



CSIS California School Information Services

Inglewood Unified School District



Follow-up Review

July 2014

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Introduction and Executive Summary

Introduction

The Inglewood Unified School District was established in the early 1950s as the successor of the Inglewood School District, which came into existence in 1888. It encompasses nine square miles in Los Angeles County and is about 13 miles southwest of the city of Los Angeles. Inglewood Unified serves approximately 11,500 students in 19 schools in the city of Inglewood and an adjacent section of unincorporated Los Angeles County (Ladera Heights). The district's schools include one preschool child development center, four K-5 schools, six K-6 schools, two middle (6-8) schools, two high schools, two dependent charter schools, one continuation high school, and a community adult school. Numerous independent charter schools are also located in the district.

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On September 14, 2012, the governor approved SB 533, Chapter 325, bringing the district under state receivership with a state-approved emergency appropriation for \$55 million to avoid fiscal insolvency. The district's previous management made efforts to avoid the takeover with last-minute expenditure reductions totaling approximately \$22 million, but after years of deficit spending, the district's structural budget imbalance was too large. The district was projected to have a negative cash balance by March 31, 2013. Stated reasons for fiscal insolvency included: overstating ADA, understating California State Teachers' Retirement System payments, understating certificated salary expenses, continued deficit spending, and declining enrollment. State emergency appropriations are sized based on many assumptions, but their underlying purpose is to provide cash-flow assistance to allow the district time to make the necessary reductions to correct the structural operating deficit for the current and two subsequent fiscal years to be fiscally

solvent. These emergency appropriations are not meant to solve the fiscal problem, but to allow time so that the district can make the necessary reductions to correct the structural operating deficit.

The funds for the emergency appropriation (loan) to support cash flow in the Inglewood Unified School District were initially to be issued, as provided for in the legislation, by the California Infrastructure and Economic Development Bank (I-Bank). The I-Bank typically would sell bonds to investors to raise the capital for this purpose. Temporary loans were made from the state's general fund to provide cash flow during the period before the I-Bank bonds were sold. Before they were sold, Assembly Bill 86, Statutes of 2013, passed. This legislation superseded the previous I-Bank financing and instead authorized the district, through the California Department of Education, to request cash-flow loans directly and permanently from the state's general fund in an amount not to exceed \$55 million at a much lower interest rate, saving the district millions of dollars over the life of the loan.

Of the \$55 million authorized, the district drew \$29 million from November 2012 through February 2013 because of negative cash-flow projections, 53% of the emergency state loan funding, leaving a balance of \$26 million. The district's general fund multiyear financial projection at the time of the 2013-14 second interim projected an operating deficit of \$10.7 million, a deficit of \$2.2 million and a surplus of \$2.1 million for fiscal years 2013-14, 2014-15 and 2015-16, respectively.

The district was late in adopting a fiscal recovery plan after the 2013-14 second interim report, which has been a missing critical component in its future success. The district must reduce budget expenditures in the general fund to immediately reduce the structural deficit. Up until this point, Inglewood Unified has not had to make further draws on the emergency appropriation because of the passage of the Local Control Funding Formula (LCFF). However, the additional revenue the district obtained will not solve its solvency issues alone.

Fiscal recovery efforts will be constrained by ongoing costs to the district's general fund to cover the annual debt service payment of \$1.8 million, which will begin in November 2014 and end in November 2033, coupled with the current structural deficit. This payment has been included in the district's current projections.

Under state receivership, the superintendent of public instruction assumes all the legal rights, duties, and powers of the governing board and appoints a state administrator to act as both the governing board and superintendent. The district's five-member governing board serves in an advisory role until the district shows adequate progress in implementing the comprehensive review recommendations in the five operational areas, including finance, human resources, community relations and governance, facilities, and pupil achievement. Even when the governing board resumes control, a trustee will have stay and rescind authority until the loan is fully repaid to the state.

During the first months of state administration, the initial state administrator resigned because of a contractual dispute regarding a collective bargaining agreement that was signed without the consent of the California Department of Education (CDE). The assistant superintendent of business services, also a state appointee, subsequently became the interim state administrator and remained in this position, filling a dual role, until July 1, 2013. On July 1, 2013, a permanent state administrator was appointed, who is called a state trustee based on subsequent legislation, AB 86, Chapter 48/2013, and remains in place at the time of this report.

FCMAT's current review has found that the district has not made progress in making budget reductions to solve the serious operating deficit. No major expenditure reductions were identified in the 2012-13 fiscal year. Instead, the first year of state administration was used to understand the full extent of the district's fiscal crisis and begin a recovery plan.

The interim state administrator identified significant key expenditure reductions for 2013-14 and drafted a recovery plan, but the appointed state trustee revised the planned expenditure reductions, reinstating most of the positions that were cut, and did not adopt the draft recovery plan. Despite the lack of expenditure reductions, the district's financial position was enhanced during 2013-14 because of increased revenue from the passage of the new funding formula included in the July 1, 2013 state budget.

The district placed a \$90 million bond called Measure GG on the ballot on November 6, 2012, and won 86.1% voter approval, the highest support for a K-12 state bond election since 2002. The first issuance from Measure GG is anticipated to be \$25 million, and management expects to continue to issue bonds over the next several years as it addresses its capital facilities plan. The bond proceeds, along with several other revenue sources, will help

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modernize schools, upgrade technology, and expand services to increase enrollment. The plan is to transform the district through a major \$300 million capital investment in conjunction with the Hollywood Park and Inglewood Forum development projects. No expenditures have been made from Measure GG to date.

The district has made no progress in negotiations with any of its collective bargaining groups since state administration began. Without progress in this area, it will be impossible to decrease expenditures enough to eliminate deficit spending. This is because reductions in nonsalary and benefit categories will be insufficient, and increased revenues alone cannot resolve the district's solvency issues.

The district has continued to struggle with leadership issues, both before and after state administration. Although the current state trustee has been in the position for one year, two people were in the position before him, causing a tremendous amount of unrest and uncertainty. This occurred most recently because of the high number of staff reductions the state trustee initiated without providing details on how the district will operate without them. Reductions are necessary based on the district's fiscal status, and additional ones will be needed to achieve fiscal solvency; however, it is not in the district's best interests to make cuts of significant positions without a plan that explains to the community and staff how the district will function in the future. Dissatisfaction about numerous issues continues throughout the district, and these issues will be detailed throughout this report. With the exception of a slight increase in overall median scores in the facilities and finance areas, the scores for the other three operational areas have decreased.

The state trustee still has many critical roles and responsibilities to focus on. It remains important to work with the staff and advisory board to identify procedures and programs that implement substantial changes in the district's fiscal policies and practices; significantly increase pupil achievement; improve pupil attendance; decrease the pupil dropout rate; increase parental involvement; develop the district's Local Control Accountability Plan (LCAP), attract, retain, and train a quality teaching staff; and manage fiscal expenditures consistent with current and projected district revenues. FCMAT remains concerned that the district lacks the ability and capacity to set priorities, implement systemic reform, establish high expectations for student achievement, manage resources, ensure accountability, and align practices. Without strong leadership, implementation of a multiyear recovery plan, implementation of the LCAP, completion of successful negotiations, a well-articulated plan for the future of the district, and improvement as reflected in the comprehensive review, the district remains in a precarious position.

To date, the district has not made the progress necessary to achieve and sustain fiscal solvency. Of primary concern is the inability to complete negotiations with the bargaining units or implement a fiscal recovery plan to realign revenues with expenditures without relying on LCFF revenues.

Purpose

The purpose of this report is to provide the district with the current results of an ongoing systemic and comprehensive assessment of the district's progress, including recommendations for improvement and recovery in the following five operational areas:

1. Community Relations and Governance
2. Personnel Management

3. Pupil Achievement
4. Financial Management
5. Facilities Management

This report provides data to the district, the community and the Legislature concerning the district’s progress in implementing the recommendations of the recovery plans and building its internal capacity so that the locally elected school board and staff can effectively manage the five operational areas to eventually exit state receivership and return to local board governance.

State Receivership

On September 14, 2012, Senate Bill (SB) 533 (Wright) was signed into law. The bill authorized the appointment of a state administrator and provided a \$55 million emergency state loan. The legislation authorized FCMAT to complete comprehensive assessments of the Inglewood Unified School District and develop improvement plans in five operational areas. In addition, FCMAT was authorized to assist the state administrator in developing the first annual multiyear financial recovery plan required under paragraph (2) of subdivision (a) of Section 41327 of the California Education Code (EC). SB 533 further authorized FCMAT to do the following:

- Assist the state administrator in the development of the adopted budget and interim reports.
- Recommend to the state superintendent of public instruction any studies or activities that the state administrator should undertake to enhance revenue or achieve cost savings.
- Provide any other assistance as described in EC Section 42127.8.

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SB 533 requires the Inglewood Unified School District to bear 100 percent of all costs associated with the emergency loan, including the activities of the FCMAT. FCMAT’s assistance will continue until the school district is certified as positive pursuant to the definition in paragraph (1) of subdivision (a) of Section 42131 of the Education Code, or until all legal rights, duties, and powers are returned to the governing board of the school district, whichever comes first.

SB 533 further intended that the state superintendent of public instruction (SPI), through the state administrator, work with the staff and board to identify the procedures and programs that the district will implement to accomplish the following:

1. Significantly raise pupil achievement.
2. Improve pupil attendance.
3. Lower the pupil dropout rate.
4. Increase parental involvement.

5. Attract, retain and train a quality teaching staff.
6. Manage fiscal expenditures in a manner consistent with the district's current and projected revenues.

Also intended by SB 533 was for the SPI, through the state administrator, to do the following:

- Analyze the identified procedures and programs and, where applicable and appropriate, protect, maintain, and expand them as the budget of the school district allows. The state administrator shall report any findings applicable to this section to the superintendent of public instruction and the education committees of the legislature.
- To the extent allowed by school district finances, maintain, under the revised program, core educational reforms that will lead to districtwide improvement of academic achievement, including, but not necessarily limited to, educational reforms targeting underperforming and program improvement schools and other reforms that have demonstrated measurable success.

The Return to Local Governance

Senate Bill 533 includes the requirements for the district's return to local governance. The authority of the SPI and the state administrator shall continue until all of the following occur:

- a.) The state administrator determines, and so notifies the superintendent of public instruction and the county superintendent of schools, that future compliance by the school district with the recovery plans is probable.
- b.) The superintendent of public instruction may return power to the governing board for any of the five operational areas, if performance under the recovery plan for that area has been demonstrated to the satisfaction of the superintendent of public instruction.
- c.) The superintendent of public instruction has approved all the recovery plans and FCMAT completes the improvement plans and has completed a minimum of two reports identifying the school district's progress in implementing the improvement plans.
- d.) The state administrator certifies that all necessary collective bargaining agreements have been negotiated and ratified, and that the agreements are consistent with the terms of the recovery plans.
- e.) The school district has completed all reports required by the superintendent of public instruction and the state administrator.
- f.) The state administrator certifies that the members of the school board and district personnel, as appropriate, have successfully completed the training specified in subdivision (b) of Section 7 of the bill.
- g.) The superintendent of public instruction determines that future compliance by the school district with the recovery plans is probable.

Comprehensive Review Process

In preparation for the first comprehensive review in 2013, FCMAT updated the legal and professional standards to ensure continued alignment with industry best practices and with applicable state and federal law, including the California Education Code. The standards, which will continue to be used for the annual updates, are applicable to all California school districts. FCMAT monitored the use of the standards during the first and this second assessment to ensure that they were applied fairly and rigorously. This second July 2014 report includes hundreds of recommendations for improvement and recovery related to each identified standard. Recommendations for recovery are designed and intended to affect functions directly at the district, school site and classroom level. Implementing the designated standards and recommendations with this type of depth and focus will result in improved pupil achievement, financial practices, personnel procedures, community relations and facilities management and will hasten the return to local control and governance, which is one of the primary objectives of the recovery process.

Prior to the initial assessment, the director of the CDE's Fiscal Services Division and FCMAT conferred and selected priority standards to assess the district's condition in the five operational areas. These priority standards are divided among the five operational areas as follows: 20 community relations and governance standards; 28 personnel management standards; 31 pupil achievement standards; 43 financial management standards; and 33 facility management standards. Priority standards were selected to ensure that the report measures the district's progress toward meeting legal and regulatory requirements and restoring the essential functions of an effective district.

This comprehensive review process is a deficit-analysis model. The process of systemic assessment, prioritization and intervention lays the foundation for increasing the district's capacity and productivity by establishing a baseline measurement against which future progress can be measured. The process also serves to engage board members, parents, students, staff and the community in a partnership to improve student learning and engage and inform them about the LCAP. Each annual comprehensive review report will measure progress with a numerical rating and a summary of the district's progress in the identified priority standards. Because recovery is a multiyear process, subsequent reports will also include a summary of each previous assessment of the district under each priority standard to give the reader a historical perspective of the district's progress.

A recovery process of this magnitude is a challenging and multiyear effort. The state trustee and the district will need to select priority areas on which to focus their efforts during the first and each succeeding year of recovery. Understandably, equal progress will not be made in all operational areas as time progresses. The district continues to address issues identified during fieldwork; in some cases FCMAT was able to report on progress that occurred after the team's visit. This report also discusses standards and operational areas of deficiency that the district was in the process of addressing during fieldwork. At the time of this report's publication, the district continued to work on a number of the concerns addressed in this report and has thus made progress that is not reflected in this document.

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FCMAT acknowledges and extends its thanks to the state trustee, the district's staff and the community for their assistance and cooperation during this ongoing review process.

Study Guidelines

FCMAT's approach to implementing the statutory requirements of SB 533 is based on a commitment to an independent and external standards-based review of the district's operations. FCMAT performed the assessment and developed the improvement plans in collaboration with other external providers selected using a competitive process. Professionals from throughout California contributed their knowledge and applied the legal and professional standards to the specific local conditions found in the Inglewood Unified School District. Before working in the district, FCMAT adopted five basic tenets to be incorporated in the assessment and recovery plans. These tenets were based on previous assessments conducted by FCMAT in school districts throughout California and a review of data from other states that have conducted external reviews of troubled school districts. The five basic tenets are as follows:

1. Use of Professional and Legal Standards

FCMAT's experience indicates that for schools and school districts to be successful in program improvement, the evaluation, design and implementation of improvement plans must be standards-driven. FCMAT has noted positive differences between an objective standards-based approach and a nonstandards-based approach. When standards are attainable and clearly communicated and defined, there is a greater likelihood they will be measured and met. The standards are the basis of the improvement plans developed for the district.

To participate in the review of the Inglewood Unified School District, providers were required to demonstrate how they would incorporate the FCMAT identified standards into their work. Although the standards were identified for the comprehensive review of the district, they are not unique to this district and could be readily used to measure the success of any school district in California. Every standard was measured using a consistent rating format, and each standard was given a scaled rating from zero to 10, indicating the extent to which it has been met. Consultants met to discuss findings and test for inter-rater reliability.

Following are definitions of terms and the rubric used to arrive at the scaled scores. The purpose of the scaled ratings is to establish a baseline against which the district's future gains and achievements can be measured.

Not Implemented (Scaled Score of 0)

There is no significant evidence that the standard is implemented.

Partially Implemented (Scaled Score of 1 through 7)

A partially implemented standard has been met to a limited degree; the degree of completeness varies as follows:

1. Some design or research regarding the standard is in place that supports preliminary development. (Scaled score of 1)
2. Implementation of the standard is well into the development stage. Appropriate staff are engaged, and there is a plan for implementation. (Scaled score of 2)

3. A plan to address the standard is fully developed, and the standard is in the beginning phase of implementation. (Scaled score of 3)
4. Staff are engaged in implementing most elements of the standard. (Scaled score of 4)
5. Staff are engaged in implementing the standard. All standard elements are developed and are in the implementation phase. (Scaled score of 5).
6. Elements of the standard are implemented, monitored and becoming systematic. (Scaled score of 6)
7. All elements of the standard are fully implemented and are being monitored, and appropriate adjustments are taking place. (Scaled score of 7)

Fully Implemented (Scaled Score of 8 through 10)

A fully implemented standard is complete and sustainable; the degree of implementation varies as follows.

8. All elements of the standard are fully and substantially implemented and are sustainable. (Scaled score of 8)
9. All elements of the standard are fully and substantially implemented and have been sustained for a full school year. (Scaled score of 9)
10. All elements of the standard are fully implemented, are being sustained with high quality, are being refined, and have a process for ongoing evaluation. (Scaled score of 10)

2. Conduct an External and Independent Assessment

FCMAT used an external and independent assessment process to develop the assessment and improvement plans for the district. This report presents findings and improvement plans based on external and independent assessments conducted by FCMAT staff, separate professional agencies, and independent consultants. Collectively, these professionals and consultants constitute FCMAT's providers in the assessment process. Their external and independent assessments serve as the primary basis for the review's reliability, integrity and credibility.

3. Utilize Multiple Measures of Assessment

For a finding to be considered valid, the same or consistent information is needed from multiple sources. The assessments and improvement plans were based on such multiple measures. Testing, personal interviews, group meetings, observations, and review and analysis of data all added value to the assessment process. The providers were required to use multiple measurements and confirm their findings from multiple sources as they assessed the standard. This process allowed for a variety of methods of determining whether the standards were met. All school district operations that affect student achievement (including governance, fiscal, personnel and facilities) were reviewed and included in the improvement plan.

4. Empower Staff and Community

Senate Bill 533 requires that the recovery plan include specific training for board members and staff who have personnel and management policy-making and advisory responsibilities to ensure that the district's leadership team has the knowledge and skills to carry out their responsibilities effectively. The success of the improvement plans and their implementation depend on an effective professional and community development process. For this reason, empowering staff and the community is one of the highest priorities, and emphasizing this priority with each of the five teams was critical. Thus, the report consistently calls for and reports progress on providing training for board members, staff and administrators.

Of paramount importance is the community's role in local governance. The lack of parental involvement in education is a growing concern nationally. Re-engaging parents, teachers and support staff is vital to the district's success. Parents in the district care deeply about their children's future and want to participate in improving the school district and enhancing student learning. The community relations section of this report provides recommendations for engaging parents and the community, a significant focus of the LCAP process, in a more active and meaningful role in their children's education. It also provides recommendations for engaging the media in this effort and increasing the number and frequency of media reporting on the district's recovery progress.

5. Engage Local, State and National Agencies

It is critical to involve various local, state and national agencies in the district's recovery; the engagement of state-recognized agencies and consultants in the assessment and improvement process emphasized this. The California Department of Education (CDE), city and county interests, and professional organizations have expressed a desire to assist and participate in the district's recovery

Study Team

The study team was composed of the following members:

For FCMAT:

Michelle Plumbtree, FCMAT Chief Management Analyst

Leonel Martinez, FCMAT Technical Writer

For Personnel Management:

School Services of California, Inc.

For Pupil Achievement:

The Robert Bobb Group, LLC

For Financial Management:

Julie Auvil, CPA, FCMAT Fiscal Intervention Specialist

Scott Sexsmith, FCMAT Management Analyst

Marisa Ploog, CPA, CFE, FCMAT Fiscal Intervention Specialist

Colleen Patterson, FCMAT Consultant

For Governance and Community Relations:

School Services of California, Inc.

For Facilities Management:

Dean Bubar, Assistant Superintendent, Administrative Services, Los Banos USD

Brian Hawkins, Assistant Superintendent of Business, Richland School District

Summaries of Findings and Recommendations in Each of the Five Operational Areas

The full report includes all the various findings and recommendations for fiscal and operational recovery in five operational areas. Each finding and recommendation addresses a previously identified professional or legal standard. Following is a summary of the major findings and recommendations for each operational area, which are presented in greater detail in the body of this report.

This assessment is the product of data collection and analysis of the district's status at a specific point in time since state administration began. It is important to note that while the ratings of the first report produced July 2013 indicated the district's status prior to state administration, the current July 2014 report is based on status since the July 2013 report. While past performance and future plans are acknowledged in portions of the report, they were not considered in the application of FCMAT's rating rubric.

The assessment team began work in April 2014 and concluded in May 2014. The district has addressed some preliminary findings reported during the assessment and is benefiting from the assessment team's ongoing feedback.

One important point is that this report does not address the district's LCAP because of the timing of FCMAT's fieldwork. No findings or recommendations could be made on the plan because it had not yet been completed for the team to review.

Community Relations and Governance

The community relations and governance section of the comprehensive report assessed the district on 20 FCMAT standards in six categories. The district received a mean rating of 0.45, with six standards not implemented; and 14 standards partially implemented.

In addition to its financial situation, this district has experienced many leadership changes. The current state trustee is the third appointee since the state intervention, and virtually all the top leadership positions are held by new administrators or consultants or are vacant.

This report reflects that the district has made little progress in community relations and governance since the initial review and has declined in many areas. Although the main reason may be that each state trustee who has led the district used a different approach, the district lacks the capacity for local governance, and it appears that there is no organizational foundation for staff and community to rely on. These issues have continued in large part because the state trustee has not made a significant effort to train and build capacity in the advisory board.

Largely because of changing demographics, but also the district's widely publicized financial and governance problems, Inglewood Unified has had significant declining enrollment recently, decreasing in the number of students from more than 16,000 in 2005 to fewer than 12,000 in 2012-13. Over the next three years, the district projects that enrollment will fall to less than 10,000 students. Fiscal or educational recovery will not occur without reversing this trend since governance and community relations factors are essential elements in restoring the community's confidence, as well as retaining and attracting students.

