently went to school without a breakfast meal. Dinner was provided nearly everyday, however it consisted mostly of leftovers from days before. The fruit provided was rotten. There were times when the student got diarrhea. The adult supervisor made personal threats to tear up the student’s I-20 visa and to evict the student from the home.

Interview with Board of Education Member Dr. Joseph Chang

On March 26, 2013 at approximately 10:00 a.m., I interviewed Dr. Chang at the Law Offices of Kenneth I. Gross. Mr. Gross was also present. Dr. Chang consented to me audibly recording the interview. The following is a paraphrased synopsis of this interview:

Dr. Chang has served on the Board of Education for the Hacienda La Puente Unified School District for approximately 20 years. He is also a teacher at Fullerton Community College. He was aware of the allegations made in this investigation as he had read the letter by Dr. Santorufo.

Dr. Chang was familiar with the BELA Education Group, however he is not affiliated with that organization in any way. He does not have any type of working relationship with them. Dr. Chang's understanding is that the BELA Education Group facilitates and recruits high school students in China to come to the United States to attend high school. He did not know how long the BELA Group has been in existence, however Mr. Gross advised Dr. Chang the Group was incorporated in 2011. Dr. Chang later said he was not sure if the BELA Group was actually a recruiter of the Chinese students and wasn't sure what their purpose is. He did believe the Group prepares Chinese students to come to the United States. However, he does not know if the students pay the BELA Group for their services. He does not know how they operate. He also knew Jeremy Allred, but did not know if Allred was a recruiter of Chinese students. Dr. Chang did know that Allred was a host family for Chinese students living in the United States. Dr. Chang did not know Gary Shao.

Dr. Chang has never traveled to China while affiliated with the BELA Education Group. He has traveled to China four times within the past year (2012), however he had gone on these trips in support of a good friend, Norman Hsu. Hsu has been trying to create a "2+1 program" and had asked for Dr. Chang's help because Dr. Chang is an educator and also speaks Mandarin Chinese. Dr. Chang is familiar with the Chinese as well as the United States education system and therefore he would be of assistance to Hsu. While in China, Dr. Chang attended various parent meetings where he ended up serving as a translator for Dr. Santorufo. Dr. Santorufo was speaking to the parents about the "2+1 program." It was not until Dr. Chang learned about this investigation that he became aware that Hsu and the BELA Education Group were affiliated with the "2+1 program."

When Dr. Chang has traveled to China he has never, in any way, represented the Hacienda La Puente Unified School District. A Board Member is not authorized to represent the District or the Board without authorization from the entire Board of Education. When Dr. Chang spoke to different groups in China he never introduced himself as a school board member, however others introduced him by as being on the Board.

When Dr. Chang went to China these four times, Hsu made all of the travel arrangements. Dr. Chang never talked with him about the financial arrangements for the trips, however, "I would imagine that he (Hsu) paid for it." Dr. Chang was invited to go on the trips by Hsu to help him and therefore Dr. Chang understood that Hsu would make all the arrangements. Dr. Chang knew he would not need to pay for anything while on the trips. Also, Dr. Chang never received any type of gifts from anyone in China.

Dr. Chang never told anyone, including Dr. Santorufo, not to say anything about who was paying for his expenses for his trips to China. Dr. Chang also never told anyone he needed to "appear to be neutral," meaning he was not there representing the Board. He did not believe there was any type of conflict of interest on his part in traveling to China in regard to his role as a School Board Member. He was just there in China to help Hsu with the program. Dr. Chang never used his position as a School Board member to benefit Hsu and what Hsu was doing in China. He does not know if other School Board Members were even aware of his trips to China because he never talked with them about it. However, when Dr. Chang returned from the trips he did speak with the District's Superintendent and told her about the program. He has never received any type of financial compensation from anyone affiliated with the BELA Group, Jeremy Allred or Hsu. Dr. Chang, in his 20 years on the School Board, has never taken any compensation from anyone.