This organization is evolving, but it is too early in the process, and there are too many unanswered questions to fully understand whether all the organization's issues can be resolved.

In its assessment of several standards, this review points out the organizational problems caused by lack of a clear organizational structure, the absence of well-defined reporting relationships, and the limited number of fully qualified staff members.

The state trustee is restructuring the organization and filling positions with staff of his choosing. Because trustees are under term limits, few or none of the incumbents are likely to be on the advisory board when the state returns full authority. Since a major point of recovery is for the district to build capacity within an organization, the elected board must also be ready to resume governance at some future date. Because of the term limits, the state trustee has not engaged the elected board and no progress has been made in building capacity with the advisory board.

Some steps to improvement have been taken, but the district has no well-defined or publicized organizational structure, nor are there comprehensive or strategic plans. As a result, the state trustee makes and institutes decisions on a “case-by-case” basis rather than basing them on a well communicated and defined plan. Board policies and procedures have not been maintained, adding to the district’s inconsistent direction and decisions. None of the new executive directors or other administrators were given line authority to supervise, evaluate, or direct staff. That authority belongs solely to the state trustee; however, the chief operations officer was provided with the authority to direct district operations, including evaluating and directing noncertificated supervisory and managing staff. Many staff members, including principals, are unsure whom they should report to with the recent changes in the district.

Many district groups that were interviewed indicated they were frustrated because they have been told many times by various affected groups that state intervention and the state loan were unnecessary. While intervention was clearly necessary based on the district’s fiscal status, the Los Angeles County Office of Education review and oversight, and the low scores that are reflected throughout this report, the continued assertion that it was not needed remains a major problem in establishing community relations. Additional speculation that the state intervention was unnecessary may have been caused by the administration’s widely publicized goal of not drawing on the remaining \$26 million in the state emergency appropriation without explaining that this was only possible because of the new state revenue funding model, which will increase income over time. The LCFF does not necessarily address the district’s long-term fiscal recovery all on its own.

Major decisions have been made without obtaining input from those affected or considering the immediate consequences. Although FCMAT observed evidence of efforts by the state trustee to make future structural changes to improve this situation, they were not in place at the time of this review. The district has been more focused on informing the community after decisions were made rather than before.

Communication

Communication is comprised of both internal and external communication. Since the July 2013 report, the district has made slight progress in its external communications, while scores have decreased in its internal communications. The state trustee has hired executive directors for the offices of Strategic Development and Initiatives, School and Community Relations, and a community outreach consultant. Between these three individuals, the state trustee, and the chief operations officer, a communication plan was drafted and is receiving input, the district’s website is being updated, and contacts have been made with local media outlets and community organizations. However, these sources include little information on the district’s status or the

steps taken by the state trustee to restore financial solvency. In addition, no single point of contact is responsible for providing a consistent and effective message on behalf of the district.

In contrast, internal communication to staff and administrators is poor. In general, staff and administrators indicate that information is not provided in a timely manner, which hinders their ability to adapt and respond to community questions and concerns. There is a lack of trust throughout all levels of the organization regarding the state trustee's actions. The biggest concern is the lack of a clear organizational structure and its underlying issue, which is the absence of an appropriately sized and staffed upper-level management team that handles the day-to-day operations of the district.

While the district is taking steps toward a more inclusive communication policy, it should develop a more comprehensive plan for distributing information to internal and external parties and for gathering input from within the district. Greater attention needs to be given to informing staff members throughout the process that will eventually lead to fiscal solvency and local control.

Parent/Community Relations

The district is developing a stronger parent center and has active school site councils, advisory committees, and parent volunteers. Parent involvement is encouraged and some training, educational opportunities, and community events are provided so that parents can become more involved in their children's education. The district has systems (e.g., newsletters, automated calls, and a School Messenger system) to contact parents, although it appears these systems depend on the school site's administration and fiscal capacity.

While a uniform complaint procedure exists, it has not been updated since the passage of Assembly Bill 1575. The district has made the policies, a brochure, and the complaint forms available on its website and provides a link to the California Department of Education's website for further information, but the update of these policies is critical given that the deadline for their adoption expired in the first quarter of last year.

District administration has been making a concerted effort to reach out to the larger Inglewood community. The administration has reactivated the Inglewood Educational Foundation and includes district alumni, community members, the chamber of commerce, students, and district staff. Fundraising events were planned, and meetings were held with the city of Inglewood and various community organizations to establish relationships that will benefit and bring attention and support to the district.

Community Collaboratives, LEA Advisory Committees, School Site Councils

The school site councils, the district advisory council, and the district English learning advisory council are active. The school site councils have developed single plans for student achievement for all school sites, although their implementation was overdue because of a delay in funding. However, the district does not use the full potential of these councils since they do not provide any districtwide input or advice. The state trustee should focus the councils' efforts on providing further support to the district.

Except for these councils, whose focus is more school- and student-based, there is no evidence of any districtwide, broad-based groups that advise the district on critical issues and operations. This is an appropriate time to establish broad-based committees for that purpose given the

organizational and fiscal difficulties experienced by the district, and the requirements of the Local Control Funding Formula and the Local Control and Accountability Plan.

Policy

Most board policies and administrative regulations require updating. They appear to be used infrequently and provide little structure or accountability for the district. A comprehensive plan should be developed to update the policies and ensure they comply with current law. The district is developing and implementing various reforms in the absence of current board policies, and this could create practical difficulties when conflicts arise between the reforms and policies.

Board Roles/Boardsmanship

The board is advisory in nature and does not meet as a board. Therefore, the findings of progress in this area were minimal. Two advisory board members resigned, and the state trustee will need to appoint individuals to these seats for the rest of their terms.

A primary objective of the state trustee is to return the district to local governance by training and building capacity in the advisory board. It is upon this concept that the future success or failure of the district rests. However, advisory board members have not been trained or given guidance in fulfilling their roles once local control is restored. There appears to be little interaction between the advisory board and the state trustee. It is important for the state trustee to begin to engage the board and provide trustees with training and opportunities to function as a board with full authority in preparation for resumption of local control. This will also help establish a working relationship between the state trustee, district and site administration, and the advisory board.

Board Meetings

The state trustee presides over advisory board meetings, and although board members are invited, their attendance is not mandatory. Similarly to other affected groups, the advisory board members are not provided with advance notice of the meetings, nor do they receive agendas or meeting materials before meetings. The state trustee has the authority to make all final decisions for the district, but the advisory board should be required to attend meetings and participate as well as receive advance notice, agendas, and materials.

Board meetings have been focused on administrative and personnel matters. In addition, many board meetings within the last six months were called on an emergency basis, some with as little as 24 hours' notice, with little to no consistency in the time and date. As the district begins to stabilize, the state trustee should begin to focus the meetings on the academic needs of the students, as well as necessary administrative matters. In addition, a set day of the week and time should be established to ensure maximum community and staff participation.

Personnel Management

Introduction

At the time of FCMAT's fieldwork, the Human Resources (HR) Department was in disarray. The HR assistant superintendent and HR manager positions had been eliminated, and those individuals were not available during FCMAT's fieldwork. HR staff was not provided with

an explanation for these decisions from the district, nor were the reasons for the numerous department layoffs or the reorganization of the district's administrative structure discussed.

FCMAT found that the district did not have a cabinet or formal decision-making structure nor was there any formal communication about the plan for the organization after the layoffs and how the essential HR functions would be carried out. Staff members in HR continue to try to perform the most important tasks that were completed by the employees who are no longer there. However, many HR functions will either not be accomplished because of the absence of a decision-making hierarchy or because many essential HR functions were reassigned to the chief operations officer. An experienced HR consultant was hired to oversee HR, but her contract is only for three months. The district needs to invest in a permanent, experienced chief HR officer since the HR organization is key to ensuring fiscal recovery.

Personnel-related decisions and actions recently made by the district caused significant disruption, impeded district operations, and created unnecessary risks. Personnel decisions are now made outside the HR Department, are inconsistent with professional and legal standards for personnel management, and should be reviewed by the district's legal counsel for compliance with state and federal employment laws.

Personnel Management

The personnel management section of the comprehensive report assessed the district based on 28 FCMAT standards in seven categories. The district received a mean rating of 1.46 in July 2013. At that time, seven standards were not implemented; 21 standards were partially implemented, with a rating of one through seven. The July 2014 mean rating has reduced to 1.36. While some standards received improved scores, most either decreased or remained unchanged. Improved ratings on individual standards can be attributed to the hard work of HR staff under the tutelage of the HR assistant superintendent and HR manager. The overall decline in ratings was caused by the departure of the HR assistant superintendent and actions taken by the district to exclude the HR Department from personnel-related decisions and actions, resulting in errors.

Organization and Planning

The district has operated under board policies and administrative regulations that were not routinely updated and in many cases did not keep pace with changes in law. This has resulted in policies and practices that are sometimes inconsistent with provisions of the Labor, Education, and Government codes.

For example, the district last updated BP 4030 - Nondiscrimination in Employment on October 24, 2012 and BP 4100 - Complaints Concerning Discrimination in Employment was last revised on May 26, 2010. These policies do not incorporate changes to Government Code 12940 made by AB 1964 (Ch. 287, Statutes of 2012) and AB 556 (Ch. 691, Statutes of 2013) and are therefore inconsistent with existing laws related to discrimination.

The Human Resources Department updated and submitted to the state trustee 11 board policies (BPs) and administrative regulations (ARs) on December 16, 2013, including AR 4212 – Appointments and Conditions of Employment, AR 4212.5 – Criminal Record Check, AR 4217.3 – Layoff/Rehire, AR 4218 – Dismissal/Suspension/Disciplinary Action, and BP 4315 – Evaluation/Supervision. At the time of FCMAT's fieldwork, the policies and regulations had not been approved. Based on the documents provided to FCMAT and following a review of BPs and

ARs listed on the district's website, it does not appear that any policies or regulations related to personnel have been updated since the time of the initial review.

Employee Recruitment and Selection

District job applications are not legally compliant or do not represent best practice. For example, district job applications request the dates of school attendance and graduation from high school and institutions of higher education, but these inquiries can reveal an applicant's age, which is prohibited by state and federal employment and nondiscrimination laws. These forms also ask applicants whether they have a physical condition or handicap that might limit their ability to perform the job and what can be done to accommodate their limitation; however, this is prohibited by Title I of the Americans with Disabilities Act of 1990 (ADA). If it is obvious that an applicant has a disability or has volunteered this information, an employer may ask if the applicant will need "reasonable accommodations" to perform the job.

The HR Department has not developed an annual recruitment budget or recruitment plan. It has written procedures related to selection, uses standard interview questions, utilizes a forced ranking system as a part of the selection process, and has a standard reference checking form. The district recently began pre-employment testing as a part of the selection process. While the department has continued to improve selection procedures, they are not being uniformly applied. Specifically, the office of the chief operations officer reportedly conducted interviews and hired employees without the knowledge or participation of the HR Department. It is unknown to what extent selection procedures, including reference-checking protocols, were followed.

Induction and Professional Development

HR has a program of orientation and induction for new employees and has updated the certificated employee handbook for nonmanagement staff. The revised handbook was provided to all new certificated nonmanagement employees during a new employee orientation. Similarly, the HR Department developed a substitute teacher handbook and provided it to all new substitute teachers during their orientation. Handbooks should be developed for classified employees, classified substitutes, and management employees.

FCMAT reviewed personnel files and found that employees receive the required legal notices upon initial hire, and managers biennially receive the required sexual harassment training. However, there is no process for annually providing or documenting that all employees are provided with the required annual legal notices regarding child abuse reporting, blood-borne pathogens, drug and alcohol-free workplace, sexual harassment, diversity training, and nondiscrimination. These practices and the fact that complaints are not well managed put the district at significant risk.

The Risk Management Department has historically been responsible for receiving and investigating discrimination complaints. However, the department has recently had a significant amount of instability, leaving the district unable to respond to complaints or ensure nondiscrimination practices are routinely followed. Of significant concern is the district's inability to respond when an employee requests accommodations or when an event triggers the district's responsibility to engage in an interactive process with employees who may be eligible under the ADA. The district has no written procedures or standard forms for managing and documenting the process and relies on the services of a contract employee in meeting its obligation of ensuring nondiscrimination in the workplace.

Evaluation/Due Process Assistance

The district has not ensured that employees are evaluated as required by law and locally bargained employee contracts. Recommendations for permanency status have also not been followed. Rather, employees who were not evaluated have effectively become permanent by default. The district also clearly does not ensure that employees are held to high standards of conduct. Progressive discipline is rare according to the district staff interviewed, and there was no indication of formal letters of reprimand or performance improvement plans in the personnel files reviewed.

The HR Department provided supervisors with a list of all employees under their supervision who were due to be evaluated during the 2013-14 school year. The list did not include the date of the employee's last evaluation since this data is not maintained in the employee database, or HR module of the position control system. The notice to supervisors included the timeline for certificated and classified evaluations, evaluation procedures, and performance criteria. No annual trainings occur on effective evaluation techniques.

Certificated evaluation criteria are consistent with the Stull Act (Education Code Section 44660-44665) but provide a system of measuring teacher performance that is antiquated and inadequate. Classified evaluations do not allow supervisors to evaluate core competencies based on the essential job functions of positions.

Operational Procedures

The election held in 2013 with classified employees to determine whether to terminate the merit system resulted in the district retaining the system. However, there is no Personnel Commission and the merit system rules are not consistently followed.

Employee absenteeism is significant and affects programs, services, and finances. The district should implement an infrastructure for employee absence reporting to ensure the expectations for valid use of leave are clear, and employees are held accountable for following the rules.

There are no department operational manuals, but individual staff members have begun to prepare desk manuals. An annual calendar has been developed that needs to be further fleshed out. While someone is designated as the backup person for most of HR's critical functions, cross-training should be extended to all critical areas as part of a continual effort to ensure that service levels and critical duties are maintained during planned and unplanned employee absences.

There is no formal coordination between HR, Payroll, and Risk Management. Several key staff members who were fostering coordination have been laid off, and there is significant tension between HR and Business Services. Formal coordination should be implemented between these departments to ensure that policies are applied consistently to employees to mitigate the district's costs and risks and reduce issues with employee pay.

The position control module provides a management tool for most of the district's financial resources since they are invested in people. All district management-level employees have responsibilities in a well-functioning position control system to ensure that policies and procedures for employment are implemented, but there is little ownership or accountability among the management ranks. The district should implement procedures, training, and expectations for all managers to implement appropriate procedures and be held accountable.

Use of Technology

The district relies on the Los Angeles County Office of Education (LACOE) for its main financial and HR systems, two different systems that divide position control responsibilities. To manage this division, the district uses Excel spreadsheets and manual processes that are inefficient and do not sufficiently address the shortcomings of the main administrative applications. Significant improvements should be made to the district's technology platform to enhance efficiency and results.

Employee Services (Workers' Compensation)

The Risk Management Department is responsible for the Workers' Compensation program. This two-person department, which includes responsibility for health benefits, has been reduced to one, the risk manager, who is an independent contractor. The district needs to recruit and hire an experienced risk manager and provide the necessary support staff to ensure that these programs, which are a significant amount in the budget, are managed appropriately.

Employer-Employee Relations

The district has trained site administrators in teacher evaluation, but training on other aspects of the collective bargaining agreements have not been provided for department and site administrators. The district also has not involved department and site administrators to help identify issues with contract language and developing proposals for collective bargaining. The district's collective bargaining teams have not been determined since successor agreement negotiations are not occurring. Both bargaining unit contracts are long expired, and the legal status of the tentative agreement reached with the teachers' bargaining unit in 2012 is still in question. The district should determine its plan for the next successor agreement negotiations and develop processes for training site and department administrators and for including them in collective bargaining. Before proposing or addressing proposals during negotiations, the district should consider programs and services for students and district financial needs.

Pupil Achievement

For this progress report, FCMAT reviewed 31 standards in pupil achievement, with 23 declining in their rating, and two reflecting an increase. Overall, the average rating decreased from 3.23 to 2.03. Except for the two standards that showed improvement, the remaining standards either stayed at 2013 levels or regressed to lower ratings.

The lack of overall district office focus on instructional leadership during 2013-14 has impeded the progress of schools. Although one of the district office administrative positions was providing more instructional oversight/leadership than the others, that position was eliminated from the district, and the individual was not available to FCMAT during the fieldwork.

Since a new state trustee was appointed and assumed his responsibilities in July 2013, many changes have occurred at the district office with respect to pupil achievement personnel. The trustee's stated focus is less on creating instructional stability and more on fostering a culture that is primarily about marketing the district to outsiders to increase enrollment. Evidence in the field suggested that he and his staff have paid little attention to the needs of the schools and principals. Most of the other members of the district office staff who were interviewed were either appointed by the state trustee and/or recently attained their new positions. It remains to be seen whether the state trustee and his appointees are sufficiently prepared to financially stabilize the district and improve instruction.

The district complies on paper with the FCMAT professional and legal standards in the area of pupil achievement as shown by the documents prepared for FCMAT's visit. The documents prepared by the district and provided to FCMAT indicate that some district office administrators seriously considered the findings and recommendations of FCMAT's prior review. However, in practice, the district has continued not to fully implement many of the adopted policies and procedures, reflecting a wide variance between what the written policies state and their actual implementation. Progress has been hampered by the elimination of key administrators who were involved with the instructional program as well as the many new people placed in district office positions. Many of the key requirements related to instruction have been neglected because of lack of attention from the district office. Most of the principals have tried to do their jobs, but lack district office guidance, administrative planning, direction, follow-up, and accountability.

A number of district responses to FCMAT's data requests indicated that little has occurred to address the recommendations made in the initial comprehensive report. However, many of the requested documents were not provided because numerous district office administrators are recent appointees who had little knowledge of the requested documents. Several district office administrators also have little or no relevant experience in implementing the needed changes at schools, are overwhelmed in their positions, lack resources, or are noncommunicative with school sites.

The practices of the district office leadership do not reflect a commitment to implementing systemic, instructional reform, innovative leadership, or high expectations to improve student achievement and learning. There were indications of commitment and action regarding pupil achievement early in the 2013-14 fiscal year, but these are no longer evident. Without this commitment, the district is not likely to improve in key instructional areas.

In practice, the district's written mission, vision, values and priorities do not adequately focus on the needs of all students to close the achievement gaps and help them achieve their full potential. Although the policies demonstrate a commitment to equally serving the needs and interests of all students, parents, and family members, this does not occur in practice districtwide.

No effort has been made to evaluate the effectiveness of the district's remaining federal categorical funds use or determine whether these resources could be used in other ways to improve achievement as recommended in FCMAT's initial review. Although the district has policies (3000-3100) indicating that funding decisions should be made according to educational goals, and budget-spending priorities should reflect the district's vision and goals, there is no evidence that these guidelines are discussed or followed.

The progress of district schools is likely to be impeded by the district office's lack of strategic professional development planning, accountability of principals, and oversight of schools.

Although some schools showed improvement in pupil achievement and/or culture and environment since FCMAT's 2013 report, this is largely because of the individual leadership of some principals rather than leadership, training, or support from district office administrators.

School improvement was also hindered by a number of human resources/district office problems involving school staffing. These include the reduction in force of key staff members, the badly timed appointments/transfers of principals, and the long-delayed (more than a semester) filling of teaching and administrative positions at most sites.

Throughout the school year, principals who do not have any relevant experience were haphazardly transferred or assigned to schools in direct contradiction of the expertise for which they were hired. This has set back some of the schools and lowered morale.

The inability to select and appoint high-quality people to teacher vacancies and sometimes as principals, as well as failure to meet appropriate timelines, impedes school and district planning for future years, including 2014-15. Principals continue to struggle without full staffing at their schools, using daily substitutes who are replaced frequently or not at all.

The district office does not respond to school requests for paper, supplies, and approval of in-service travel. There is also a lack of attention to the pressing needs of facilities, grants, and many other issues.

At the middle grade level, a decision was made to move entire grade levels from one school to another without proper input from the school leadership. This resulted in uneven utilization of facilities, inappropriate programming for students, and a lack of planning for the impact of such actions. The significant inconsistency and low quality of programmatic offerings from school to school at the middle grades creates huge disparities and inequalities for the students.

Although some schools continue to show signs of improvement and growth based on the principals' initiative, there is little expectation of any systemic improvement in the 2014-15 school year because of the district office's inexperience and/or lack of planning. Further, the lack of involvement of the principals in the vast majority of decisions and a failure of communication/support between the district office administrators and the site administrators has created isolated groups and low morale.

In March 2014, many principals were given notice without any formal, required evaluation, creating great dysfunction and low morale throughout the district. The required formal evaluations of the principals in 2014-15 will not occur because no certificated district office staff are assigned to accomplish this.

At the time of FCMAT's visit, no one at the district office was responsible for leadership and supervision of principals. While a position was created and someone hired to provide support to secondary schools, the person in this position is not expected to hold principals accountable or evaluate their work. The individual does not consistently visit the schools, and there is no longer any district office administrator specifically assigned to provide elementary support.

The lack of visibility of district office administrators in the schools, the lack of support provided by district office administrators to the principals, and the lack of communications from the district office administrators to the principals are of great concern.

There is no evidence that teacher evaluations have been restructured to more clearly focus on student achievement and the approaches teachers take to foster it. Systems of support have not been created and implemented to increase the ability of principals to build teacher instructional capacity.

The district's alternative means for students to complete the prescribed course of study required for high school graduation has much improved since FCMAT's initial visit. In the initial report, teacher quality and pedagogy at Hillcrest Continuation High School was of great concern, and the location and condition of the school were substandard. For the 2013-14 fiscal year, the district closed that facility, as recommended by FCMAT, and relocated the program to the Morningside High School campus (separate and adjacent buildings). The program has been restructured and

signs of development are evident. This is one of the few standards showing improvement and an increased rating.

In 2013, some principals/staff reported that programs for special education students did not meet the least restrictive environment provision of the law and the quality criteria goals established by the California Department of Education (CDE) and the Individuals with Disabilities Education Act (IDEA). Because of the district's history and culture of lack of accountability, training for all special education staff was recommended, with particular attention on quality checks and assurances so that the district/staff continued to follow all newly installed policies and procedures. The same issues exist with little improvement. Little attention has been given top quality assurance and monitoring by the district office in this area.

The district has a written technology plan, but it is not being implemented. In 2013, the Aeries student information system (SIS) provided access to student data, and Data Director provided student assessment data, but these two systems did not function together to allow teachers and administrators to combine student data from Aeries with the periodic assessment data in Data Director. Moreover, Data Director lacked full functionality because of limitations in the information technology staffing. In 2014, the information system is transitioning away from Aeries to Illuminate, a different student information system. However, several principals and many staff members are not aware of the system being transitioned and have received little or no adequate training on Illuminate. The use of data at the schools is nonexistent.

In 2013, classroom observations found that students used standards-based and standards-aligned instructional textbooks and ancillary materials for core instruction in reading/language arts, mathematics, history/social science, and science. They relied heavily on activities provided in the workbooks accompanying the adopted language arts series. These typically involve practice in basic skills rather than an extension of student learning beyond the basic curriculum. FCMAT found that more progress has been made to transition to a focus on the Common Core State Standards. However, heavy reliance on worksheets and textbook-related activities are still in evidence.

Teachers need additional training to improve their use of instructional strategies to increase students' engagement in learning activities and their ability to apply knowledge and skills to academic tasks. Improvement has been made since FCMATs first report because of the initiatives of many principals, but with little district office direction or support. In most schools, principals are beginning to exert more influence on classroom practices to promote high levels of student engagement.

Each school has been assigned a program improvement facilitator (PIF), but in some cases, the PIF appears to function more as an assistant principal than a support to students and teachers as intended by the funding source. PIFs should increase their role in modeling lessons and coaching teachers.

Despite the generally positive school environment, instruction is highly inconsistent and unsuccessful as evidenced by low student achievement districtwide. A substantial amount of resources is invested in PIFs, department chairs at the middle and high school levels, the amount

Despite the generally positive school environment, classroom teaching is highly inconsistent and unsuccessful as evidenced by low student achievement districtwide.

of time for professional development, and consultants, but the impact of these investments appears low. An evaluation and analysis of their effectiveness should be performed.

Not all schools have assigned PIFs, a significant change from last year when each school had been assigned one of these positions. Some PIFs continue to be administratively focused; however, more were reported as giving instructional support to teachers as directed by principals, which is an improvement from last year.

Considerable turnover in instructional and professional development leadership at the district office positions has negatively affected the schools.

The principals' evaluation criteria have been revised in 2013-14 so that the evaluation is based on pupil achievement/performance measures. However, there is no indication of any follow-through or application on evaluations by the district office.

Principals have received little instructional leadership training. When teachers are trained, there is inconsistent follow-up to ensure that they use what they learned. Teacher evaluations continue to be process-centered, not based on metrics/outcomes or pupil performance indicators, such as standardized test scores, graduation rates, attendance, or suspension rates.

The district still lacks an integrated performance, management, planning, reporting, evaluation system that ensures alignment with a district's horizontal and vertical framework. Effective planning, execution, and reporting are needed to improve accountability and the performance environment.

Staff have little exposure to and understanding of the Common Core State Standards.

Although students appeared to have adequate textbooks and materials, teachers do not use the district-adopted curricula across all school sites. The quality of instruction is also inconsistent within and across classrooms and schools.

Schools have access to end-of-unit assessments and some periodic assessment data, but teachers use data inconsistently. Principals indicate they believe in the use of data and want to ensure that their teachers use it to plan, monitor and adjust instruction.

Some schools use end-of-unit assessments during grade-level meetings in a variety of ways, with different levels of understanding of how the data can be used to plan, monitor and adjust their instruction.

Most secondary classes, where block scheduling is used, do not benefit from the increased time for instruction. Teachers use the same pedagogy throughout the period and do not vary instruction despite the added minutes available.

Classes and teachers observed, especially those on block scheduling and elongated periods on the secondary level, should make full and effective use of the allocated time for a variety of instructional techniques and strategies.

Classroom observations and provided information indicate that teachers need to improve their instructional strategies to increase students' engagement in learning activities and their ability to apply knowledge and skills to academic tasks.

District staff and site principals should review placement of students with disabilities (SWD) and English language learners (ELL) at school sites, as well as in individual class placement, to ensure that optimum instructional models can be developed at each school. To ensure that the

language development and academic needs of English learners are addressed, district staff and site principals should also increase their focus on a review of annual measurable achievement objectives (AMAO) data.

The district should increase principal and teacher accountability for implementing the accommodations required for SWD, ELL and other underperforming students. Principals should regularly observe classrooms to ensure that specially designed academic instruction delivered in English (SDAIE) and other strategies are used to help ELL students access core curriculum. The principals need assistance from the district office for this task.

In some schools, teachers attempt to provide English language development (ELD) instruction to all English language learners in their classrooms, regardless of California English Language Development Test (CELDT) level. Teachers do not regularly analyze benchmark data to focus on the progress of English language learners, making adjustments to instructional strategies or placing them in intervention as needed. There is a districtwide need to clarify expectations for English language learners with regard to placement in ELD classes by CELDT level. The district also should increase focus on language acquisition strategies that provide students with opportunities to speak frequently using academic language at the level indicated by the CELDT assessment. Overall, the district should increase monitoring of English language learners and reclassified fluent-English-proficient students (R-FEP) to ensure that they continue to make academic progress.

Financial Management

The financial management section of this comprehensive report assessed the district based on 43 FCMAT standards in 19 categories. The district received an average rating of 1.33, a slight increase from the score of 1.19 achieved in the initial FCMAT comprehensive report. Seventeen standards received a zero score – not implemented; 25 standards received scores of between one and seven – partially implemented; and one standard received a score of between eight and 10, indicating that it was fully implemented.

Budget, Accounting and Multiyear Financial Projections

In the fiscal years from 2008-09 through 2012-13, school districts had experienced significant budget cuts as a direct result of the state's fiscal crisis. Like many other California school districts, Inglewood Unified had experienced the largest revenue limit deficits in state school finance history, significant declining enrollment, major reductions in categorical program funding, and several inter- and intra-year cash deferrals, and was granted six exemptions.

On July 1, 2013, Governor Brown signed into law Assembly Bill 97 (AB97), which became effective immediately. AB97 enacted the Local Control Funding Formula (LCFF), which was the most significant change to California's school finance model in almost 40 years. LCFF is based on a formula that provides additional funding to an unduplicated group of students composed of the district's English language learners, and those who participate in the free and reduced meal program or are foster youth. The new funding comes in three components; base, supplemental and concentration grants. All students generate the funds from base grants; however, supplemental and concentration grant funds are generated from the unduplicated pupils. Supplemental and concentration funds are spent in part on this group. Education Code Section 15496 defines the requirements necessary for districts to demonstrate these increased or improved services for unduplicated pupils in proportion to the increase in funds appropriated for supplemental and concentration grants.

During fiscal year 2013-14, funding was based on the LCFF, no further draws on the emergency state loan were required, and declining enrollment continued. Comparing the district's 2012-13 unaudited actuals to its 2013-14 second interim report for the general fund, which was the most recent budget at the time of FCMAT's fieldwork, showed an overall revenue increase of \$11 million. Expenditures also rose by \$8.9 million, and the district projected \$10.3 million in deficit spending. Even with these new funds, additional budget reductions will be needed to regain fiscal solvency. The district will have to meet the needs of targeted student populations, investing or reinvesting in educational programs and services, while reducing expenses.

The district's 2013-14 unrestricted general fund budget and MYFPs, contained in its second interim report, include deficit spending in fiscal years 2013-14 and 2014-15 and project a recovery in 2015-16. The cornerstones of the fiscal recovery plan are staffing reductions and new LCFF revenue with no identifiable additional expenditures to support student learning outcomes associated with the LCAP. The district has a significant amount of work to do to ensure that all its long-range plans are integrated, and the budget is structurally balanced.

On November 4, 2012, the former state administrator approved a tentative collective bargaining agreement with the Inglewood Teachers Association (ITA) without the consent of the superintendent of public instruction (SPI).

The district has continued to experience turnover in its Business Department. The assistant superintendent of business services and the business and fiscal services coordinator are no longer employed at the district, and the structure now includes a chief operating officer and an executive director/fiscal advisor rather than the two previous positions. The district's budget technicians are assigned to handle categorical programs and have experience in that part of the budget process. However, for the 2014-15 fiscal year,

three fiscal analyst positions have been eliminated, along with the district searching for a person to fill the payroll supervisor position.

The Business Department's turnover emphasizes its continued need for technical expertise to provide essential high-level fiscal analyses including multiyear projections, cash flow and budget development. In addition, the business division should continually update fiscal processes and procedures and provide accurate information to the state trustee, advisory board, site and department staff.

Collective Bargaining

On November 4, 2012, the former state administrator approved a tentative collective bargaining agreement with the Inglewood Teachers Association (ITA) without the consent of the superintendent of public instruction (SPI). This agreement continues to be legally challenged and contentious based on whether the state administrator had actual or apparent authority to enter into an agreement without the SPI's consent. Negotiated concessions in all of the collective bargaining agreements before the state takeover provided for furlough days. The furlough days were fully restored on July 1, 2013, and the contract has been treated as though it remains in effect pending the outcome of the disagreement with the teachers association.

A review of board agendas found no financial impact statement disclosing the terms and conditions for this proposal in accordance with the requirements of Government Code (GC)

Sections 3547.5(a)(b). The signed tentative agreement between the teachers association and district for July 1, 2013 through June 30, 2015 included two furlough days in 2013-14, with an additional four furlough days in 2014-15, no change in health care benefits, and dismissal of the pending grievance filed with the Public Employees Relations Board (PERB) against the district alleging a unilateral change in health care benefits in the 2012-13 school year.

There has been no collective bargaining activity during this last reporting period, including no public disclosure of administrations' initial proposals contractually referred to as "reopeners to negotiations" or "sunshining." However, district administration reported that ITA was willing to return to the table in May 2014 for discussions regarding the status of the terms of the November 2012 tentative agreement.

Internal Control Environment/Independent Audit

The district's 2008-09, 2009-10, 2010-11 and 2011-12 audited financial statements identified various internal control weaknesses. In each year beginning with the 2008-09 audit report, the district has experienced an increasing number of audit findings as well as an increase in the number of those considered material weaknesses. Material weaknesses are those that rise to a higher level of concern because they are a significant deficiency that results in a higher likelihood that the district's internal controls will not prevent or detect a material misstatement of financial statements or misappropriation of funds.

The external auditor did not release the 2012-13 audit at the time of the FCMAT's fieldwork. Several audits from outside specialists and the California Department of Education were in process or anticipated at the time; each audit should provide the basis for staff development and internal control procedures. As a result, none of these documents are analyzed or included in this review.

Many board policies and administrative regulations are several years old and should be updated. Given the number of board policies needing updates, the district should consider a comprehensive plan to accomplish this.

Student Attendance

Average daily attendance generates most of the district's funding; therefore, it is essential that all employees responsible for attendance receive mandatory routine training to ensure they are sufficiently knowledgeable to complete their assigned duties accurately and timely. The district provided attendance training for school site personnel during the period under review. Although the communications indicated that training was mandatory, several school site personnel did not attend, including principals and attendance clerks. FCMAT interviews with school site attendance personnel continued to identify some employees who report that they have never been trained in attendance procedures.

The district has historically experienced difficulty in properly collecting, recording, maintaining and reporting enrollment and attendance, which has resulted in audit findings related to attendance and numerous errors and anomalies in CALPADs reporting submissions. The district has engaged the services of an information technology/student information system retiree who focuses on overseeing the collection and maintenance of student data in the student information system and CALPADS reporting. The efforts of this position have centered on improving student enrollment data in the student information system, and reducing errors and anomalies associated with CALPADS reporting.

A review of monthly attendance and related average daily attendance to enrollment for some sites raises concerns as to the accuracy of daily attendance accounting. Inglewood High School had uncharacteristically high percentages of attendance to enrollment, and the district should conduct reviews to ensure the accuracy of recording student attendance. Although the district engages an external consulting firm for the recovery of lost apportionment attendance because of absenteeism, its movement from School Innovations and Advocacy's Attention 2 Attendance program has shifted the administration of truancy notifications and procedures to school site administrators. There was no clear evidence that the district has not sustained its truancy procedures in the absence of this external support, nor was FCMAT provided with any documented procedures to guide school site administrators in their responsibilities.

Board policies, administrative procedures and desk manuals are valuable resources for staff members whose duties include accurately reporting this critical information, which is essential to maximize funding. Based on FCMAT interviews and the documentation examined, an attendance policies and procedures manual for district and school site attendance personnel does not exist. The district should develop a comprehensive district office and school site attendance policies and procedures manual and ensure that all personnel are provided with a copy for their reference.

Associated Student Body

The district's associated student body (ASB) board policies have not been updated since November 6, 2002, yet many ASB-related laws and regulations focusing on areas of fraud prevention, fraud awareness, cash handling procedures, fundraising and internal controls have changed since then. District policy allows ASBs to charge dues, which is a violation of the California Constitution providing a free education.

District-authored ASB handbooks or desk manuals are not available to employees throughout the district. Because of a lack of ASB training, each school site has developed its own ASB policies, procedures, forms and accounting system. ASBs have not been previously required to provide the district business office with information for issuance of 1099s to its vendors. Failure to have issued 1099s would put the district in noncompliance of IRS regulations.

The district office is responsible for ASB oversight, internal audit, and ASB training, yet lacks written procedures. These procedures should provide direction to staff; ensure effective administrative oversight; and clearly define the roles and responsibilities of personnel involved in managing student body activities and funds.

Management Information Systems

Software applications are often selected without input from all involved. The new student assessment system, Illuminate, was selected without input from all principals and the Technology Department. This type of selection process puts successful implementation at risk.

The Information Technology Department has a single programming position. Duties and responsibilities include integrating data between disparate data systems such as the student information system Aeries, CALPADS, the county office human resources system (HRS), the Data Director, and many others. However, this position is only partially staffed by an outside consultant. Many tasks that could be automated are completed manually, including integrating systems to update and transfer human resource information from HRS to Aeries for CALPADS reporting.

Student data from Aeries is not regularly updated and transferred to the Data Director student assessment system. The lack of automated integration and the resulting manual processes used for data integration increase the risk of corrupting data and inaccurately reporting this information to internal and external users.

As part of mandated CALPADS reporting, certain Aeries elements related to staffing must have current and accurate data to ensure accurate staff reporting when that data is extracted from Aeries and posted to CALPADS. The main source of this staffing data is the HRS system.

The IT director manually updates the staffing information in Aeries. Several times a year, the IT director receives a paper report from the Human Resources Department containing the data extracted and reported from the HRS system and manually enters the data into Aeries.

Continuing problems in the position control system regarding the quality of data and system configuration have resulted in a system that cannot produce meaningful reports to guide the district in critical data-driven decision making.

Maintenance and Operations Controls

The district has engaged the services of an independent appraisal firm to annually update the fixed asset reports for financial statement reporting purposes. In September 2009, the appraisal firm conducted the district's most recent physical inventory and inspection that generated a report meeting the requirements of GASB 34. Subsequent reports have been produced each year and include new acquisitions, and selected disposals based on information provided to the Accounting Department from the departments who primarily handle disposals throughout the year.

The district is also required to have a system to track equipment classified as assets and valued between \$500 and \$4,999. The district reported additions to these assets to the appraisal firm, but the appraisers did not independently verify the additions. The information is also not collected in a dedicated inventory system. No disposals or lost items with a worth \$500 to \$4,999 have been reported to the appraisers. Disposals, shrinkage or theft under \$5,000 are not systematically tracked, and removed from the fixed asset inventory list. This lack of coordination between the district and the appraiser causes the appraisal firm to produce an annual fixed asset report, which is the basis of the independent audit report.

Surplus property including the sale of scrap materials is a problem for the district. District personnel do not understand board-adopted policies and procedures, the California Education Code and best practices on the chain of custody regarding salvage. Some checks have been deposited to the district's accounts for the proceeds from surplus sales.

The district lacks inventory systems to track both equipment and textbooks. Two campuses were closed during the last reporting period; however, the district was unable to provide documentation that either generated excess fixed assets or instructional materials for distribution to other campuses or disposal.

Food Services

During a State Department compliance visit, state representatives observed competitive food sales at three school sites. Based on this violation of the School Breakfast and National School Lunch programs, all funding from April 2012 was withheld pending full compliance. Based on the last State Department visit in January 2013, district employees were notified in writing that further competitive food sales would lead to disciplinary action.

In early February 2013, the State Department released \$3,316,661 in back payments from March 2012 through December 2012 based on assurance that the district was in compliance. In the current fiscal year, the district approved a contract with a vending company to replace machines on campus. The contract does not provide for timers on the machines and Food Service Department administration reported that, based on what is sold in the machines, the district will have yet another competitive food sale compliance violation.

Last year, the district implemented both a direct-certification process for qualifying free and reduced-price meal applications each year and a Provision II, Universal Feeding Program. Many federal grant and entitlement programs, E-Rate and the new Local Control Funding Formula are partially calculated by using free and/or reduced students counts. Utilizing a direct certification process should increase the efficiency in processing meal applications and increase accuracy.

The food service director and junior accountant from last year no longer work in the Food Service Department. A food service director who retired from the district in 2012 was used to assist the district in restructuring. The junior accountant returned to the district in February 2014 in another capacity and now helps the Food Service Department. Because of concerns regarding amounts in accounts receivable and accounts payable, district administration has indicated that the district has hired consultants to perform a forensic audit of the department, and that the California Department of Education, Child Nutrition Division, was returning to perform a review.

The district's June 30, 2011 audited financial statements contained a material weakness in the Food Service Department's cash receipt procedures and the district's assurance to the auditors for its June 30, 2012 audit that the recommendations had been implemented. However, the food services consultant supervising the department does not perform reconciliations between cash received to reported sales or deposits from campuses.

Special Education

Based on LACOE estimates, excess costs related to students served by the county office have been budgeted to increase from 2012-13 rates by approximately \$1.6 million (32%). Staff is unsure if the impact of a program modification was the cause of the large 2013-14 increase in LACOE excess costs, or additional charges should be anticipated in 2014-15 fiscal year.

Various areas in special education funding are not tracked to ensure that the district receives its full entitlement. These include reimbursements of excess costs, residentially placed students, and students eligible for funding for foster families and licensed care institutions. The district also does not ensure that mental health services are charged separately to maximize their receipt of mental health funding.

LACOE and nonpublic school (NPS) placements absorb a disproportional amount of the district special education budget, yet they are not tracked or recorded in the district's enrollment software, and transportation expenditures are not reviewed. The special education local plan area (SELPA) assisted the district business staff in filing for reimbursement related to extraordinary-

cost pool nonpublic school (NPS) students for the 2012-13 school year, which should assist with recovery of a portion of expenditures. NPS and LACOE placements should be reviewed continuously for cost containment throughout the fiscal year.

The district participates with the SELPA in negotiating countywide rates for NPS special education placements. The state trustee, chief operating officer and special education director attend SELPA meetings, but district business office staff do not appear to have access to SELPA funding information. Business staff should work with the Special Education Department to review SELPA funding projections and ensure that all funding sources and expenditures have been properly reported for funding and budgeted.

According to the Special Education Maintenance of Effort Report contained in the 2012-13 unaudited actuals, the cost of services between 2012-13 and 2013-14 is anticipated to increase from \$13,101 to approximately \$14,845 per pupil, or by 13%. Large increases such as these should be questioned and investigated.

Transportation

Despite having a small home-to-school transportation program, the district has a relatively large unrestricted general fund contribution of \$806,429 and only slightly increased state revenue for the 2012-13 fiscal year. The district's encroachment for transporting its severely disabled/orthopedically impaired students decreased by approximately \$44,000 between 2011-12 and 2012-13. While the district has taken some measures to contain its transportation costs, more should be done in utilizing the school fuel tax exemption and the reporting tools available through its fuel vendor. The district is also experiencing difficulties in accuracy when reporting student transportation information.

Risk Management

The district's most current actuarial study for post-employment benefits is dated September 12, 2012. It estimated an annual required contribution of \$2,871,402 at July 1, 2012 for 66 retirees and 955 active employees who may become eligible to retire and receive benefits in the future. Given its financial condition, the district continues to choose the pay-as-you-go method.

The district is self-insured for its workers' compensation program but changed its vendor to provide administration and servicing of its claims effective July 1, 2013. The district's most recent actuarial study for workers' compensation found that the present value of the incurred but not reported liability at the expected confidence level is \$11,135,000.

A review of the amounts budgeted for workers' compensation expenditures in the district's 2013-14 second interim report shows a total budget of \$4,396,394 for workers' compensation benefits. The district's actuarial study recommends a funding level of \$3,290,964 based on the expected confidence level.