Dr. Chang believes he was able to keep separate his role as a Board Member and supporting Hsu. He does not believe his role was very important to what Hsu and Dr. Santorufo were doing and Dr. Chang did not use his influence as a Board Member at all. However, he stressed that the Hacienda La Puente Unified School District has had an international student program for more than 10 years. He is an advocate for this program, however he believes the District is as well. He does not have an opinion as to how many international students he would like to see attending schools within the Hacienda La Puente Unified School District. He has never said he believes there should be a specific number of international students at each District high school so the total enrollment for that particular high school would be 2000 students. However, he has complained that he believes the District high schools are being under utilized.

Dr. Chang does know Junbo Chan. Chan is a person who helps the School District create the Confucius Classrooms. Dr. Chang met him on one of the trips to China through Hsu. Chan has extensive experiences with Chinese schools and Hsu uses these experiences to help the "2+1 program." Dr. Chang believes Chan is affiliated with the BELA Group, however does not know what his position is with the organization. Dr. Chang has never received any type of financial compensation from Chan.

Dr. Chang was aware there was an application review process for international students wanting to attend schools in the District. However, he has not been involved in this review process. He believes the applications are reviewed by the District's Student Service Center. He has never attempted to influence or pressure any District staff member to make a particular decision about an international student application. He would not even know how to do that if he wanted to. He has never directed any staff member to approve an application from an international student who lacked the necessary English skills. He has never directed that a student could be approved on a "conditional basis." Approving a student on a "conditional basis" was something that was created by He was not even involved in creating any type of "conditional" approval process. Also, Dr. Chang was not aware of Hsu being involved in the application approval process as well. Dr. Chang has not inquired on the application approval status of any international student. He said, "I don't have the right okay to decide of whether we should accept or deny the students. This is a right is in the Student Service Center." Dr. Chang did not know why someone might say that he has tried to influence the approval process for the international students. He is not aware of anyone associated with the BELA Group attempting to influence the application approval process for any international student. Dr. Chang did stress the

District has accepted international students from all over the World, such as from Ukraine and Denmark. The District has never had an English proficiency requirement for those students. Also, there are many other existing students, non-international students, whose English skills are poor and yet the District still admits them.

Dr. Chang did not have an opinion as to whether approving students on a "conditional basis" was a good idea or not. He does not believe this decision has anything to do with him. He believes an international student should be accepted if they have followed the procedures established by the School Board. He has never attempted to decrease or minimize the requirements for an international student to be accepted into the District.

Dr. Chang, as a Board Member, was a part of the selection of Duarte to replace Anita Perez on the School Board. However, Dr. Chang had no knowledge of Duarte making any political agreement with Hsu in exchange for Hsu's support for Duarte for the School Board. Dr. Chang had never heard anything about this occurring. He did not recall ever attending a breakfast meeting with Hsu, Junbo Chan and Dr. Santorufo where this issue was discussed. However, Dr. Chang has commented several times in the past he believed it was a good idea for Duarte to replace Perez because he is Hispanic and from La Puente just like Perez. He does not recall making this particular comment at any breakfast meeting. Dr. Chang was not aware of any type of improprieties or unethical behavior on the part of anyone in regard to Duarte being appointed to the School Board. Duarte never made any type of agreement with Dr. Chang in exchange for Dr. Chang's support.

Dr. Chang has never been to the residence of a host family. He had no knowledge of any of the living conditions of the students living there, other than what he learned from the Superintendent's report on the issue. He did not know anything about the food being provided to the students, their supervision or overall housing conditions. However, Hsu had mentioned to him one time that a particular male student's hair was falling out. Dr. Chang did not know anything else about this. He did not know what the industry standards might be for a host residence. He did not know anything about a female student who left the residence of due to improper supervision or any students being forced to live in the garage of a residence.

Dr. Chang was not aware that the School District staff makes periodic inspections of the host residences. I explained to Dr. Chang I had a copy of an email (Attachment E) that was sent to him from Junbo Chan, in which Chan was upset about such an inspection. Dr. Chang did not recall anything like that or that he took any type of action as a result of any email he might have received.