The district's current claim log summary that includes open workers' compensation claims as of April 16, 2014 showed that the district has reduced the number of open claims from 50 in 2012-13 to 22 in 2013-14. Extrapolating the 2013-14 number for a full fiscal year results in an anticipated total of 28 open claims for the 2013-14 year.

The ASCIP portion of the excess insurance coverage has a \$50,000 deductible for each property, auto or general liability claim and requires the district to maintain an advance funding deposit account totaling \$500,000 at the beginning of the fiscal year. As of May 31, 2014, the advance deposit balance was \$168,650.12, which represents a reduction in the amount of claims paid over the prior year.

Facilities Management

The facilities management section of the comprehensive report assessed the district based on 33 FCMAT standards in 10 categories. The district received a mean rating of 2.59, a slight improvement from the base year. Seven standards were not implemented, with a rating of zero; 23 standards were partially implemented, with a rating of one through seven; and three were fully implemented, with a rating of eight out of 10. Although there was a slight improvement in the average score, the district regressed in several standards. This regression is a result of personnel changes and the resulting confusion as well as the fact that work that was performed by former employees is no longer completed or monitored.

The district serves approximately 11,500 students at 19 schools in the cities of Inglewood and Ladera Heights. Numerous independent charter schools are also located in the district. The district was unified in the early 1950s, and many school facilities were originally constructed more than 50 years ago. In 1998, the district passed Measure K, which provided \$131 million in general obligation bond funds. This bond, combined with state facility funds, provided more than \$200 million for facility improvements. In addition, Measure GG was passed in November 2012, resulting in an additional \$90 million in general obligation bonds. To date, no expenditures have been made from Measure GG.

The FCMAT facilities team visited all district sites during fieldwork in April 2014. Interviews were conducted with selected district and site staff, including administration, maintenance, operations, and custodial personnel. In addition, the team requested and reviewed numerous sources of documentation to verify and support the facility standards.

School Safety

The district lacks consistency and implementation of its safety programs and safety compliance. The district has commissioned several safety template programs from Keenan & Associates (a consulting and insurance brokerage firm), including injury and illness prevention and employee safety programs. There is no documentation that these plans were completed, approved by the district board or state trustee, or utilized to train employees. The district should complete the template forms with the names of employees who will be responsible for implementing school safety plans and ensure that all employees receive safety training. The current safety training provided to employees is insufficient. The district should develop and provide adequate and timely training to all applicable employees.

School site administrators indicated to FCMAT that their site's comprehensive school safety and emergency procedure plans are current and approved. However, FCMAT's review of the specific 21 site plans found that they were inconsistent, outdated, and incomplete. In fact, several sites use documentation from a manual dated 2007, and other plans are mostly directions that lack actionable procedures. Overall, there is no consistency from site to site, and most of the plans are not up to date with current staffing assignments. FCMAT reviewed the school site council (SSC) agendas for six school sites and found that only one school of the six contained an agenda item

for approval of their safety plan. FCMAT was unable to verify that the state trustee or the SSC approved the plans as required by board policy and state regulations. FCMAT was also unable to verify staff training for emergency situations. Most of the classrooms observed during fieldwork continued to lack an emergency evacuation map or other postings required to comply with the Uniform Complaint Procedures (UCP) and Williams Act.

FCMAT observed that 17 of the 18 fire alarm main operational panels received a State Fire Marshal inspection in November 2013. One school reported that it does not have an actual fire alarm system, but uses the passing bell as a mock fire alarm sound to initiate fire alarm drills. Another site reported that not all areas or classrooms on the campus could hear the alarm, and several principals indicated that they do not know how to operate the fire alarm panel. Some elementary school sites reported having only one or two fire alarm drills for students this year. The district should immediately ensure that all school sites and each classroom have working fire alarms and that staff know how to operate fire alarm panels as well as staff performing adequate drills throughout the school year.

During site visits, the science laboratory chemical storage rooms at Inglewood High School were locked and inaccessible to students. Inside these rooms, the stored chemicals and compounds continue to be poorly labeled and kept on cluttered shelves and counter tops. The special fire resistant metal storage unit is used, which is an improvement from one year ago, but the lock is not functioning, and the safety eye wash and shower units inside the classroom laboratories continue to be nonoperational.

Staffing Structure

The district recently implemented a significant reorganization in various operational departments, including the Facilities, and Maintenance and Operations departments, which included the elimination of two leadership positions. The staffing structure for the Facilities, and Maintenance and Operations departments is still lacking in organization and accountability. The recent reorganization has caused confusion about whom staff should contact and who is responsible for the various tasks. Many questions exist throughout the district as the transition is made to new structure of management and classified staff positions. Staffing for the management and oversight of facilities maintenance and operations consists of two positions; the chief operations officer and the acting director of maintenance (the official title of this position was not provided to FCMAT, but this staff member had previously been with the district in a different department). These two positions oversee all the maintenance and grounds personnel as well as other facilities and maintenance positions districtwide. Since the reorganization, there is no formal organization chart for the Facilities, and Maintenance and Operations departments, causing serious issues about chain of command, roles, and evaluation responsibilities. School site principals appear uncertain whether they have the authority to direct the work of custodians and complete their evaluations. The district continues to utilize long-term substitute employees as custodians, and they have never been evaluated. These long-term substitutes lack identified responsibilities despite working for the district over a long period of time. The district should develop and implement a new organizational structure that includes clearly defined roles and job descriptions for each member of the Facilities, and Maintenance and Operations departments, and work toward filling positions with permanent staff who have identified job responsibilities.

Facility Planning

The district has been effective in organizing facilities records in the past. Construction management services were used to oversee bond construction activity and modernization projects since internal staff does not have the necessary expertise. The district has a long-term facility plan created in October of 2012, which agrees with the spending amount allocated in Measure GG, a voter-approved school construction general obligation bond of \$90 million. The district has completed applications for E-Rate funding, but should work on incorporating E-Rate applicable projects in all modernization plans so that the funds are effectively used.

The district also plans to receive approximately \$118 million (district-supplied information in 2013) from the Los Angeles World Airports (LAWA) for sound mitigation modernization at several school sites. Based on the latest information provided to FCMAT, the actual amount approved to date is approximately \$65 million. The district has contracted with TELACU for construction management services directly related to the LAWA project. More than \$7 million in architect fees have been spent on developing plans to use the LAWA funds; there is no indication that these plans have been submitted to the Division of State Architect (DSA). The district should determine which specific expenditures are considered allowable for inclusion in the LAWA application since there are significant limitations on what LAWA will approve.

Facilities Improvement and Modernization

The district was unable to provide a comprehensive preventive maintenance plan for facilities. A list of needed repairs to school sites was created in September 2013 as well as a preventive maintenance schedule for air-conditioning units, emergency exit signs and vehicles. There is no evidence that any of the listed repairs or preventive maintenance has been implemented. Because the district transferred deferred maintenance fund resources to the general fund as allowed per the flexibility provisions in the state budget, only approximately \$23,000 still exists in the deferred maintenance fund; therefore, no ongoing resources are available for this critical need.

The district does not have personnel who are trained or knowledgeable in facility construction or the requirements of the CDE, Office of Public School Construction (OPSC), Division of the State Architect (DSA), or LAWA. This is a disadvantage since it has to rely on outside consultants and vendors to accomplish the various application processes to guide the district through approvals.

A review of maintenance and operations service and material supply budgets and purchases found that the district has a general fund budget of \$3.35 million. Because there is a significant number of purchases for materials and services, the district should have knowledgeable staff monitoring these purchases, especially when provided by outside contractors and vendors.

The district was unable to provide information on the status of all portable classroom, office or bathroom units, including the assigned DSA number, whether they are owned or leased, and their specific location. FCMAT reviewed active leases for more than 16 portable classrooms, office and a bathroom unit located at the police department. The documentation indicates that the district has made annual lease payments on some of these units for almost 15 years. The district should review these leases and investigate the possibility of terminating them and possibly returning them to the original vendor.

Facilities Maintenance

The district has considerable issues in facilities maintenance. To date, a proactive plan has not been developed for routine or preventative maintenance projects. The district should develop comprehensive long- and short-term maintenance plans in conjunction with a plan for routine and preventative maintenance.

There is no system to track utility costs and energy use. Although the district had utilized its computerized energy management system, it is no longer used. The district indicated that Chevron and Southern California Edison have performed two energy analyses for the district, but evidence of these was not produced. The district reports that it received Proposition 39 planning funds, but has yet to develop a plan to use them. Energy efficiencies and cost savings should be considered and sought when prioritizing facilities maintenance projects to maximize available funding.

The district does not maintain a computerized inventory of supplies, tools, or equipment for the Facilities or Maintenance and Operations departments, nor does it maintain equipment inventories or replacement schedules. School sites do not keep inventories of their custodial supplies. Instead, custodians order supplies weekly and/or on an as-needed basis. Inventories and replacement schedules should be developed and maintained to ensure the availability and usefulness of supplies, tools and equipment.

Most of the Maintenance and Operations Department's time is spent completing daily work orders, which are initiated at the school sites and assigned by a clerk in the Maintenance and Operations Department. The work order system is not fully utilized to allow facility issues to be reported, tracked, assigned and prioritized, or for the repair to be communicated to the request originator. However, the district is in the process of implementing a new work order system.

Facility Equitability

School sites and facilities throughout the district are wide-ranging in design and condition, from those that are new with costly materials and elaborate architecture to those that are old, dilapidated, and deteriorating. Newer sites provide greater access to technology for classroom and student use. There is also great disparity between site size and landscaping amenities, with some sites having no lawns and no access to fields while others have large grass field areas for athletics and recreation. The district has spent a considerable amount of bond and state modernization funding on some of its school sites, while others remain in great need of modernization and updated technology. Facility equitability is a major issue.

Community Access and Communications

The community has access to school facilities and grounds. Each school site lists a parent liaison contact to help parents become involved with their child's school. The district also allows various teams to use their playfields, provides access to rooms and auditoriums for community gatherings, and regularly opens its track and field for community exercisers.

The state trustee has created two positions for community communications. One is a consultant whose job is to provide outreach to many community organizations such as churches and local leaders, and the other is a school and community relations officer whose primary responsibility is to increase parent involvement, improve school leadership, and focus on the district's mission statement. The latter position is also assigned to improve partnerships with community

organizations and maximizing resources to create a greater school district presence throughout the community that resides within the school boundaries.

Information on facilities inspection reports per the Williams Act is not accurately reported on the District Accountability Report Card (DARC) and the School Accountability Report Card (SARC). The SARC for each school site incorrectly identifies the availability of \$2.5 million for deferred maintenance of its facilities. The district may have had that amount available for deferred maintenance at one time, but it has since transferred all but \$23,000 of the funds into the general fund as allowed by state budget provisions. The newest district school, La Tijera, which completed in 2011, received only a “fair” rating for its facility condition, while Inglewood High School, a 100-year old site with many older, deteriorated, and less-modern facilities received a rating of “good.” FCMAT was unable to confirm what specific rating standards were used.

The district provides facilities for both of its dependent charter schools, City Honors College Preparatory Charter School, and La Tijera Academy (a K-8 school). Although many independent charter schools are located in the district’s boundaries, they have not requested to use district facilities. In 2013-14, the district received one application from an outside, independent charter school, but it was denied based on the request of a specific facility. The district offered an alternate location, but the charter school declined that offer.

Community Relations and Governance

1.1 Communications

Professional Standard

The LEA has developed a comprehensive plan for internal and external communications, including media relations.

Findings

1. A board policy (BP 1100 - Communication with the Public), directs the superintendent or his designee to develop a communications plan for the district. (There is also a board policy regarding media relations - BP 1112.) It appears that no communication plan was developed under the leadership of the previous state administrator; however, a plan is being developed by the current administration. A draft was reviewed and contains four main areas of communication: 1. Procedural communication - addresses how the district responds to and interacts with the public; 2. Proactive Outreach Communication - addresses outreach to the community and media and how social media can be used to conduct outreach; 3. Fostering Transparency and Two-Way Communication - addresses internal communication with staff and external communication with the community in terms of opportunity for input and feedback; and 4. Crisis Communication - addresses how the district will communicate with student, faculty, staff, and the community in a crisis. The plan is a guiding document with strategies listed that provide general goals, but more detail is necessary.
2. While the draft communication plan has a cursory mention of two-way communication, a review of the document shows that the focus is on how the district will share information with the public and staff, and the plan provides little direction on how the public or staff can provide input or concerns to the district. For the most part, the communication plan is focused on external communications, and it does not provide for a clear two-way communication with internal personnel. Several interviewees indicated that communication is mostly top-down, with minimal opportunity for two-way communication.
3. The parties listed in the document with responsibility for communicating with the public are the offices of Strategic Development, School and Community Relations, and the superintendent in addition to others depending on the communication area in question. While these various departments appear to be working collaboratively, the plan does not designate a single office or individual to act on behalf of the district. Therefore, there is no single point of contact to ensure continuity and consistent messaging or a clear contact that the public and media can contact for information. The district eliminated the position of public information officer and, based on interviews with staff, these three offices handle the day-to-day communications in conjunction with a community outreach consultant.
4. Interviewees reported that employees are unaware of a communication plan, and that in practice, the district does not follow a plan or the board policy outlining one. While the plan is in draft form, and staff has conducted some outreach to seek input, few know that they can provide input or even that a communication plan is being developed. Input is not being gathered from all those affected. Internal and external communications are not linked to a district plan nor are the communication activities conducted according to the proposed plan.

- The district is actively reaching out to the community as evidenced by the updating of the website and the various events that the district administration attends. The district is reaching out to local news media and utilizing its website to inform the community of positive activities to share district, school, and student accomplishments. However, the main purpose of these outreach efforts is largely focused on public relations and less on informing the community of the district's day-to-day operations as it works toward fiscal solvency.

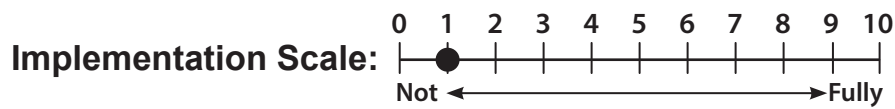
Recommendations for Recovery

- With direction from the state trustee, the district should seek broader input on the communication plan and ensure that all district staff are aware of its development and their ability to provide comment as appropriate. The plan will need to be implemented by all staff and therefore, the state trustee should develop a strategy for ensuring that it is shared with staff at all levels and that appropriate training is provided when the plan is ready for implementation.
- The communication plan should include detailed activities for implementation. For example, under Procedural Communication - Strategy #3 states "Respond to written and/or oral complaints personally within 12 hours of receipt. In the event an employee does not have the authority to address the complaint, the appropriate response is to forward the complaint to an immediate supervisor within 12 hours of receipt." The plan for implementing regulations should state how the employee is to determine whether he or she has authority to respond and how complaints are tracked to ensure response, etc. More detail is needed to ensure the plan is not simply a theoretical document with no objective or measurable steps to implementation.
- One individual or office should be designated as the responsible party for implementing the communication plan internally and externally, and as the point of contact for all districtwide communications, including media relations. This individual, based on a more thorough plan or corresponding administrative regulations, should act as the clearinghouse and address routine communications while assigning items needing varying levels of expertise to other offices as appropriate.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



1.2 Communications

Professional Standard

Information is communicated to the staff at all levels in an effective and timely manner. Two-way communication between staff and administration regarding the LEA's operations is encouraged.

Findings

1. Information is not communicated to the staff at all levels in an effective and timely manner. The review team found little evidence of the opportunity for two-way communication between the staff and administration. Staff is informed of actions after they have been implemented, and this delay in relaying information hinders the administrators' ability to respond to staff and/or community questions or concerns. Interviewees stated their frustration with these processes and the district's inability to keep them informed of decisions before they take effect.
2. There is a lack of trust between staff, administrators, and the district. Most employees interviewed are concerned and uncertain about the district's current and future status, with a majority of the uncertainty because of ineffective internal communication.
3. Interviewees indicated that a negative and disjointed culture exists, with the perception that the district does not invest in or support its employees. It is evident from the interviews that many employees are not clear on the district's current status, how it came to be under state receivership, or what will be required to resume local control. The employees are unclear and mistrustful of the state trustee's actions because of the lack of communication regarding the decisions being made.
4. The state trustee has met with site administration, but these meetings were largely informational. While the state trustee provided staff with an opportunity for one-on-one meetings, some were uncomfortable with that setting and prefer larger group meetings to receive information and provide input. Site administrators stated that while they met with the state trustee, nothing happened as a result of the meetings, and subsequent principals' meetings have not provided any additional concrete information or resulted in progress.
5. Minimal communication occurs between the state trustee and the sites, and there is a strong need for a clearly communicated district plan for the future. Interviewees indicated that most communication comes from the sites and little to none from the district office. As of the review team's visit, principals who had received layoff notices did not yet know if they would return, school closures were still being considered, and the school start date for 2014-15 was established the day before the review team's interviews concluded, which was in May.

6. The development of an organizational structure is critical to district operations. Yet site administrators were unclear about the structure and who they should report to or contact with questions or to request support. The state trustee has begun a district reorganization that included the layoffs of the assistant superintendent positions, which has left a gap in leadership at the district level. The lack of an organizational structure is a symptom of a larger issue, which is the absence of an upper-level cabinet to manage the day-to-day operations of a district of this size. At the time of FCMAT's visit, all staff reported directly to the chief operations officer, but direct oversight was not provided. The absence of a defined organizational structure also hinders the district's general operations and causes costly delays. Having one person in charge of all operations is not a feasible solution for a unified district of the size and complexity of the Inglewood Unified School District.

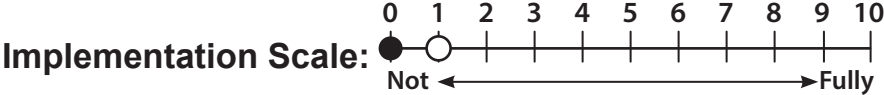
Recommendations for Recovery

1. The state trustee should develop a functioning and effective organizational structure and begin holding regularly scheduled upper-level administrative cabinet meetings. This will provide a governance structure appropriate to the district's size and more effective and efficient operations as well as enforce the state trustee's commitment to openness and effective communication with the public and internal personnel. In addition, an organization chart should be distributed to all staff as soon as possible to provide a clear chain of command for staff and site administrators. The chart should encompass all district offices and site administrators.
2. The strategies related to internal communications detailed in the draft communication plan should be instituted immediately to address the concerns shared by various staff and administrators throughout the interviews. The state trustee should develop several avenues of communication to disseminate information and gather input to meet the varying needs of the district. The opportunities for communications should be readily available, easily accessible, and clearly established so that all staff members can participate in the various methods and opportunities. It is important for the district administration to ensure that all those affected are informed, included, and provided with an opportunity for input.
3. The district should distribute internal communications to staff and site administrators in a timely manner so that they have the opportunity to respond or address any concerns. Before information is distributed to the public, the state trustee should provide the information to the staff of the affected school, and a strategy should be implemented districtwide to respond to questions, concerns, or comments received.
4. The state trustee should establish regular administrative site meetings that include relevant and useful topics suggested by administrators before the meetings. Regularly scheduled site visits that provide site administrators with one-on-one time with the state trustee would further increase two-way communication between the district and school sites.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



1.4 Communications

Professional Standard

Individuals not authorized to speak on behalf of the LEA refrain from making public comments on board decisions and the LEA's programs.

Findings

1. Because of the lack of effective communication, many of those interviewed indicated that rumor and speculation regarding the district's status are common. However, because of the lack of a clear communication plan or the designation of an individual to handle communications matters, it was unclear whether unauthorized personnel speak on behalf of the LEA.

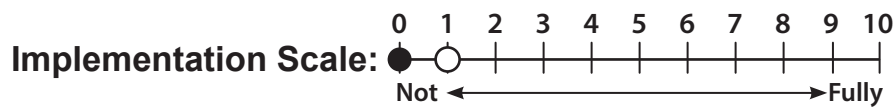
Recommendations for Recovery

1. The district should continue gathering input and refining the draft communication plan, which should include comprehensive and strategic internal, external, and two-way communication.
2. The state trustee should establish a single spokesperson to represent and speak on the district's behalf. (See standard 1.1)

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



2.3 Parent/Community Relations

Professional Standard

The LEA has developed and annually disseminates uniform complaint procedures. (Title 5, Section 4621, 4622)

Findings

1. Assembly Bill (AB) 1575 was signed into law on September 29, 2012 and mandates the use of uniform complaint procedures for resolving complaints of alleged violations of law that prohibit pupil fees, deposits or other charges for student participation in educational activities. Updated policies and regulations also require the use of the uniform complaint procedure to address complaints of discrimination, harassment, intimidation, and bullying, as required by the California Department of Education.
2. The district's board policies are available on its website, and there is an updated board policy (BP 1312.3 Community Relations – Uniform Complaint Procedures) that was revised on October 24, 2012. The former state trustee adopted the new uniform complaint procedure policy. However, the recently revised policies and regulations do not include the new requirements outlined in AB 1575.
3. The district website has a link to uniform complaint procedure brochures and forms in English and Spanish. The brochures appear to have been updated in 2012, but the English parent complaint form has a date of March 10, 2004, and the Spanish version has a date of February 23, 1994. In addition, the names on the links provided do not match the documents. For example, the link for the Spanish brochure actually opens the English document. While there is a paragraph regarding the Williams Complaint Procedures, the link for the form is inactive.
4. The district provided no evidence to show that the annual notice was distributed to employees, pupils, parents/guardians, advisory committee members, private school officials, and other interested parties as required.