Dr. Chang had no knowledge of what the international students pay to come to the United States and attend schools in the Hacienda La Puente Unified School District. He had heard that such an international student attending Hacienda La Puente Unified District schools will pay between \$1200 to \$1500 a month to the host family. He did know the fee paid to the School District was \$8600. He had no information as to what an international student would pay to a recruiter or a host family. However, he had been told that an international student in Diamond Bar pays \$2000 a month to the host family.

I told Dr. Chang I reviewed a letter allegedly written by him to students in China in which he welcomed them to come to the Hacienda La Puente Unified School District (Attachment P). He thinks he wrote such a letter to, "Welcome them, hopefully they will be our students in the future, yes." He had no further explanation for writing this letter.

Dr. Chang believes his role as a School Board Member is based on policy decisions made by the entire School Board. Any changes to the international student program policies are discussed at School Board meetings and then are approved by the entire Board.

Investigation

Over the past several weeks (from April 1, 2013) I have left telephone messages for Junbo Chan, however I have not received a return call. A woman at his office phone number told me Chan is traveling, but she would forward my message to him. Chan's cell phone has not had an active voicemail when I have called it. The number has not been answered during any of the times I called.

Findings

I believe, considering the totality of the evidence and statements obtained in this investigation, the preponderance of the evidence supports the following:

1. Did the Board President, Dr. Joseph Chang, accept a gift of travel and/or lodging from BELA Educational Group for a trip to China, and the trip was related to District business?

Dr. Chang traveled to China on four occasions during 2012 and the BELA Educational Group or Hsu paid for his travel expenses. Dr. Chang said Hsu took care of all of his travel expenses. However, Dr. Chang and Hsu (through his written statement) said the trip was not affiliated with the BELA Group. Dr. Chang and Hsu stated the travel was not related to District business. Dr. Chang said he was traveling to support Hsu (his “good friend”), who was working to develop a “2+1 Program.” Dr. Chang ended up serving as a translator for Dr. Santorufo. Dr. Chang denied identifying himself in China as being a Hacienda La Puente Unified School District Board member.

Dr. Santorufo, who traveled with Hsu and Dr. Chang, went to China as an employee of the BELA Group. The organization had gone there to facilitate and recruit Chinese students to come to the United States, if not the Hacienda La Puente Unified School District. Dr. Santorufo said Dr. Chang introduced himself at meetings in China as a school board member and the Board President and told him (Dr. Santorufo) that he (Dr. Chang) needed to appear “neutral.” who also traveled with Hsu and Dr. Chang, did not hear Dr. Chang introduce himself as a board member in China. However, it was clear to her that others there knew he was a school board member. travel expenses were paid for by the BELA Education Group. The School Board had not approved Dr. Chang to represent the Board or the District on these trips.

There is a reasonable perception by many staff members, another Board member and Dr. Santorufo that Dr. Chang has a close relationship with Hsu and the BELA Education Group. Dr. Chang admits a close relationship with Hsu, however denies having such a relationship with the BELA Education Group. There is a reasonable perception Dr. Chang’s travel expenses were paid for by that organization. Who actually paid for his travel expenses is not certain. However, even if they were paid for by Hsu and not the BELA Education Group, there could still be a reasonable perception by others of a conflict of interest with Dr. Chang accepting his expenses being paid by Hsu. This reasonable perception could occur even if Dr. Chang was not compensated for this assistance and was just serving as a translator assisting Hsu as he said. Hsu is actively engaged in activity to promote students coming from China to attend District schools. The evidence also supports Hsu has tried to influence the international student application review process and he is being compensated by the students. Dr. Chang is responsible for making policy decisions that could directly impact Hsu’s efforts and the BELA Education Group. Dr. Chang cannot reasonably separate himself from supporting Hsu, and possibly the BELA Education Group, and having his expenses paid by Hsu and his role as a Board member. Dr. Chang had not even informed the Board of his travel plans to possibly try to clarify his role on the trips. This is in spite of Dr. Chang’s strong support of the District’s International Student Program at Board meetings and other venues.