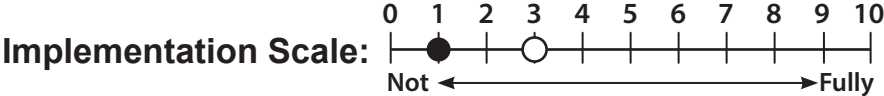
Recommendations for Recovery

1. The district must update the current Uniform Complaint Procedure and board policy to include the requirements outlined in AB 1575. The district is well past the deadline of March 1, 2013 for the adoption of the revised policies and procedures, so the adoption of a revised policy should happen immediately.
2. Policy reflecting current law should be provided to all district staff and school sites, communicated to parents, and available for use on the website and all district locations.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



2.4 Parent/Community Relations

Professional Standard

Parents and community members are encouraged to be involved in school activities and in their children's education.

Findings

1. The district has citizen advisory, school connected, and volunteer policies (BP 1220 - Citizen Advisory Committees, BP 1230 - School-Connected Organizations, and BP 1240 - Volunteer Assistance). However, online links to these policies indicate that except for the volunteer policy, which was updated in 2013, the policies have not been revised or updated since 2007. Interviews with staff and review of provided flyers, sign-in sheets, and various district documents show that the district has a strong parent center that conducts outreach for parents, provides classes, educational opportunities, and training, and lends support to the various school site parent groups.
2. Interviewees suggested that while the district's parent center is active, school site parent involvement and outreach varies from school site to school site depending on the site's administration. The district and some school sites have implemented strategies to involve parents and community members. Newsletters sent home with students, automated calls and the district's School Messenger system are the main sources of communication with parents, but some sites are more successful than others because of the site's administration and budgetary allocations.
3. The district's website has a page for parents that provides information about local community resources, college preparation, enrollment, the Inglewood Educational Foundation, filing complaints, specialized support services, student activities and organizations, and other resources. However, not all of the information is up to date, and some of the links are not active. The website also includes a "Parent Connect" link that provides parents with access to their child's grades, attendance, and more. There is no way to know how many parents access this Web page or the information provided.
4. The district has an education foundation (The Inglewood Educational Foundation) that was established in 1998 as a nonprofit corporation organized under the Non-profit Public Benefit Corporation Law Section 501(c) (3). The foundation's primary purpose is to provide college scholarships to graduating students and supplemental financial support for a variety of educational programs that directly benefit students and teachers. The foundation was recently reactivated, new leadership was installed, and fundraising events are being planned. No other information was provided to the review team regarding the dollars raised, scholarships distributed, etc.
5. While the district has a Parent Teacher Association (PTA), the administration has determined not to focus on the PTA this first year. The state trustee's priorities have been to focus on the advisory and school site councils, and the district administration plans to address

the PTA in the next year. The PTA uses the district's parent center for meetings and support, and many members are also on the District English Learner Advisory Council (DELAC) and the District Advisory Council (DAC).

6. Interviewees indicated that while there are opportunities for parent involvement, actual participation and involvement may not be at the desired level. Some interviewees believed that the reason for the lack of participation is the makeup of the committees and how the parents are selected, while others believed the negative publicity surrounding the school district discourages parents from getting involved. In addition, the parent liaisons who are located at various school sites and who are assigned to involve parents are instead used by school sites for front-office and clerical work, so they do not have the resources or time to fulfill their duties.
7. Based on the documents provided to the review team, a survey was provided to parents, although there is no indication of when the survey was sent, to whom, or how many parents responded. That survey, however, focused on student achievement, the student information parents receive, and the training/classes the parents would be interested in attending.

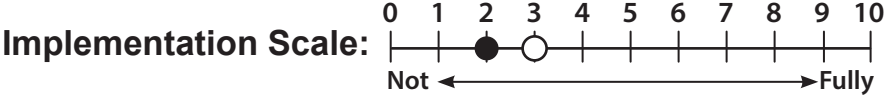
Recommendations for Recovery

1. The district should survey parents regarding the opportunities for parent involvement and the reasons they are not more involved. The results should be shared with school site administration and strategies developed to address the concerns raised in the survey.
2. Better data and records should be kept to gauge the level of parent involvement on both the school site and district levels and use of the district website. This data should be used to inform the process and determine which offerings are successful and which ones need intervention or consideration.
3. The state trustee should continue to provide support to the parent center in its outreach and parental education efforts. The scope of involvement of the parent center should be expanded to include all parent committees, including the PTA, in an effort to provide one main initial source for parent involvement and communicate a single and cohesive message and available opportunities to all parents of the district. The parent center should strive to ensure that parental involvement extends beyond compliance so that high-quality partnerships to improve student achievement exist throughout the district.
4. The state trustee should ensure that the school site parent liaisons are not used as an extension of school site office staff and are actually involved in engaging parents. It is important for parents to feel welcomed and to have a point of contact at the school sites when they need assistance.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



2.8 Parent/Community Relations

Professional Standard

Board members are actively involved in building community relations.

Findings

1. The advisory board members do not exercise their duties as board members. Therefore, there are no findings to substantiate this professional standard.
2. However, interviews with the state trustee and various members of the district administration indicated that they have taken on the role of the former board members and are actively involved in building community relations. They attend block parties and other community events and actively reach out to the city of Inglewood, the chamber of commerce, the religious community and organizations, and others in an effort to establish relationships outside the district.
3. The district is the authorizing agency for numerous independent and dependent charter schools, and these charters are becoming a large segment of the community. The former state trustee improved communications with the charter schools, and the current state trustee has continued that relationship and met with the various charters. According to staff, memorandums of understanding (MOUs) were signed with all the charter schools and the district is conducting its oversight responsibilities as required by law. The review team was not provided with copies of the MOUs or any records to verify the relationships or the oversight being provided.

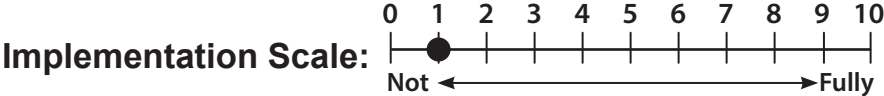
Recommendations for Recovery

1. The state trustee should encourage the advisory board members to be actively involved in the community and build positive relationships with all segments of the community and charter schools. The advisory board members could assist the district with outreach in a community where they have served and lived for many years. While the advisory board has no authority, it can help the district spread the message to the community and provide input from the community.
2. While it is commendable that district administration personally attends community events, the individual assigned to community outreach (see standard 1.1) should coordinate these efforts and take primary responsibilities for these events and contacts.
3. The state trustee should ensure that all charters have current agreements with the district and that oversight responsibilities are completed per law. New requirements were introduced in 2013 for charter schools with the implementation of the Local Control Funding Formula and the Local Control and Accountability Plan. The district should review all existing charter documents (e.g., petitions, agreements, budgets, etc.) to ensure they comply with the new laws.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



3.1 Community Collaboratives, LEA Advisory Committees, School Site Councils

Legal Standard

Policies exist for the establishment of school site councils. The school site council develops a single plan for student achievement at each school, applying for categorical programs through the consolidated application. (Education Code 52852.5, 64001)

Findings

1. While no board policies exist for the establishment of school site councils, there is a board policy (BP 0420 -School Plan/Site Councils) for the development of single plans for student achievement by school site councils, and interviewees indicated that all schools have school site councils and plans. The policy calls for the board to review and approve the plans. Based on staff interviews and a representative copy of plans received, the plans developed by the school site councils are not consistent. Some of them are being drafted for a two-year period while others for only one year, and while they were sent to the board for approval, there was no district review.
2. Interviews with staff indicated that funding allocations for the councils were significantly delayed, which hindered their ability to implement the plans. The interview team was provided with copies of rosters, sign-in sheets, and minutes for the meetings, but was unable to determine the effectiveness and impact of the plans.
3. Based on interviewees, responsibility for the school site councils, and therefore for plan development, now rests with the parent center. Parent center staff indicated that they are working with the schools to draft the plans annually as required, provide support as needed, and monitor progress.

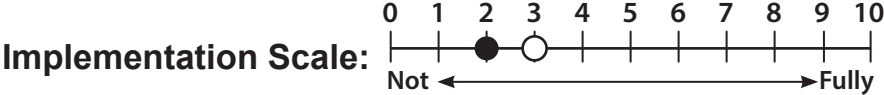
Recommendations for Recovery

1. The district policy should be revised to include direction on the development and training of the school site councils. The policy should also address funding for the councils to provide stability and enable accurate planning for the programs and activities in the plan.
2. The state trustee should provide the necessary support to the parent center so that it can adequately provide training and guidance to the councils in developing the plans. The parent center needs to ensure that the plans are drafted and approved annually as required and that adequate oversight is provided.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



3.4 Community Collaboratives, LEA Advisory Committees, School Site Councils

Professional Standard

The board and superintendent have established broad-based committees and councils to advise the LEA on critical issues and operations as appropriate. The membership of these committees and councils reflects the full cultural, ethnic, gender, and socioeconomic diversity of the student population.

Findings

1. Interviewees were unaware of any committees or councils that existed to advise or provide input to the district on critical issues and operations. While the district has an English learner advisory committee (DELAC) and district advisory committee (DAC), there is no evidence that these councils are used to advise the district. Interviews indicated that while the former state administrator held monthly meetings with these groups, the current state trustee has not continued that practice.
2. While the review team was provided with rosters and sign-in sheets, the cultural, ethnic, gender, and socioeconomic makeup of these committees is unknown because this information is not collected.

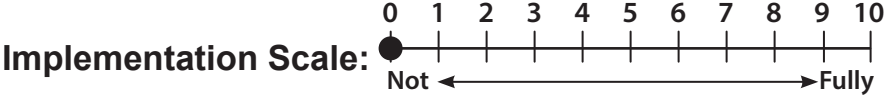
Recommendations for Recovery

1. The state trustee should establish broad-based committees and councils to advise the district on critical issues and operations and regularly meet with them. The district is experiencing a great deal of change during this transition period. Establishing committees and councils with knowledge of the district, community, and its culture could provide information that is critical and useful to the process. In addition to convening new committees and/or councils, the state trustee should take advantage of the already constituted DELAC and DAC and focus their efforts on the current district issues.
2. The committees and councils should include, or some should be comprised entirely of, district administrators and staff. Many administrators, teachers, and staff live in the community and can provide perspective as both district employees and community members, and many are parents as well.
3. Data on the cultural, ethnic, gender, and socioeconomic makeup of these committees should be collected and tracked to ensure the committees reflect the diversity of the student population.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



3.6 Community Collaboratives, LEA Advisory Committees, School Site Councils

Professional Standard

The LEA encourages and provides the necessary training for collaborative and advisory council members to effectively fulfill their responsibilities and to understand the basic administrative structure, program processes, and goals of all LEA partners.

Findings

1. For the first time this year, training on the composition of the councils, the concept of equity, strategies on recruiting members, the appropriate procedures for the election of officers, etc., was provided to parents participating in the school site councils.
2. A system has also been developed and implemented for the training of parent volunteers. The review team was provided with flyers and sign-in sheets for trainings and other parent events.

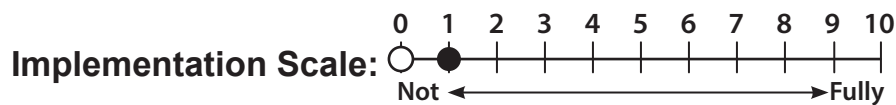
Recommendations for Recovery

1. The district should provide support to the parent center so that they are able to provide stable leadership to develop and train collaborative and council members in their responsibilities regarding programs, processes, and responsibilities. Although training was provided this year, it was minimal and will need to be more defined and encompass more information.

Standard Partially Implemented

July 2013 Rating: 0

July 2014 Rating: 1



4.5 Policy

Professional Standard

The board supports and follows its own policies once they are adopted.

Findings

1. The advisory board members do not meet as a board. Therefore, there were no findings to substantiate this professional standard.
2. However, the state trustee is charged with the role of the board during state receivership. Although there are adopted board policies, there appears to be little structure, few guidelines, and minimal accountability throughout the district or in the actions being taken.

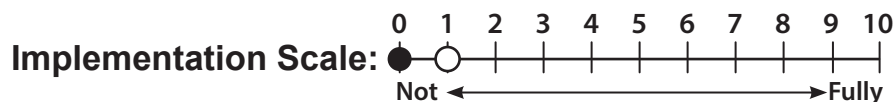
Recommendations for Recovery

1. The state trustee should develop a plan to review and update all board policies, including how the adopted policies will be communicated to all staff. The plan should also include steps on how input will be solicited from affected staff and incorporated into the applicable policies. Given the district's transitional state, it is understandably difficult to strictly adhere to policies and regulations, but these need to be updated before practices are enacted that directly conflict with these policies. All staff members and the state trustee should adhere to and be accountable for following board policies and administrative regulations.
2. The state trustee should ensure that board policies are current, available, consistent with current law, and provide the district with direction and guidelines for decisions and behaviors. The state trustee should work closely with the California School Boards Association (CSBA) in establishing board policies and keeping them current through the Gamut program.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



5.1 Board Roles/Boardsmanship

Legal Standard

Each board member meets the eligibility requirements to be a board member. (Education Code 35107).

Findings

1. E.C. 35107 requires board members to meet the following criteria to be eligible for the position:
 - a. Be 18 years of age or older
 - b. Be a citizen of the state
 - c. Be a resident of the school district
 - d. Be a registered voter

2. The district provided no information to substantiate this professional standard.

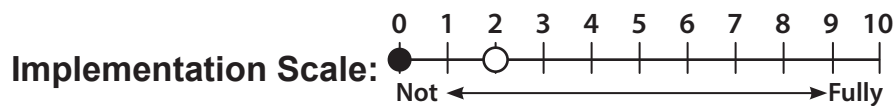
Recommendations for Recovery

1. The state trustee should ensure that all existing and future advisory board members meet the Education Code requirements to serve as members of the board.

Standard Not Implemented

July 2013 Rating: 2

July 2014 Rating: 0



5.2 Board Roles/Boardsmanship

Professional Standard

Board members receive necessary training to better fulfill their roles.

Findings

1. The advisory board members do not meet as a board and no training is provided to help members acquire the skills necessary to resume their roles. Therefore, there were no findings to substantiate this professional standard.

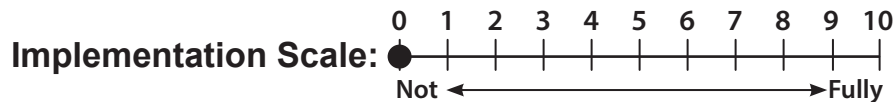
Recommendations for Recovery

1. The state trustee should begin to convene the advisory board and provide training in preparation for the return of local control.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



5.3 Board Roles/Boardsmanship

Professional Standard

The board has established an LEA-wide vision/mission and uses that vision/mission as a framework for LEA action based on the identified needs of the students, staff, and educational community.

Findings

1. Board policies were updated in 2013 to reflect the district's philosophy, goals, and objectives (BP 0100 - Philosophy of the School District, BP 0200 - Goals for the School District, and BP 0400 - Comprehensive Plans). In addition, the district website includes a purpose, mission, vision, and objectives as follows:

Purpose

The purpose of the Inglewood Unified School District is to develop productive citizens who are able to live, compete, and excel in a global economy.

Mission

The mission of the Inglewood Unified School District is to ensure that all our students are taught rigorous standards based curriculum supported by highly qualified staff in an exemplary educational system characterized by high student achievement, social development, safe schools, and effective partnerships with all segments of the community.

Vision

The vision of the Inglewood Unified School District is to provide a learning environment that empowers all students to acquire the academic and social skills needed to become productive citizens and lifelong learners in a global economy.

Objectives

All students will become proficient in English. All students will score proficient or above as measured by state assessments. All students will have access to current technology to increase their academic performance.

One-hundred percent (100%) of our students will graduate. One-hundred percent (100%) of our students will enter and achieve success in an institution of higher learning, workplace, and society.

2. Based on interviews conducted, there is no evidence that vision/mission is utilized as a blueprint for action by the district. Further, the state trustee's staff indicated that while they have reviewed the vision/mission, they have no evidence that it is all inclusive or accurately reflects the desires and/or needs of the district. Staff members also relayed that they do not immediately intend to update the vision/mission to address the district's current needs.

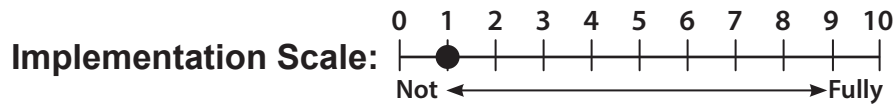
Recommendations for Recovery

1. The state trustee should develop a comprehensive plan to involve students, staff, administrators, and the educational community in reviewing and developing a vision and mission that address the district's needs now and into the future given the significant changes in student achievement, enrollment, fiscal soundness, etc. The comprehensive plan should include steps to communicate and publicize the vision and mission to all those affected in an effort to make the process open and ensure that everyone is aware of the direction in which the district is moving.
2. The district's vision and mission should provide a focus and a direction to support student programs and promote academic achievement.
3. The district's vision and mission should be regularly reviewed and updated as necessary through a process that includes input from staff, parents, students, and community members.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



5.5 Board Roles/Boardsmanship

Professional Standard

Board members maintain functional working relationships. Individual board members respect the decisions of the board majority and support the board's actions in public.

Findings

1. The advisory board members do not meet as a board. Therefore, there were no findings to substantiate this professional standard.

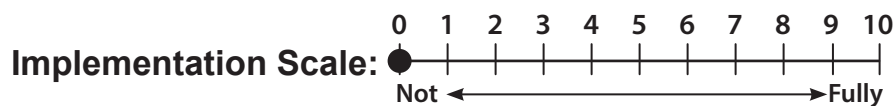
Recommendations for Recovery

1. The state trustee should begin to convene the advisory board and provide training on acceptable procedures and operation of a functioning school board to build capacity before resuming local control.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



5.6 Board Roles/Boardsmanship

Professional Standard

The board and administrative team maintain functional working relationships.

Findings

1. The state trustee does not utilize the advisory board.
2. The administrative team and the advisory board members have no working relationship with the state trustee. Therefore, there were no findings to substantiate this professional standard.

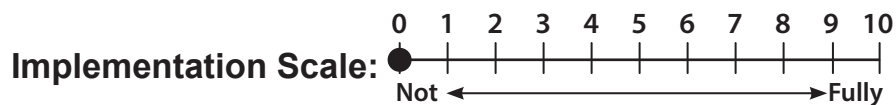
Recommendations for Recovery

1. The state trustee should begin to establish a working relationship with the advisory board, site administration, staff, and the community as well as fostering and encouraging relationships between and among the site administration, staff, and the community.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



5.9 Board Roles/Boardsmanship

Professional Standard

Board members respect the confidentiality of information shared by the administration.

Findings

1. The board members are advisory and are not provided with information by the state trustee. Therefore, there were no findings to substantiate this professional standard.

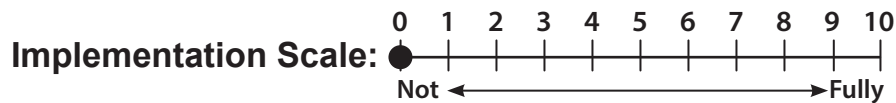
Recommendations for Recovery

1. The state trustee should begin to convene the advisory board and provide information on district operations to build capacity before the resumption of local control.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



5.10 Board Roles/Boardsmanship

Professional Standard

Board members effectively develop policy and set the direction of the LEA while supporting the superintendent and administrative staff in their responsibility to implement adopted policies and administrative regulations.

Findings

1. Interviewees said that during their tenure, school board members did not address or update the district's board policies or administrative regulations.
2. The initial and interim state trustees began updating board policies according to the California School Boards Association (CSBA) recommended board policy manual, but this process is not moving forward. Based on several interviews, work had begun on updating board policies, but the work to date was not available, and FCMAT was unable to substantiate if any was actually done in that area.
3. While staff was able to access many policies and provide them to the review team, no staff member has been designated to review those remaining and determine their status or develop a plan to update these documents. A review of available board policies confirms that most are out of date and require updating to ensure compliance with law and district practices. Based on interviews conducted, staff does not receive support in developing and implementing board policies.
4. While the district is developing and implementing various plans and reforms, this occurs without updated board policies and with full knowledge that the policies are out of date.

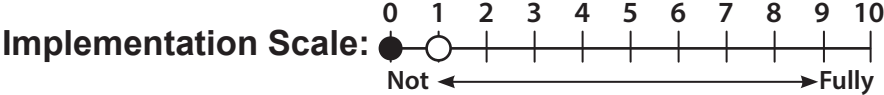
Recommendations for Recovery

1. The state trustee should proactively update board policies to reflect current law and district practices, and this should include a process where input is gathered from affected parties on establishing new policies and regulations for the district. CSBA should be involved in establishing board policies and keeping them current through the Gamut program.
2. The state trustee should work closely with staff and administrators to implement the new board policies throughout the district. Any plan to update board policies should include steps to communicate them throughout all levels of the district.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



5.11 Board Roles/Boardsmanship

Professional Standard

The board acts for the community and in the interests of all students in the LEA.

Findings

1. The board members are now advisory, have not been called upon by the state trustee to act on the district's behalf and have no duties to conduct on behalf of the district. Therefore, there were no findings to substantiate this professional standard.

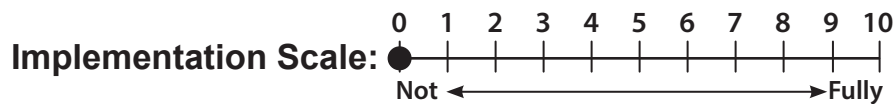
Recommendations for Recovery

1. The state trustee should encourage the advisory board members to engage with the community and provide input to the state trustee on matters of importance to the community and students.
2. The state trustee should provide training to the advisory board on their role and responsibilities in providing the best education possible for all students.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



6.6 Board Meetings

Professional Standard

Board members prepare for board meetings by becoming familiar with the agenda and support materials prior to the meeting.

Findings

1. The state trustee does not provide the advisory board members with advance notice of board meetings, agendas, or support materials before board meetings. Therefore, there were no findings to substantiate this professional standard.

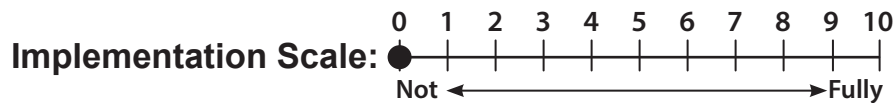
Recommendations for Recovery

1. While the board is advisory, the state trustee should provide members with advance notice of board meetings, and the agenda and supporting materials before the board meetings in an effort to begin building capacity. The agenda and supporting materials should be distributed five to seven days before the board meeting, providing opportunity for any necessary questions to be answered or clarifications to be made.
2. Although the state trustee makes all final decisions for the district, the advisory board members should receive board information, participate in the discussions, and provide opinions to the state trustee based on their standing in and knowledge of the community.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



6.9 Board Meetings

Professional Standard

Board meetings focus on matters related to student achievement.

Findings

1. Based on the board meeting agendas and minutes provided to the review team, board meetings are held by the state trustee and have focused on administrative and personnel matters.
2. A number of the board meetings within the last six months have been called on an emergency basis with as little as 24 hours' notice. The meetings were held on different days of the week and at different times of the day, offering little consistency and making it difficult for staff and the community to adjust their schedules and be available.

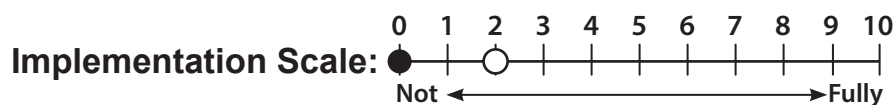
Recommendation for Recovery

1. As the district's fiscal health begins to stabilize, the state trustee should begin to focus the board meetings on the academic needs of students, as well as other important topics, including administrative and personnel matters.
2. In addition, as stabilization occurs, the state trustee should reduce the number of emergency board meetings and establish a consistent day and time for board meetings. This will provide the public with a greater ability to attend and makes for a more open governance process. Further, the board agenda and materials should be available in advance of the meeting.

Standard Not Implemented

July 2013 Rating: 2

July 2014 Rating: 0



**Table of
Community Relations
and Governance Ratings**

Community Relations and Governance Standards		July 2013 Rating	July 2014 Rating
1.1	PROFESSIONAL STANDARD – COMMUNICATIONS The LEA has developed a comprehensive plan for internal and external communications, including media relations.	1	1
1.2	PROFESSIONAL STANDARD – COMMUNICATIONS Information is communicated to the staff at all levels in an effective and timely manner. Two-way communication between staff and administration regarding the LEA's operations is encouraged.	1	0
1.4	PROFESSIONAL STANDARD – COMMUNICATIONS Individuals not authorized to speak on behalf of the LEA refrain from making public comments on board decisions and the LEA's programs.	1	0
2.3	LEGAL STANDARD – PARENT/COMMUNITY RELATIONS The LEA has developed and annually disseminates uniform complaint procedures. (Title 5, Section 4621, 4622).	3	1
2.4	LEGAL STANDARD – PARENT/COMMUNITY RELATIONS Parents and community members are encouraged to be involved in school activities and in their children's education.	3	2
2.8	PROFESSIONAL STANDARD – PARENT/COMMUNITY RELATIONS Board members are actively involved in building community relations.	1	1
3.1	LEGAL STANDARD – COMMUNITY COLLABORATIVES, LEA ADVISORY COMMITTEES, SCHOOL SITE COUNCILS Policies exist for the establishment of school site councils. The school site council develops a single plan for student achievement at each school, applying for categorical programs through the consolidated application. (EC 52852.5, 64001)	3	2
3.4	PROFESSIONAL STANDARD – COMMUNITY COLLABORATIVES, LEA ADVISORY COMMITTEES, SCHOOL SITE COUNCILS The board and superintendent have established broad-based committees and councils to advise the LEA on critical issues and operations as appropriate. The membership of these committees and councils reflects the full cultural, ethnic, gender and socioeconomic diversity of the student population.	0	0

Community Relations and Governance Standards		July 2013 Rating	July 2014 Rating
3.6	<p>PROFESSIONAL STANDARD – COMMUNITY COLLABORATIVES, LEA ADVISORY COMMITTEES, SCHOOL SITE COUNCILS</p> <p>The LEA encourages and provides the necessary training for collaborative and advisory council members to effectively fulfill their responsibilities and to understand the basic administrative structure, program processes and goals of all LEA partners.</p>	0	1
4.5	<p>PROFESSIONAL STANDARD – POLICY</p> <p>The board supports and follows its own policies once they are adopted.</p>	1	0
5.1	<p>LEGAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>Each board member meets the eligibility requirements to be a board member. (EC 35107)</p>	2	0
5.2	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>Board members receive necessary training to better fulfill their roles.</p>	0	0
5.3	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>The board has established an LEA-wide vision/mission and uses that vision/mission as a framework for LEA action based on the identified needs of the students, staff, and educational community.</p>	1	1
5.5	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>Board members maintain functional working relationships. Individual board members respect the decisions of the board majority and support the board's actions in public.</p>	0	0
5.6	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>The board and administrative team maintain functional working relationships.</p>	0	0
5.9	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>Board members respect the confidentiality of information shared by the administration.</p>	0	0

Community Relations and Governance Standards		July 2013 Rating	July 2014 Rating
5.10	PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP Board members effectively develop policy and set the direction of the LEA while supporting the superintendent and administrative staff in their responsibility to implement adopted policies and administrative regulations.	1	0
5.11	PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP The board acts for the community and in the interests of all students in the LEA.	0	0
6.6	PROFESSIONAL STANDARD – BOARD MEETINGS Board members prepare for board meetings by becoming familiar with the agenda and support materials prior to the meeting.	0	0
6.9	PROFESSIONAL STANDARD – BOARD MEETINGS Board meetings focus on matters related to student achievement.	2	0
Collective Average Rating		1.05	.45

Sources and Documentation

Board Policies, Administrative Regulations, and Board Bylaws

- BP 0100—Philosophy of the School District
- BP 0200—Goals for the School District
- BP 0400—Comprehensive Plans
- BP 0420—Philosophy, Goals, Objectives and Comprehensive Plans—School Plans/Site Councils
- AR 0420—Philosophy, Goals, Objectives and Comprehensive Plans—School Plans/Site Councils
- BP 0420.1—Philosophy, Goals, Objectives and Comprehensive Plans—School-Based Program Coordination
- AR 0420.1—Philosophy, Goals, Objectives and Comprehensive Plans—School-Based Program Coordination
- BP 1000—Concepts and Roles
- BP 1020—Youth Services
- BP 1100—Communication with the Public
- BP 1112—Media Relations
- BP 1113—District and School Web Sites.
- BP 1114—District-Sponsored Social Media
- AR 1114—District-Sponsored Social Media
- BP 1150—Commendations and Awards
- BP 1160—Political Processes
- BP 1220—Citizen Advisory Committees
- AR 1220—Citizen Advisory Committees
- BP 1230—School-Connected Organizations
- AR 1230—School-Connected Organizations
- BP 1240—Volunteer Assistance
- AR 1240—Volunteer Assistance
- BP 1250—Visitors
- AR 1250—Visitors
- BP 1260—Educational Foundation
- BP 1312.1—Complaints Concerning District Employees
- BP 1312.2—Complaints Concerning Instructional Materials
- AR 1312.2—Complaints Concerning Instructional Materials

E 1312.2—Complaints Concerning Instructional Materials
BP 1312.3—Uniform Complaint Procedures
AR 1312.3—Uniform Complaint Procedures.
AR 1312.4—Williams Uniform Complaint Procedures
E(2) 1312.4—Williams Uniform Complaint Procedures
E(2) 1312.4—Williams Uniform Complaint Procedures
BP 1321—Solicitation of Funds From and By Students
AR 1321—Solicitation of Funds From and By Students
BP 1325—Advertising and Promotion
BP 1330—Use of School Facilities
AR 1330—Use of School Facilities
E 1330—Use of School Facilities
BP 1330.1—Joint Use Agreements
BP 1340—Access to District Records
AR 1340—Access to District Records
BP 1400—Relations Between Other Governmental Agencies and the Schools
BP 1431—Waivers
BP 1700—Relations Between Private Industry and the Schools
BP 9000—Role of the Board
BB 9223—Filling Vacancies
BP 9240—Board Development
BP 9274—Professional Governance Standards
BP 9323—Meeting Conduct
BP 9271—Code of Ethics
BP 9273—Code of Ethics—Resolution No. 33-89-90—Code of Conduct

District-provided documents

Board agendas and minutes for last six months
Schedule of current salaries and benefits packages
Board members' attendance to school events
Board agendas showing recognition of student achievement
Vision/mission and goals

MOUs between the district and charter schools

School site council agendas and meeting minutes

Sample from representative schools of notices sent to parents regarding school activities

Request for volunteers

Advisor committee, PTA and Inglewood Education Foundation meeting notices, minutes and sign in sheets

Communication plan

Press releases

Information related to goals and achievement

Interviews with district staff, advisory board members, and parent groups

Review of district website

Personnel Management

1.1 Organization and Planning

Professional Standard

The local educational agency (LEA) has clearly defined and clarified roles for board and administration relative to recruitment, hiring, evaluation and discipline of employees.

Findings

1. The Human Resources (HR) Department updated and submitted to the state trustee 11 board policies and administrative regulations on December 16, 2013, including AR 4212 - Appointments and Conditions of Employment, AR 4212.5 - Criminal Record Check, AR 4217.3 - Layoff/Rehire, AR 4218 – Dismissal/Suspension/Disciplinary Action, and BP 4315 - Evaluation/Supervision. At the time of FCMAT’s visit, the policies and regulations had not been approved. Based on the documents provided to FCMAT and following a review of policies and regulations listed on the district’s website, it does not appear that any policies or regulations related to personnel have been updated since the time of the last review.
2. BP 4000 - Concepts and Roles, has not been reviewed or updated since 1998. AR 4111- Personnel Services, has not been reviewed or updated since 1999 and does not include a governing board or district commitment to employ the most qualified individuals. The regulation does not include legal references to applicable provisions of the Education Code, Government Code, or federal statutes related to lawful employment practices. It also does not indicate that selection procedures will be fair and comply with existing state and federal employment laws. Education Code 260 and 5 CCR 4900 - 4965 require the governing board to monitor district compliance with state and federal laws related to employment and nondiscrimination. Government Code 12940, was amended by AB 1964 (Ch. 287, Statutes of 2012), and provided that a district may not discriminate against an employee or job applicant based on the person’s religious beliefs, observances, or dress or grooming practices unless it can demonstrate that it has explored available reasonable alternative means of accommodating the person, but is unable to reasonably accommodate him/her. Additionally, Government Code 12940, was further amended by AB 556 (Ch. 691, Statutes of 2013), and prohibits employers from discriminating against employees and job applicants based on their military or veteran status. In addition, the amendments to Government Code 12940 prohibit employers from discriminating against employees and job applicants based on genetic information, gender identity, and gender expression, and require employers to reasonably accommodate employees’ religious dress and grooming practices. The district last updated BP 4030 - Nondiscrimination in Employment on October 24, 2012 and it does not incorporate changes in state law. Similarly, BP 4100 - Complaints Concerning Discrimination in Employment was last revised on May 26, 2010 and is inconsistent with existing law.
3. Additionally, AR 4111 indicates that the personnel office is responsible for coordinating all recruitment and selection efforts and making recommendations for employment to the superintendent for approval by the board. However, district staff and school site leaders consistently reported that before state administration/losing governing authority, the board had been known to ignore employment recommendations as well as recommendations related to the nonreelection of certificated staff.

4. The regulation states that employees will not be paid for services rendered unless their employment is approved by the board. This provision may violate the Fair Labor Standards Act (FLSA), which defines “employ” as “to suffer or permit to work” and requires the employer to pay these employees for the time worked.

Recommendations for Recovery

1. The district should update board policies and administrative regulations related to personnel and ensure that revisions keep pace with changes in state and federal nondiscrimination laws. Board policies related to nondiscrimination in employment do not incorporate recent changes in state law.
2. The district should ensure that policies related to recruitment and selection clearly articulate the roles of the board and the administration. Specifically, the board’s role is to perform the following:
 - Approve a framework for sound hiring practices.
 - Approve for employment only those persons recommended or endorsed by the superintendent or their designee.
 - Refer any individuals who approach board members regarding prospective employment to the superintendent or designee.

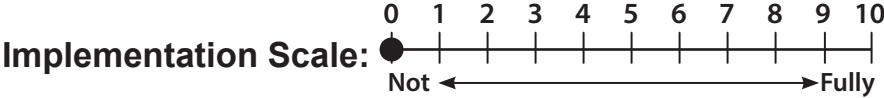
The superintendent or designee is to perform the following:

- Develop fair, open, and transparent recruitment and selection processes and procedures that ensure employees are selected based on demonstrated knowledge, skills, and competence and not on any bias, personal preference, or unlawful discrimination;
 - Review the job description for the position to ensure that it accurately describes the major functions and duties of the position; and
 - Present to the board one candidate who meets all qualifications established by law.
3. The district should ensure that employment practices require all employees to be paid for time worked. A district’s board usually takes action on all recommended personnel actions on the consent agenda, especially when the superintendent and designee have been authorized to make personnel decisions. It is often necessary for employees to begin work prior to the board consenting to the personnel recommendations, especially when hiring new teachers close to the start of the school year. Consequently, employees frequently begin work before board action.

Standard Not implemented

July 2013 Rating: 0

July 2014 Rating: 0



1.2 Organization and Planning

Professional Standard

The personnel function has developed a mission statement and objectives directly related to the LEA's goals and provides an annual report of activities and services offered during the year.

Findings

1. The district's mission is to ensure that all students are taught rigorous standards-based curriculum supported by highly qualified staff in an exemplary educational system characterized by high student achievement, social development, safe schools, and effective partnerships with all segments of the community.
2. The HR Department has a mission statement that is aligned with the district in stating that the department is dedicated to recruiting, hiring, and retaining the most highly qualified applicants as well as providing services that support school and student success.
3. The HR mission and vision statements were updated according to the March 20, 2014 staff meeting agenda, but are not included on the district's website.
4. The HR Department mission and vision statement also indicates that it will provide services in teacher credentialing, recruitment of certificated and classified personnel, staffing, continued monitoring of teacher quality in relation to the No Child Left Behind Act, employee orientation, training, employer-employee relations, and employee evaluation. "The department emphasizes supporting school sites to accomplish their student achievement goals and school plan objectives by matching resources with individual site needs. Its services are expected to promote a caring, responsive, accurate, and efficient environment that is apparent to customers and integrated with day-to-day operations."
5. The HR Department has not developed annual goals to help achieve its vision and mission and that ensure caring, responsive, and efficient services. Interviews with district staff suggest that the HR Department does not follow or achieve its mission and vision, and there is no indication that the department works with individual school sites to ensure services support accomplishment of student achievement goals or school plan objectives through effective resource alignment. While the department has a reputation for not being responsive or supportive, confidence in the department and HR's willingness to help customers are increasing, according to staff members.
6. The HR Department Web page provides a list of services, including the following:
 - Advise and interpret laws, rules, and regulations pertaining to the certification process to applicants or current employees.
 - Process new and renewal applications for a variety of credentials and permits: administrative, pupil personnel services, vocational, and children's center permits, etc.
 - Process and maintain personnel records.

- Help certificated staff members ensure that credential renewal requirements are met.
 - Receive and review college and university transcripts to advise on credential eligibility and service authorization.
 - Update and maintain salary adjustments.
 - Update and enter personnel data utilizing the Human Resource System.
 - Serve as a liaison between individuals, district administration, LACOE, and the Commission on Teacher Preparation and Licensing.
 - Advise professionals and personnel staff regarding policies, precedents, work standards and procedures.
 - Provide certificated substitute teacher services.
 - Attend state and county conferences/workshops to better serve the district.
7. The HR Department does not create an annual report of services provided to employees.

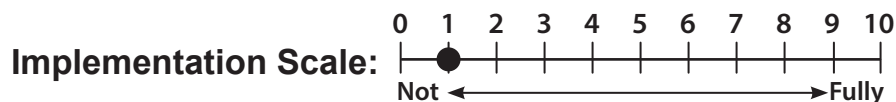
Recommendations for Recovery

1. The district’s website should be updated to reflect the revised vision and mission of the HR Department as well as ensuring that the new HR vision and mission statements align with the district’s vision and mission and support the district’s recovery plan.
2. The district should ensure that the HR Department annually develops goals and objectives that are measurable and facilitate achievement of its mission.
3. A template should be developed and an annual report produced for the cabinet and board regarding the HR Department, including the services it provides to employees and information such as the number of certificated, classified, and management staff employed by the district; employees hired during the fiscal year; transfers; grievances; and retirements by classification.
4. The district should ensure that the annual report to the board includes evidence of progress in meeting the HR Department goals and objectives for the year. The department should consider using the FCMAT personnel management priority standards and recommendations for recovery to determine what to measure, monitor, and report.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



1.3 Organization and Planning

Professional Standard

The personnel function has an organizational chart, functions chart, and a menu of services that include the names, positions, and job functions of all personnel staff.

Findings

1. At the time of FCMAT's fieldwork, the assistant superintendent of HR and the director of HR positions had been eliminated and a new organizational chart for the department was not available.
2. The HR Department organizational chart lists department positions as well as the names of individuals assigned to each position, including the major functions by position. Some essential human resource functions were not allocated based on current job responsibilities. Specifically, the department has not identified a staff member responsible for supporting the interactive process as required by the Americans with Disabilities Act or a return-to-work program for employees returning from a workplace injury. Additionally, the department does not have a process for effectively tracking and monitoring leave use, and this essential function is unassigned.
3. The HR Department contact information on the district's Web page does not include the names of department staff. While the HR Department's Web page provides a list of major job areas and phone numbers, it does not clearly identify who to call with specific service area questions.
4. With the recent departure of the assistant superintendent and the longtime administrative assistant to the assistant superintendent, principals and department managers are not sure who to call when they need assistance from HR.

Recommendations for Recovery

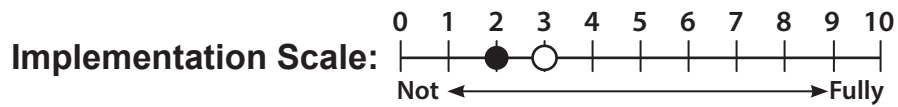
1. The HR organizational chart should be updated to ensure that it accurately reflects current positions and position functions and that all essential human resource functions are assigned.
2. Once the organizational structure has been established and leadership positions have been filled, the district should ensure that school site and department managers understand the roles and responsibilities of each member of the HR team and who to call when they need assistance in filling position vacancies, have questions related to evaluation or progressive discipline, or when they have any issues or questions related to personnel management.

- The district should update the website's HR page by providing contact information based on employee services provided by respective staff members. The contact information should include the name and phone number of the HR staff member rather than the position title. The HR page should be updated anytime functions are reorganized or reallocated or when staff members change.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



1.4 Organization and Planning

Professional Standard

The personnel function head is a member of the superintendent's cabinet and participates in decision-making early in the process.

Findings

1. The district did not provide any documentation related to the superintendent's/trustee's cabinet meetings, and all reports indicate that cabinet meetings are not held. It is unclear what role the assistant superintendent of HR played in assisting the state trustee in making decisions since the current trustee was appointed.
2. The assistant superintendent of HR participated in decision-making related to enrollment and staffing projections for the 2013-14 fiscal year, reductions in force, bargaining proposals, and non-reelection of certificated employees. The HR Department has not participated in these decision-making processes for the 2014-15 fiscal year planning.

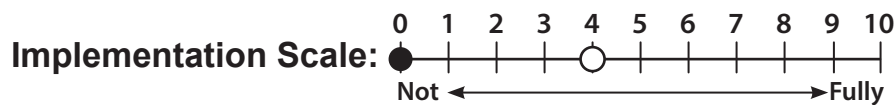
Recommendations for Recovery

1. The district should ensure that the lead HR administrator is a member of the trustee's cabinet.
2. The lead HR administrator should participate in decision-making related to staffing projections, reductions in force, bargaining proposals, non-reelection, employee discipline, and all other matters related to personnel management.

Standard Not Implemented

July 2013 Rating: 4

July 2014 Rating: 0



1.5 Organization and Planning

Professional Standard

The personnel function has a data management calendar that lists all the ongoing data activities and responsible parties to ensure meeting critical deadlines on California Longitudinal Pupil Achievement Data System (CALPADS)/California Basic Educational Data System (CBEDS) reporting. The data is reviewed by the appropriate authority prior to certification.