On June 2, 2012, Dr. Santorufo, as a BELA Education Group employee, wrote an email to Dr. Chang. Dr. Santorufo asked Dr. Chang to arrange a meeting with “Barbara” (Superintendent Dr. Nakaoka) and so there was a “common understanding of this program and have their complete cooperation and support as we began to increase the number of students.” “Jimbo” Chan and Hsu were copied on the email. Dr. Chang responded with an email directed at Hsu, where he asked Hsu, “What is your plan? Joseph.” This email supports that Dr. Chang has assisted the BELA Education Group at least to a certain extent.

The evidence supports Dr. Chang’s acceptance of his travel expenses being paid by Hsu or the BELA Education Group could create a reasonable perception that this is inconsistent with the following Board policies:

- Board members shall hold the education of students above any partisan principle, group interest or personal interest (Bylaws of the Board 9200).
- Governing Board members shall not engage in any employment or activity, which is inconsistent with, incompatible with, in conflict with or inimical to the Board member’s duties as an officer of the District (Bylaws of the Board 9270).
- A Board member is to resist every temptation and outside pressure to use his/her position as a school Board member to benefit either him/herself or any other individual or agency apart from the total interest of the school district (Bylaws of the Board 9271).

The evidence does not support Dr. Chang received any gifts during his visits to China.

2. What role did Dr. Chang play, if any, in the District’s decisions regarding the admission of students to the International Student Program?

Dr. Chang completely denies he has had any role in the admission of students to the District’s international student program. This includes his denial he had anything to do with the creation of a “conditional” approval process for certain international students who may not have met the application requirements. However, his statement is inconsistent with those of a number of different staff members. Staff members have stated that Dr. Chang has:

- Directed staff to delete application requirements, such as an English language testing requirement, that he perceived as being too difficult, unduly or troublesome for the applicants.
- Suggested to staff that an international student could be permitted to attend District schools for more than one year, even though this would be in violation of law.
- Actively involved himself in the application review process for international students.
- Attempted to influence and/or encourage a school principal to accept students for the International Student Program. There have been at least five applicants who were denied by staff, however Dr. Chang and Hsu had “recommended” the staff accept the students “conditionally.”

Other staff members were aware of Dr. Chang’s efforts to have the students approved

“conditionally.”

The School Board has not approved this

“conditional” approval process.

- Dr. Chang has directed District staff to meet with a particular international student recruiter because the recruiter had missed an application deadline. The recruiter insisted the staff member change the starting date for the school year to accommodate this particular international student.
- Dr. Chang has suggested there should be 100 international students at each of the District’s High Schools.
- If the District staff has concerns about a student’s application who is affiliated with Jeremy Allred, the staff is certain to receive a telephone call from Dr. Chang who will direct the staff to approve the application.

It would be inappropriate for any School Board member to become involved in the application review process, especially if this was done without the expressed approval of the entire Board. It is difficult for any Board member to even make suggestions about an applicant without there being reasonable perceptions of improper conduct or preferential treatment being given. There is no evidence to support the Board of Education has approved any type of “conditional” approval process.

District staff members also believe Dr. Chang has tried to pressure them on other issues as well. A school principal was pressured by Dr. Chang and Hsu to have her school’s Chinese Music Program perform at different functions even if the program was not related to her school. These actions by Dr. Chang and Hsu contribute to the perception the two of them use their positions to exert pressure on staff members for a variety of issues. Staff members feel intimidated and awkward at times when they receive direction or recommendations from Board members that have not come through the Superintendent’s Office.

Of note: California Code of Regulations Section 358 requires an international student to have a sufficient command of the English language to enable them to function well in an English-speaking academic and community environment.