Findings

1. The HR Department does not have a data management calendar, but has identified the employee responsible for submitting data to the IT director for CALPADS, California School Information Services (CSIS), and CBEDS.
2. The HR Department was provided with a very short timeline for producing the data needed by the IT Department to submit these state required reports.
3. The HR Department has developed an annual calendar of essential HR functions. In October, the calendar includes tasks related to CALPADS reporting. While the annual calendar is used to assist the department in meeting timelines and increasing efficiencies, it is not yet fully operational and the extent to which it will be used by the future lead HR administrator is unknown.

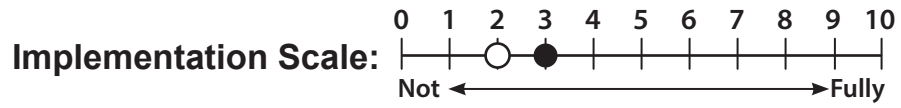
Recommendations for Recovery

1. The district should ensure that the HR Department takes responsibility for HR-related data and functions related to CALPADS and CBEDS, and that this effort is coordinated with the IT Department. The HR and IT departments should work together to develop a work plan that identifies key tasks, personnel responsible, and dates for each task to be completed by to ensure timely submission of required state reports. The lead HR administrator should review all information and perform a multiyear reasonableness review before certification of CALPADS and CBEDS and transmission to the state of California.
2. The district should ensure that the next lead HR administrator is aware of the annual calendar of essential HR functions. The department should continue to operationalize the annual calendar, increasing efficiencies and ensuring compliance with statutory requirements and state and federal employment laws.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 3



3.8 Employee Recruitment/Selection

Legal Standard

In merit system, LEAs recruitment and selection for classified service are in compliance with the rules of the personnel commission and all applicable requirements are followed. (E.C. 45240- 45320)

Findings

1. The district has had a merit system since 2008. In December 2012, classified employees submitted a petition to the governing board requesting termination of this system (per E.C. 45319-45320). The commission office was closed, its two commission staff positions were eliminated, and references to the commission and all related information were removed from the district's Internet website. The district conducted an election in March 2013 for classified employees to vote on whether to keep or terminate the merit system, and majority chose to retain it. A year later, at the time of fieldwork, the personnel commission had not been re-established and there was no evidence of a plan to do so.
2. The continuing functions for classified personnel were shifted to HR when the personnel commission office was closed. Based on FCMAT's interviews with staff, personnel commission rules are inconsistently applied. Documentation was provided to indicate that HR staff attempt to follow the merit system rules, but the rules are often overridden by other department or site personnel. Interviewees cited a recent case where a classified management opening was advertised and filled through a process that was not controlled by HR.

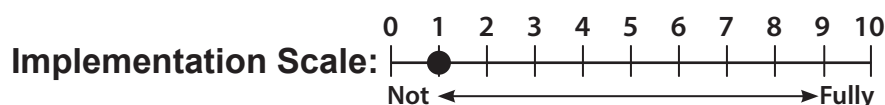
Recommendations for Recovery

1. Given that the results of the vote were to retain the merit system, the district should develop a plan to reinstate the personnel commission.
2. The district should ensure that all district staff members follow the merit system rules and that all recruitment and hiring process are handled by HR.
3. In reinstating the personnel commission, the district should evaluate whether it is necessary to restore both support positions for the commission office based on the ability of HR staff to handle some functions.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



3.9 Employee Recruitment/Selection

Professional Standard

The personnel function has a recruitment plan based on an assessment of the LEA's needs for specific skills, knowledge, and abilities. The LEA has established an adequate recruitment budget. Job applications meet legal and LEA needs.

Findings

1. The HR Department has not developed an annual recruitment budget, annual recruitment plan or written recruitment and selection procedures.
2. The Business Services Department developed enrollment and staffing projections for the 2014-15 school year without the involvement of the HR Department and the office of the chief operations officer similarly conducted the certificated and classified layoffs resulting in a number of errors and/or practices that may be in violation of the Education Code, including:
 - Classified layoff notices were sent by certified mail. While the Education Code is silent on the method of service, the California Court of Appeals ruled in *Hoschler v. Sacramento City Unified School District* (2007), that, where a statute does not prescribe the method of service, personal service is contemplated. While the Hoschler case was a certificated nonreelection case, it was a published decision by the Third Appellate District, and therefore sets precedence on matters related to method of service, regardless of the type of notice that is served or to whom. In the case, the court reasoned that the Legislature knows how to provide for alternative methods of notice when it intends to and that where alternative methods are not provided or where the code is silent on the method of service, personal service is required. For this reason, classified layoff notices must be personally served.
 - EC 45117 provides that a classified employee may not be laid off if a short-term employee is retained to render a service that the classified employee is qualified to render. The district has placed a number of classified employees who were served a notice of layoff on paid leave and has replaced them with substitute, short-term, or contract employees and may be in violation of this specific provision.
3. District job applications have not been updated as recommended. Specifically, district job applications are not legally compliant or do not represent best practice, including:
 - District job applications request that applicants include their Social Security numbers. Asking applicants for these numbers is lawful, but employers do not need this information until they run a background check or complete a W-4. Therefore, including it on an application carries unnecessary risk.
 - District job applications request the name of an emergency contact. Questions related to emergency contacts or "next of kin" cannot appear on a job application because they can reveal the gender, marital status, place of origin, or ancestry of the applicant. Under state and federal privacy and nondiscrimination laws, this information is protected and cannot be requested until the individual has accepted an offer of employment.

- District job applications ask for dates of school attendance and graduation dates from high school and institutions of higher education. These inquiries can reveal an applicant's age and are prohibited by state and federal employment and nondiscrimination laws.
- District job applications ask applicants to identify if a physical condition or handicap might limit their ability to perform the job they seek and what can be done to accommodate their limitation. Requesting this information is prohibited by Title I of the ADA; however, if an applicant has an obvious disability or has volunteered this information, an employer may ask if he or she will need "reasonable accommodations" to perform the job.

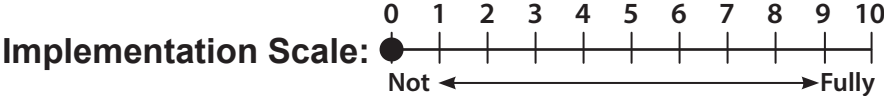
Recommendations for Recovery

1. The district should ensure that the HR Department works cooperatively with the Business Department and the sites to develop accurate enrollment projections that enable the administration to adequately define the district's staffing requirements. Changes in the instructional program should also be considered when identifying staffing needs for subsequent years. Enrollment projections, changes in the instructional program, and the needs of students should be considered when developing master schedules.
2. A timeline should be developed for staffing and enrollment projections, identifying the roles and responsibilities of site and district administrators. The timeline should ensure that any reductions in certificated service are identified by the end of January so that they can be made within the statutory timeline and preliminary layoff notices issued by March 15.
3. The district should ensure that the HR Department leads the layoff and reemployment process for certificated and classified management and nonmanagement employees and that it complies with all applicable provisions of the Education Code.
4. The district should develop written recruitment practices and procedures for certificated and classified staff.
5. Job applications should be modified to ensure they minimize potential risks, represent best practice, and are legally compliant. Employment applications should ensure the following:
 - Social Security numbers are not requested until it is time to run a background check or complete a W-4.
 - Inquiries do not reveal an applicant's age.
 - Inquires do not reveal an applicant's eligibility for a "reasonable accommodation" unless an applicant obviously has a disability or has volunteered this information.
 - Information regarding emergency contacts or next of kin is not requested until an applicant is hired.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



3.11 Employee Recruitment/Selection

Professional Standard

Selection procedures are uniformly applied. The LEA systematically initiates and follows up and performs reference checks on all applicants being considered for employment.

Findings

1. The HR Department has written procedures related to selection, including paper screening and interview panel procedures. The department uses standard interview questions and a forced ranking system as a part of selection. The district recently began pre-employment testing as a part of the selection process.
2. While the HR Department has continued to improve selection procedures, they are not being uniformly applied. Specifically, staff reported that the office of the chief operations officer conducted interviews and hired employees without the knowledge or participation of the HR Department. It is unknown to what extent selection procedures, including reference checking protocols, were followed.
3. The HR Department has a standard reference checking form. Hiring managers provided conflicting reports on reference checking, indicating that these procedures are not clear or uniformly followed. Many reported that they did not know if a standard form was used, but believed that HR routinely conducted reference checks. Others indicated that as hiring managers, they routinely conduct this process, but have not been trained and do not know the prohibited questions.
4. The department is maintaining a recruitment file for each recruitment separate from the personnel file.

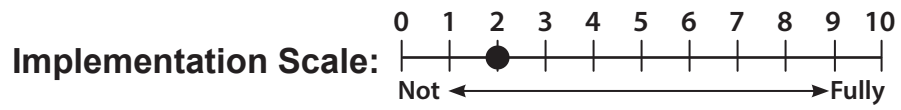
Recommendations for Recovery

1. The district should train hiring managers in selection procedures, including accessing applications on EdJoin, screening protocols, reference checking procedures, and nondiscrimination practices.
2. Reference checking should be consistently performed when selecting certificated, classified, management, and nonmanagement personnel. If site managers are allowed to check references, the HR Department should ensure reference check forms are signed, returned to the department, and included in the recruitment file.
3. The district should continue to maintain recruitment files separate from the employment record/personnel files. Recruitment records should be retained as temporary personnel records, and records should be disposed of according to the district's retention policy.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



3.12 Employee Recruitment/Selection

Professional Standard

The LEA recruits, selects, and monitors principals with strong leadership skills, with a priority on placement of strong leaders at underperforming schools.

Findings

1. A review of principal job postings found that principal duties have been routinely reviewed and revised and appear to reflect the changing nature of the principal's leadership responsibilities. However, there is no evidence that the district has made it a top priority to hire strong leaders and place them at underperforming schools.
2. The success of principals is not measured or monitored, and principals have not been annually evaluated. In its initial comprehensive review FCMAT indicated that the district used two principal evaluation forms, and the first included the following criteria:
 - Vision of learning
 - School culture and instructional program
 - Management operations of site and a safe and effective learning environment
 - Collaboration with families and the community
 - Acting with integrity, fairness, and an ethical manner
 - The political, social, economic, legal, and cultural context
3. The second evaluation form included the following criteria:
 - Management skills
 1. Organization
 2. Business affairs
 3. Personnel evaluations
 4. Planning
 5. Discipline practices and preventative discipline
 - Professional competence
 1. Knowledge
 2. Leadership performance
 - Personal qualities

- Appearance
 1. Initiative
 2. Communication
 3. Work habits
- 4. At the time of FCMATs fieldwork, a third certificated management performance evaluation was in use and included the following criteria or focus indicators as they are referred to on the evaluation tool:
 - Academic Performance
 - Safety and Discipline
 - Performance Management
 - Learning Communities
 - Accountability
 - Personal Qualities

The evaluation form included a rating rubric with descriptors for each of the five indicators and performance that was successful, moderately successful, less successful, unsuccessful, and not applicable.

Recommendations for Recovery

1. The district should review its principal evaluation forms and determine which of the three it will use in the future. The district should also consider developing and implementing a principal evaluation system based on the California Professional Standards for Educational Leaders (CPSELs).
2. The district should be aware that on January 1, 2013, Senate Bill (SB) 1292 was signed into law and was effective beginning January 1, 2013, and added sections 44670- 44671 to the California Education Code. These provisions authorize a school district governing board to create and implement an evaluation process for school principals.

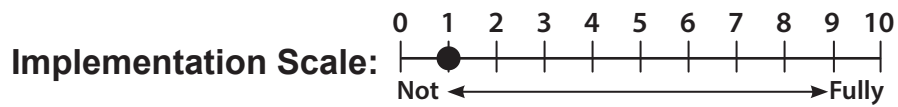
Under SB 1292, principal evaluations are authorized for the first and second year of employment as a new principal, as well as additional evaluations thereafter, as determined by the governing board. SB 1292 provides that the criteria for principal evaluations may be based on the California Professional Standards for Educational Leaders. The standards include, among other things, evidence of pupil academic growth, effective and comprehensive teacher evaluations, culturally responsive instructional strategies, the ability to analyze quality instructional strategies and provide effective feedback, and effective school management. E.C. 44671 specifically provides that criteria for effective school principal evaluations may be based upon the California Professional Standards for Educational Leaders. These standards identify a school administrator as being an educational leader who promotes the success of all pupils through leadership that fosters all the following:

- A shared vision
 - Effective teaching and learning
 - Management and safety
 - Parent, family, and community involvement
 - Professional and ethical leadership
 - Contextual awareness
3. Principals with strong leadership skills and with a track record of successfully leading underperforming schools should be hired.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



4.3 Induction and Professional Development

Legal Standard

The LEA has developed a systematic program for identifying areas of need for in-service training for all employees. The LEA has established a process by which all required notices and in-service training sessions have been performed and documented such as those for child abuse reporting, blood-borne pathogens, drug and alcohol-free workplace, sexual harassment, diversity training and nondiscrimination. (cf. 4112.9/4212.9/4312.9), GC 11135 EC 56240, EC 44253.7)

Findings

1. The HR Department has no process for annually providing or documenting that the required notices regarding child abuse reporting, blood-borne pathogens, drug and alcohol-free workplace, sexual harassment, diversity training, and nondiscrimination are received by all employees.
2. The personnel files reviewed included evidence that employees receive the required legal notices upon initial hire, and that managers biennially receive the required sexual harassment training.

Recommendations for Recovery

1. The district should annually provide to all employees required legal notices, including, but not limited to the following:
 - Sexual Harassment and Complaint Policies and Administrative Regulations
Legal References: Education Code 231.5, Government Code 12950, 2 CCR 7288.0
 - District's drug- and alcohol-free workplace policies and administrative regulations
Legal References: Government Code 8355; 41 USC 8102
 - Use Of Pesticide Product, Active Ingredients, Internet Address To Access Information
Legal References: Education Code 17612
 - Prohibition Of Activities That Are Inconsistent, Incompatible, In Conflict With, Or Inimical To Duties; Discipline; Appeal
Legal Code: Government Code 1126
 - District's Tobacco-Free Schools Policy and Enforcement Procedures (if the district receives Tobacco-Use Prevention Education funds)
Legal References: Health and Safety Code 104420
 - AIDS and Hepatitis B Policies and Administrative Regulations
Legal References: Health and Safety Code 120875, 120880
 - Status as a Mandated Reporter Of Child Abuse, Reporting Obligations, Confidentiality Rights, Copy Of Law

Legal References: Penal Code 11165.7, 11166.5

- Availability Of Asbestos Management Plan; Any Inspections, Response Actions Or Post-Response Actions Planned Or In Progress

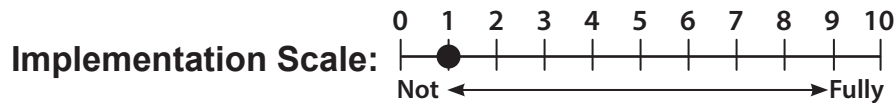
Legal Reference: CFR 763.84, 763.93

2. Additionally, the district should review board policies and provide notices to employees when the policy or administrative regulation requires that this be accomplished annually, including, for example, the district's technology use policy. Annual notices can be sent electronically as long as the district has a system for all employees to certify that they received and have reviewed the annual notices. The employee's signature certifying receipt of the notices should be added to the employee's personnel record.
3. An online training program should be considered based on job classification requirement, such as the Keenan Safe Schools' program. The Keenan Safe Schools' training program can send electronic notifications to employees and track their participation and completion of required trainings. Keenan Safe Schools may not replace all required district trainings; however, it is a cost-effective way to meet these requirements and offer trainings that the district may not have the economy of scale to make available on site.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



4.4 Induction and Professional Development

Legal Standard

The LEA's nondiscrimination policy and administrative regulations and the availability of complaint procedures shall be regularly publicized within the LEA and in the community, including posting in all schools and offices including staff lounges and student government meeting rooms. (cf. 4030, cf. 4031, G.C. 11135)

Findings

1. The Risk Management Department has historically been responsible for receiving and investigating discrimination complaints. However, the department has had significant instability in the last year and is currently staffed by a contracted employee. No clerical support is assigned to the department. Under the direction of the chief operations manager, the department is responsible for managing the district's Worker's Compensation program, liability and tort claims, safety training, and employee benefits. The department does not handle any complaints against employees, and it appears that this essential function is unassigned.
2. BP 4100 - Complaints Concerning Discrimination in Employment was last revised on May 26, 2010 and at this time is inconsistent with existing law. Specifically, Government Code 12940, was amended by AB 1964 (Ch. 287, Statutes of 2012), and provided that a district may not discriminate against an employee or job applicant based on the person's religious beliefs, observances, or dress or grooming practices unless it can demonstrate that it has explored available reasonable alternative means of accommodating the person, but is unable to reasonably accommodate him/her. Additionally, Government Code 12940, was further amended by AB 556 (Ch. 691, Statutes of 2013), and prohibits employers from discriminating against employees and job applicants based on their military or veteran status. In addition, the amendments to Government Code 12940 prohibit employers from discriminating against employees and job applicants based on genetic information, gender identity, and gender expression, and require employers to reasonably accommodate employees' religious dress and grooming practices. The district last updated BP 4030 - Nondiscrimination in Employment on October 24, 2012 and does not incorporate changes in state law.
3. The Risk Management Department is responsible for engaging in the interactive process when an employee requests an accommodation or when an event triggers the district's responsibility to engage with employees who may be eligible under the ADA. The HR Department is not involved in this process, and there are no procedures to ensure that leave entitlement are appropriately tracked and monitored, that overpayments or underpayments are minimized, or that the rights of employees are protected.

Recommendations for Recovery

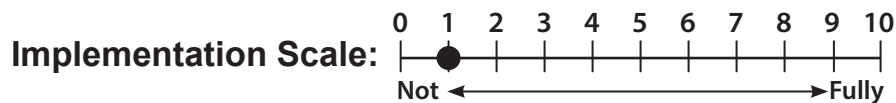
1. Board policies and administrative regulations related to nondiscrimination should be updated.

2. The district should ensure that nondiscrimination policies are posted in all schools and district facilities as required by G.C. 11135.
3. Nondiscrimination policies should be included in the annual notices provided to all employees.
4. A district representative should be identified to direct and coordinate the interactive process. This coordinator should have the training and support he or she needs to ensure a fair and legally complaint process. The district should develop written procedures and standardized forms for documenting the process and ensure that the interactive coordinator is proficient in their use.
5. Managers and supervisors are the district’s first line of defense against claims of discrimination and need training related to their duties and obligations. Additionally, managers and supervisors should be trained in identifying triggers, conducting interviews with employees who may be eligible employees under the ADA, identifying essential functions, and when to contact the district’s coordinator of the interactive process.
6. The district should ensure that site administrators and department managers are trained in responding to complaints and conducting preliminary investigations. The roles and responsibilities of site and department managers and that of district office staff should be clear.
7. The district should ensure that the responsibility for responding to and managing complaints against employees is assigned to the HR Department and that the personnel responsible are provided with the time, training, and support needed to ensure compliance with applicable board policies, administrative regulations, local collective bargaining agreements, and state and federal employment laws.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



4.5 Induction and Professional Development

Professional Standard

Initial orientation is provided for all new staff, and orientation materials are provided for new employees in all classifications: substitutes, certificated, and classified employees.

Findings

1. The HR Department updated the certificated employee handbook for nonmanagement staff. The revised handbook was provided to all new certificated nonmanagement employees during a new employee orientation.
2. The HR Department developed a substitute teacher handbook and provided it to all new substitute teachers during their orientation.

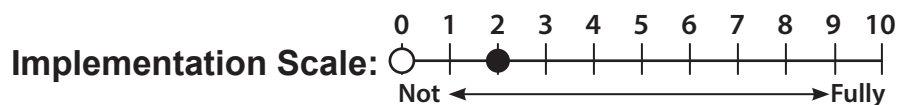
Recommendations for Recovery

1. The district should develop and implement a program of new employee orientation and use the district's new employee checklist to ensure that new hires submit all legally required documents before their first day of work and that they are signed by the employee and filed in the employee's personnel file.
2. Handbooks should be developed for classified, classified substitute and management employees.
3. In addition to providing orientation to teacher substitutes, the district should ensure that all classified substitutes receive orientation. In addition to receiving orientation, all certificated, classified, substitute, and management employees should receive training that is job specific; for example, custodian substitutes should be trained in handling hazardous materials (consider using Keenan Safe Schools).

Standard Partially Implemented

July 2013 Rating: 0

July 2014 Rating: 2



4.6 Induction and Professional Development

Professional Standard

The personnel function has developed an employment checklist to be used for all new employees that includes LEA forms, including acceptable use of technology and state and I-9 federal mandated information. The checklist is signed by the employee and kept on file. Employment Development Department reporting is compiled within 20 days of employment.

Findings

1. The HR Department uses a new employee checklist, which is filed in the personnel file. The checklist has not been revised to ensure that it includes all legally required notices, including the technology use policy, and a signature line.
2. The HR Department completes the I-9 packet as part of the employment process. The I-9 packet continues to be kept in the personnel file.