The evidence did support that Dr. Chang has played a role in the admission of international students to the District and this is inconsistent with the following Board policies:

- In determining whether to admit the student, the Superintendent or designee shall consider whether the following condition exists: The student’s English proficiency is sufficient for successful study at school (Administrative Regulation 5111.2).
- The Governing Board recognizes the Board is the unit of authority over the District and that a Board member has no individual authority. Board members shall hold the education of students above any partisan principle, group interest, or personal interest. (Bylaws of the Board 9200)
- Individual members of the Board shall not exercise any administrative responsibility with respect to the schools or command services of any school employee. Individual

board members shall submit requests for information to the Superintendent. (Bylaws of the Board 9200)

- A Board Member is to resist every temptation and outside pressure to use his/her position as a school Board member to benefit either him/herself or any other individual or agency apart from the total interest of the school district. (Bylaws of the Board 9271)
3. Did a Board member, Mr. Anthony Duarte, enter into any agreements with Norman Hsu, Junbo Chan, Dr. Chang and Dr. Santorufo during the provisional appointment process of Duarte to the School Board of Education?

Dr. Santorufo alleged that Hsu told Dr. Chang, Junbo Chan and him that Duarte had entered into a political agreement with Hsu in which Hsu would support Duarte in Duarte's efforts to be appointed to the School Board. In exchange, Duarte agreed to politically support the current Chinese Board members. Hsu stated Duarte did seek his political support, however he did not enter into any type of political agreement with Duarte. Duarte denied entering into any type of agreement with Hsu or anyone else in regard to Duarte's appointment to the School Board and he did not do anything illegal or unethical to obtain the appointment. There was no other evidence to support Dr. Santorufo's allegations against Duarte.

I believe the evidence supports the allegations against Duarte are unfounded.

4. What is the condition of housing, supervision and safety of students admitted to the District's International Student Program, as determined from inspections and audits performed by the District staff? How do those conditions compare to industry standards for housing, supervision and safety of foreign students?

There were a number of concerns stated by witnesses in regard to the housing, supervision and safety of students living with host families. Allegedly, one student was being forced to live in the garage area of the residence, one student's hair was falling out, one residence lacked proper heating during a colder time of the year, one host family had an excessive number of students living there and other students reported the quality of food being provided was lacking. At one host family residence, operated by _____ there were at least six students living there with no adult supervision. This caused a District staff member to conduct a physical inspection of two residences with the assistance of Child Protective Services and the District's Police Department. A number of students have told the staff their living conditions were below standard while others reported the conditions were satisfactory. One such residence, operated by Hsu, was being operated similar to a dormitory. Some host families had mitigated many of these issues. For example, the Police Department found the residence that did not have adequate heat was having the furnace repaired and in the meantime portable heaters were being used.

Many staff members have the perception that some of the host families are providing the minimum in housing conditions in an effort to increase their financial benefits. This particular issue remains unsubstantiated.

I was not able to determine what the industry standards might be for housing, supervision and safety of foreign students, besides what is listed in the California Code of Regulations (CCR)

Section 363. This section provides that each host family furnish separate private sleeping quarters for each sex, a bed of his or her own, no more than four persons to a bedroom and the host family's residence and household equipment shall be maintained in a clean and sanitary condition, free of hazards, and in good repair. I was unable to locate further information, which further clarifies or identifies additional living conditions standards. The people interviewed did not have significant information on this issue. It does appear that most host residences within the Hacienda La Puente Unified School District are complying with the requirements of CCR Section 363. However, some are lacking at times in the area of adequate supervision and food.

The most egregious situation appears to have occurred at a residence operated by . A female student described staying at this residence as "such a nightmare that I couldn't stop having bad dream at night." The supervision was lacking. A female adult living at the residence made personal threats toward the student, which caused her psychological stress. This woman later evicted the female student from the residence. The food provided was mostly "leftovers" and the bread and milk was old. The student always went to school "with empty stomach." This student eventually returned to China without notifying the District. Overall, the residence was described as the most problematic in regard to overall living conditions.

The evidence supports that the housing conditions, supervision, and safety of students in the International Student Program are lacking at different times at different host families. However, most host families appear to be complying with the applicable State laws. Some of the other involved issues, for example quality of food, can be subjective and periodic.

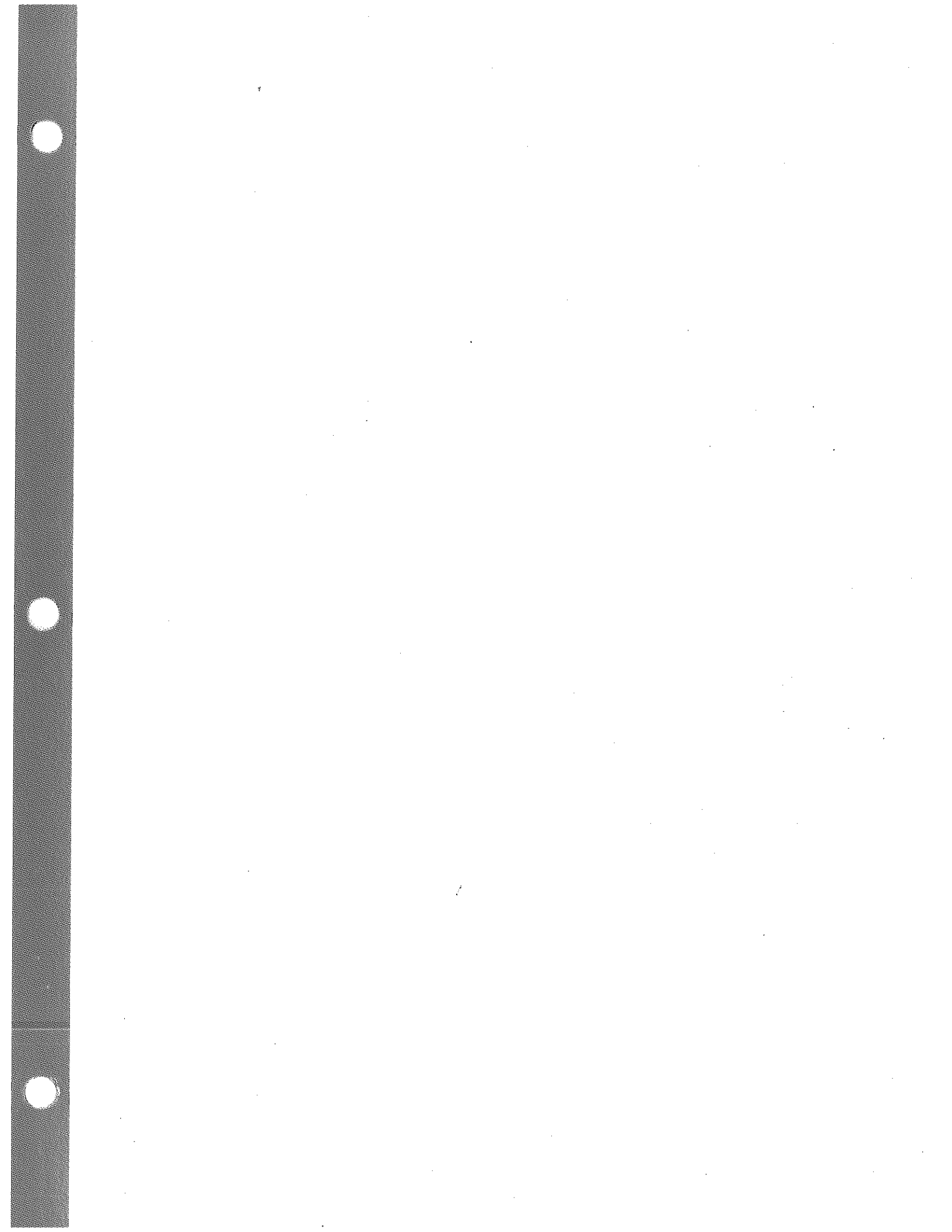
Of note: and the involved students were not interviewed as a part of this investigation.

5. What are the financial arrangements between the students (and their parents) admitted to the District's I-20 Program, on the one hand, and the persons or entities recruiting those students? How do those arrangements compare to industry standards for the recruitment or placement of foreign students?

Students have told District staff they pay approximately \$1200 per month to live with a host family. Also, in a flyer distributed by Jeremy Allred he advertises a family could receive \$1100 per month for hosting an international student. However, I was unable to determine the exact amount of money paid by the students (and their parents) to recruiters who facilitate the students coming to the School District. It is unknown for certain how much money a recruiter might receive from a student/parents. However, Dr. Santorufo stated the BELA Education Group receives \$15,000 from each student. The student/parents are responsible for travel and incidental expenses during the year. Also, Hsu told Dr. Santorufo he (Hsu) receives \$300 per month to be a student's "counselor."

Several District staff members expressed concern in regard to the money being paid by the students/parents. The perception, after talking with the students, is not so much a concern over the amount of money being paid, but the quantity and quality of services the student receives. The staff also identified a related issue. Staff members also have concerns that recruiters are making promises to students/parents, such as being able to attend a prestigious United States University after high school graduation, and these promises are not necessarily realistic.

The amount of money being received by recruiters and host families is significant. However, I do not offer an opinion as to whether the financial arrangements are reasonable considering the level of services received. I was unable to determine what the industry standard for financial arrangements might be for the recruitment or placement of a foreign student in a United States high school. This information was not available when I contacted various other Southern California school districts.



Conclusion

Dr. Chang's direct involvement in the International Student Program has been inappropriate and problematic for the Program, District and its staff members. His China travel expenses being paid for by the BELA Education Group or Hsu has exacerbated the issue. Dr. Chang appears passionate in regard to the International Student Program, however his actions have been detrimental to its success, even if this was not his intention. Also, his credibility could have been questioned when he suggested an international student could continue attending District schools illegally after one year like many other international students do and when he urged a principal to sign a "sister-school" agreement without the Superintendent's involvement.

The Hacienda La Puente Unified School District would benefit from a more structured International Student Program. I recommend the District's International Student Program committee consider the following for possible presentation to the Board of Trustees:

- The roles and responsibilities of Board members, District staff, recruiters, host families and students/parents need to be more clearly identified and adopted as policy by the Board of Education. These roles should be followed by all Board members, District staff and individuals and organizations affiliated with the Program.
- There should be changes made to the Program to provide for more oversight and transparency of all those involved, including the recruiters and host families. The District should have an understanding of what the financial arrangements are between the students/parents and the recruiters, host families, and guardians/counselors.
- District standards for approving international student applications should be clearly identified and shared with everyone involved with the program. The policy of the District should be that these adopted standards are to be adhered to.
- There should be periodic audits of the entire Program to ensure the Program is reaching its goals, students are being well cared for and have opportunities to succeed and adopted Program policies are being adhered to. This would include periodic inspections of host residences and interviews with international students.
- The District should periodically check to determine if law enforcement and/or Child Protective Services has responded to a host residence or has initiated an investigation related to the welfare of an international student.
- The District should not accept international students who use recruiters, host families and guardians/counselors who do not comply with the District policies for the Program.
- Host families should be required to submit to background checks (i.e. California Department of Justice fingerprint check) to ensure the host family has not been convicted of felony sexual offenses with adults or minors, crimes against minors (misdemeanor or felony), possession, sales, or use of controlled substances, illegal possession or use of weapons or dangerous objects, assault and battery, burglary or robbery.

Without such policy decisions, there can be negative ramifications for the District and the students it serves. These policies should be based on the philosophy that the Board of Education is to set the policies, goals and mission for the District and give direction accordingly to District staff. The staff is then responsible to carry out this direction without interference from Board

members, other individuals or organizations. The priorities of the program should be for the best interest of the students and the District.