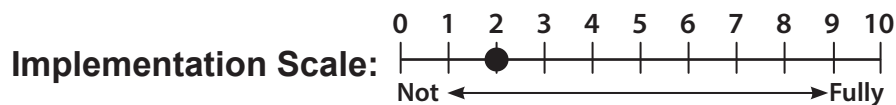
Recommendations for Recovery

1. The district should add legally required notices to the new hire checklist (see standard 4.3).
2. The new employee checklist should be signed by the employee and HR chief and filed in the employee's personnel file.
3. According to the 2010 regulatory changes, I-9 forms can be stored electronically, and the Department of Homeland Security recommends that I-9 forms be kept separate from other employment records. The HR Department should create a separate file (electronic or paper), and all I-9 packets should be filed alphabetically. If the U.S. Citizenship and Immigration Services or the U.S. Department of Labor performs an I-9 audit, employers are expected to immediately turn over the necessary documents. Those with an I-9 binder can simply present it when requested.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



5.1 Operational Procedures

Legal Standard

Regulations or agreements covering various types of leaves are fairly administered. (E.C. 45199, E.C. 45193, 45207, 45192, and 45191) Tracking of employee absences and usage of time off in all categories should be timely and should be reported to payroll for any necessary salary adjustments.

Findings

1. The excessive employee absenteeism and shortage of substitutes cited in last year's report are still issues, and no evidence was provided to indicate progress or that a plan to address these issues is in place. Staff interviews continued to indicate that school administrators are often required to fill in as substitutes. Based on the absence data provided for the most recent complete fiscal year, 2012-13, and eliminating planned or required absences (maternity, release time for district/school business, conferences, workshops, jury duty, vacation, floating holidays, and vacancies), 452 employees had unplanned absences of more than 10 days.
2. A recommendation from the initial comprehensive report, that HR should assume responsibility for employee leaves, has been implemented. HR staff members recently received training from a legal firm on employee leave statutes and how to manage leaves. New forms and procedures have been implemented in HR to improve compliance and enforcement.
3. Employee leaves are still managed by multiple Excel spreadsheets and even manual cards. There is a lack of communication between HR, Payroll, and Risk Management, such that many times employees are not paid correctly or their leaves are not tracked correctly. Two HR staff positions that helped track leaves have been vacated, and while other employees work hard to pick up the duties, it is not a manageable task. The absences in SubFinder are not reconciled to absences reported through the Payroll, so there is no verification that employee leave balances are appropriately reduced for all absences reported to SubFinder.
4. Because of these manual processes, the only time employees receive reports of their leave balances is at the beginning of each fiscal year. Also, just before fieldwork, the payroll supervisor was laid off along with another payroll position. The remaining payroll staff members have not been able to keep the leave records current.
5. At the time of fieldwork, a number of employees in the district office had received layoff notices and were immediately not available at work. Conflicting information was provided as to whether these employees were on paid administrative leave or were on special assignment to their departments. These include HR, Payroll, Risk Management, and Business Services, none of which were available for FCMAT to interview. Even HR staff members who should have known this information because of their job responsibilities were unclear on the status of these employees.

6. Overtime is submitted to Payroll when the employee is compensated with pay. There is no central tracking mechanism for overtime worked, but this time is compensated with time off instead of pay, so the total amount of overtime hours worked is unknown. Interviewees indicated that there is little compensatory time off; overtime is generally paid out. The district has implemented a policy requiring the supervisor's preapproval of all overtime before it is worked.
7. The collective bargaining agreement for classified employees requires accrued vacation to be used within the next fiscal year after it is earned, with a maximum carryover of 80 hours after that, granted on an exception basis. Administrative regulations limit management employees to a maximum carryover of 35 days. Management had authorized payment to some employees for their excess vacation balances.
8. Based on a review of sample board agenda items, the timeliness of submitting employee leaves for approval has significantly improved. Few items were effective more than a month earlier than the board meeting dates.

Recommendations for Recovery

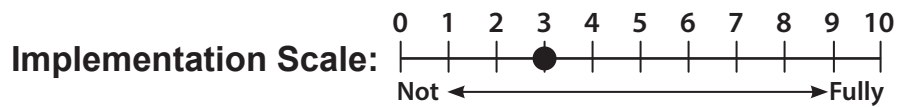
1. All supervisors should be trained in the leave provisions in board policy, administrative regulations, and collective bargaining contracts, and establish the expectation that they will enforce leave provisions. HR should expect to spend more time supporting supervisors in an ongoing effort to reduce the occurrence and cost of employee leaves.
2. The district should begin a significant recruitment effort to secure enough available qualified substitutes to meet daily needs. This should include an assessment of the compensation paid to substitutes as compared with surrounding school agencies to ensure that the district is competitive. Recruitment efforts should include posting and advertising for substitutes in local publications and in local venues, including at all the district's schools.
3. The district should continue to require preapproval of all overtime worked, whether paid or compensated with time off. All overtime worked should be required to be reported to Payroll so that compensatory time off can be tracked and managed centrally since it is a district liability.
4. The district should reinstate procedures to post leave usage on a timely basis to the manual cards in order to ensure employees are not overpaid.
5. The district should require all employees to call the automated substitute calling system and their supervisor when they will be absent and use disciplinary policies for employees who bypass the system. With this approach, the absence reporting from the system will include all district employees, and the data can be used to better manage employee leaves and post leave usage to employee records.

6. Regardless of the status of the previous recommendation, the district should implement a process to reconcile employee absences reported to SubFinder with absences reported to Payroll.
7. The district should consider implementing a time and attendance system input at each division that ensures absences are deducted from leave balances.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



5.4 Operational Procedures

Legal Standard

Personnel file contents are complete and available for inspection. (E.C. 44031, LC 1198.5)

Findings

1. Ten nonmanagement and 10 management files each were randomly selected and reviewed for certificated staff and classified staff. Personnel files consistently included the following items:
 - Record of employment history and copies of all personnel requisitions including those associated with position changes
 - Annual notices of employment
 - Teaching credentials (certificated only)
 - Training certificates (including required sexual harassment certificates for management employees)
 - Resumes, applications, and transcripts
 - Emergency card information
 - Copy of driver's license
 - CalPERS and CalSTRS member action forms
 - Employment oath signed by the employee
 - Layoff and bumping letters and forms
 - Reasonable assurances
 - I-9 Packets
2. Personnel files were not kept in a secured file room. Certificated and classified records are kept in separate locations and are in accessible locations frequented by employees and the public. Personnel files are not locked and secure during business hours.
3. Personnel files frequently contained confidential medical forms and information related to medical leaves of absence and Workers' Compensation and may violate federal law. Specifically, the ADA and the federal Health Insurance Portability and Accountability Act (HIPAA) require that all medical documents be filed separately from other personnel or employment records.
4. The review indicated that employee performance evaluations are either not completed as required by certificated and classified collective bargaining agreements or are not filed in the personnel record. Some employees had not been evaluated since 2000. Few areas were identified as unsatisfactory, and most employees received satisfactory or excellent. There was no evidence that performance improvement plans are used, and no employees received progressive discipline.

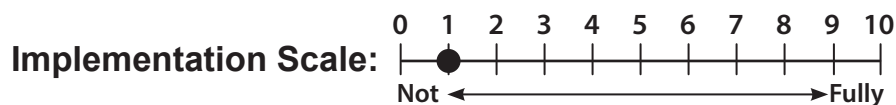
Recommendations for Recovery

1. The district should ensure that all personnel files are maintained in a secure area and that they are not accessible to anyone other than HR Department staff.
2. The HR Department should create a separate file for all I-9 packets (see Standard 4.6).
3. Based on all the potential uses and potential viewers of personnel records, the district must take care to maintain unbiased, factual documentation that protects an employee's privacy rights and rights to confidentiality under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). All protected health information should be maintained in a separate confidential file and protected against inappropriate access. Access should be restricted to employees who need the information to complete their job function. Information that should be filed separately includes the following:
 - Reports from preemployment physicals
 - Drug and alcohol testing results
 - Workers' Compensation paperwork
 - Medical leave of absence forms
 - Disability paperwork
 - Insurance applications that reveal preexisting conditions
 - Anything that identifies a medical issue (including ADA accommodation plan or forms documenting the interactive process)

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



5.5 Operational Procedures

Professional Standard

Personnel nonmanagement staff members have individual desk manuals for all of the personnel functions for which they are held responsible, and the HR Department has a process for cross-training.

Findings

1. While there is no schedule or plan to develop operations manuals in HR, evidence was provided that indicates individual staff members are developing desk manuals on their own. Some of them include sample forms and documents, while others list the tasks on the desk and steps to be followed to accomplish the tasks.
2. The HR Department has implemented the recommendation from FCMAT's initial comprehensive report to develop an annual HR calendar. It includes the major tasks by month that are the responsibility of HR. Interviewees acknowledge that it is a draft, and more detail needs to be developed.
3. Cross-training has been provided for most significant HR Department functions except the primary functions of the credential analyst. A staff member was identified to be cross-trained on the credentials desk, but this employee has not been able to find the time to accomplish this.

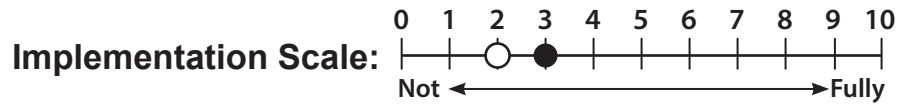
Recommendations for Recovery

1. The district should create a schedule to further develop the HR desk manuals, starting with the most critical functions. A sample structure and outline should be provided so that individual desk manuals are standardized for use by any other staff member. Staff members should be responsible for keeping the manuals up to date as more functions are automated or conditions change.
2. The district should continue work on the annual HR calendar so that it contains more detail on the tasks, timelines, and assignments to particular staff members. It should be reviewed during each staff meeting to ensure that all staff members understand their role in ensuring these major activities are accomplished.
3. HR should continue with its plan to train more staff members on credentials and, as staff turnover occurs, ensure cross-training is continued on all major HR functions.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 3



5.7 Operational Procedures

Professional Standard

The personnel function has procedures in place that allow for both personnel and payroll staff to meet regularly to solve problems that develop in the processing of new employees, classification changes, employee promotions, and other issues that may develop.

Findings

1. Biweekly meetings between HR and Business Services (including Payroll) began in January 2014. Interviewees indicated that communication between the departments improved, and the meetings were productive. However, leading up to the time of fieldwork, several consecutive meetings were cancelled, and the departments had not met in several months. Interviewees attributed this to the organizational restructure in which key staff members in Payroll, Business Services, and HR were issued layoff notices. HR, Risk Management, and Payroll should work closely together to coordinate employee issues. Employees regularly are paid incorrectly or do not receive the correct type of leave or benefits because of a lack of coordination between the departments. For example, if an employee on leave exhausts his/her paid leaves, Payroll is not notified until the item is approved by the board, which results in overpayment.
2. Interdepartmental procedures do not exist. Employees generally rely on memory of past practice or refer to documents from previous transactions. This reduces the timeliness and the quality of processes between the departments.
3. Since the initial comprehensive report, the relationship between HR and Business Services has significantly degraded. Business Services staff members took additional control over systems and processes that overlap with HR and indicated they did so to “clean up the data.” Instead of involving HR and using teamwork and training to assist with these efforts, HR is not involved in the process. There is a lack of communication about the plan and timelines for these efforts. In addition, interviewees stated that more districtwide responsibilities were shifted to Business Services in recent months, and even some HR responsibilities such as hiring and layoffs are sometimes handled by this department. These issues make it more difficult for the departments to coordinate on daily employee problems, which is critical in ensuring the integrity of employee data and personnel operations.
4. An additional barrier to communications between Business Services and HR is the fact that they are located in different buildings on the district office campus. This also means that customers of these departments must walk back and forth between the buildings.

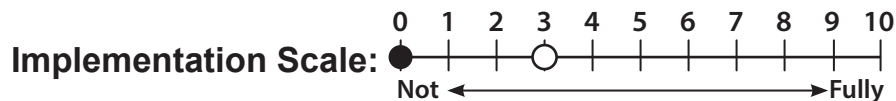
Recommendations for Recovery

1. Business Services and HR should immediately meet and discuss the data cleanup underway. All staff members using the cross-departmental systems need to know how data is incorrectly entered or becomes corrupt so that they can implement procedures and training to enter and maintain accurate employee data.
2. The district should implement regularly scheduled meetings between key HR, Payroll, and Risk Management staff. These may need to be conducted weekly at first. Each department should submit agenda items. These meetings should be a forum for developing interdepartmental procedures and timelines. Each meeting should result in the documentation of decisions, new procedures, revised procedures, and assignments made or issues that need to be further investigated. A schedule of timelines and deadlines between the departments should be prepared, and these regular meetings can be used to ensure that all employees are aware of and adhere to the schedule.
3. The district should consider moving the HR Department to the same building as Business Services since adequate room exists in that building. This would serve customers better and foster better communication between the departments.
4. The district should manage and communicate with the appropriate departments (Payroll, Risk Management and Human Resources) about employee leaves, Workers' Compensation cases, layoffs, implementation of collective bargaining agreements, and other employee issues. These should be coordinated through the regular meetings to minimize the district's risks and costs, ensure employees receive the appropriate benefits, and ensure policies are consistently applied to employees.

Standard Not Implemented

July 2013 Rating: 3

July 2014 Rating: 0



5.8 Operational Procedures

Professional Standard

Personnel staff members attend training sessions/workshops to keep abreast of best practices and requirements facing personnel administrators.

Findings

1. HR Department staff does not have professional goals or an annual training plan. When possible, staff members participate in human resource training available through the Los Angeles County Office of Education (LACOE). In addition, staff participated in California Association of School Business Officials (CASBO) Job-Alike workshops and the annual Commission on Teacher Credentialing conference during the past reporting period.
2. Department staff indicates that they need training in customer service, technology, state and federal employment laws and the Education Code.
3. The assistant superintendent of HR completed the Association of California School Administrators (ACSA) personnel academy in 2012-13. The director of HR was expected to do so, but did not attend during the 2013-14 school year.

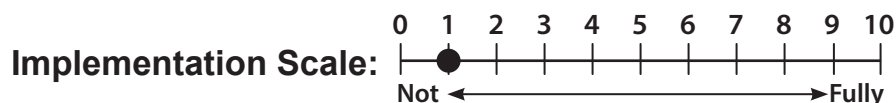
Recommendations for Recovery

1. The district should annually identify the HR staff's training needs and the training available to meet those needs.
2. The district should provide the HR Department with an annual budget to ensure resources are allocated for this purpose and that ensures the HR Department is strategic in selecting trainings each year.
3. The HR Department should send a representative to all personnel-related trainings provided by the county office.
4. The district should develop, implement, monitor, and hold human resource staff accountable for customer service protocols.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



5.10 Operational Procedures

Professional Standard

Established staffing formulas dictate the assignment of personnel to the various sites and programs.

Findings

1. The board adopted staffing formulas in 2011 for principals, administrative assistants at school sites, campus supervisors, assistant principals, counselors, and other staff. Staff interviews indicated that staffing has not been verified using these formulas.
2. Projecting enrollment and staffing needs have not been well coordinated in the past, resulting in overstaffing as reported by district and school site administrators.
3. The Business Services Department developed enrollment and staffing projections for the 2014-15 school year without the involvement of the HR Department, and the office of the chief operations officer conducted the certificated and classified layoffs similarly, resulting in a number of errors and/or practices that may be in violation of the Education Code (see Standard 5.9).

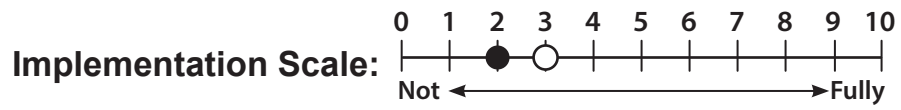
Recommendations for Recovery

1. The district should develop a staffing plan for each school based on enrollment projections and students' needs and on staff being at or near the contract maximums.
2. The 2011 board-adopted staffing formulas should be used annually in staffing schools. Staffing should be verified annually as part of the staffing plan for the coming school year, and should drive any needed reductions in force.
3. The HR Department should work cooperatively with the Business Department and the sites to develop accurate enrollment projections no later than January of each year. Changes in the instructional program should be considered when identifying staffing needs for subsequent years, and enrollment projections, instructional program changes, and student needs should be considered when developing master schedules.
4. The district should develop a timeline for staffing and enrollment projections that identifies site and district administrators' roles and responsibilities. The timeline should ensure that reductions in certificated service are identified by the end of January so that necessary reductions can be made within the statutory timeline and preliminary layoff notices issued by March 15.
5. Enrollment and class sizes should be monitored after the school year begins to determine if second semester staffing should be adjusted and to help ensure that staffing levels remain constant throughout the school year.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



5.11 Operational Procedures

Professional Standard

The LEA has implemented position control processes that incorporate the hiring and placement of all governing board-authorized positions. A reliable position control is a planning tool that has defined standards and formulas for tracking, adding, creating, and deleting positions within the organization to align staffing with budget and payroll systems.

Findings

1. Board policy and administrative regulations require appointments of new personnel to be approved by the board on the recommendation of the superintendent. Since the district has a state trustee and the board is advisory, public meetings are held regularly by the state trustee. Personnel transactions are brought to the meetings and approved by the state trustee. Assignments, reassignments, transfers, demotions, and other personnel actions are governed by collective bargaining agreements for represented employees and by board policy for those who are nonrepresented.
2. The district uses a personnel request form that requires the authorization of the manager, the special programs coordinator (if special program funding is used), and the business office to verify the account code and budget availability before being implemented by HR. As reported in the initial comprehensive report, the credentials analyst is not included in the routing of this form, which results in misassignments. During its recent Williams compliance work at randomly selected school sites, LACOE discovered two misassignments. These occurred because the hiring process bypassed the credentials analyst and internal audits during the year to detect misassignments.
3. The business office assigns position numbers and verifies budget availability. The HR Department enters into the automated position control system and manages employee demographics, credentials, salary, job, and location. HR also enters the W-4 information for new hires. Risk Management enters the employee's benefits information with any related deductions, and Payroll enters and manages the rest of the information required to generate an employee's paycheck. The segregation of duties surrounding position control appears to be appropriate. However, interviews indicated that LACOE has made recommendations to tighten security access to the system. Also, access to the automated position control system was being changed to allow more access for Business Services for the data cleanup efforts (see Standard 7.1 for further detail).
4. Staff interviews indicate that position control is perceived as primarily the responsibility of the business office, not as a shared responsibility for all managers, sites, and departments. This is supported by a review of board agendas that found many personnel transactions are backdated, some to the beginning of the year. A significant number of supplemental payrolls are also required. Interviews indicated that it is not unusual for a walk-on coach to complete his or her assignment and expect a paycheck before Payroll is notified of the assignment.

5. At the time of fieldwork in April 2014, HR had not yet been involved in the staffing process for next year. Many layoff notices had been issued, but the work on staff assignments for next year had not begun. Business Services was in the middle of determining class sizes and whether combination classes would be eliminated. There was talk of special education programs moving back from LACOE, but the staffing levels and facilities needed had not yet been determined. By that time of year, master schedules and staffing assignments should have been well underway; the district was extremely late in preparing for next year. This means there is a higher potential for losing quality staff, misassignment of certificated staff, and not having staff in place for the start of school.
6. Layoffs of classified employees were delayed because of unreliable seniority lists, which generated additional costs to the district.
7. The district's recovery plan was adopted on April 16, 2014. It contains staffing reductions and restructuring for 2014-15 estimated to save from \$5.6 to \$6 million. Sufficient detail in the plan and/or other supporting evidence from position control was not available to determine whether the savings from the layoffs and restructuring just implemented has achieved the savings target.
8. There was no evidence provided to indicate that staffing levels are verified against staffing allocations at any time of year other than for the initial start of school.
9. The key staff member responsible for position control in the business office was laid off in March. A new staff member that has experience with LACOE's position control has assumed that responsibility. A strong relationship with HR has yet to develop to ensure that position control procedures are coordinated between the departments (see further detail under Standard 5.7).
10. Time sheet controls are lacking. Appropriate authorizations are not in place before time sheets are submitted to Payroll. At that point, there is insufficient time for Payroll staff to verify the time sheets because of the other manual processing required before payroll deadline. Original time sheets are not required for payroll input. As a result of these conditions, hourly employees are frequently overpaid. Also, there are no budget controls, so a time sheet can cause a budget account code to be overdrawn. Part-time employees are regularly allowed to work extra duty assignments, and there are no controls to ensure that these extra hours do not become part of the employee's regular assignment by default according to E.C. 45137.
11. There was no evidence that the district has a process for tracking employee hours to determine compliance with the Affordable Care Act (ACA). This means that the district could incur unexpected costs in the form of health benefit coverage for employees and/or penalties assessed by the Internal Revenue Service.
12. At the time of fieldwork, the district was conducting a re-enrollment of all employees and eligible dependents in health plans. Given that the district pays the full cost of benefits for most employees, this is an important step in controlling the district's health benefit costs.

13. Interviewees reported that consultants have been hired as independent contractors in place of laid off employees. Based on a review of the consulting agreements provided to FCMAT, the district could be in violation of statutes governing working after retirement (E.C. 24214 and GC Section 7522.56), contracting (E.C. 45103.1), and the classification of independent contractors vs. employees (Revenue and Taxation Code and Internal Revenue Code).
14. Position control is reconciled to the staffing allocations for teachers and to the budget annually. The district does not have a regularly scheduled process to reconcile all of position control to employee records and budget.
15. Position control is significantly fragmented between the automated systems and manual processes (see Standard 7.1 for further detail).

Recommendations for Recovery

1. The district should update seniority lists by January of each year and provide them to the leadership of the appropriate bargaining unit to help verify their accuracy before they are needed for implementing layoffs.
2. The district should start developing enrollment and staffing projections, through coordinated efforts by Business Services, Educational Services, and HR, in January for the next year. From this information, the need for layoffs and/or new hires can be determined and implemented by HR, and staffing assignments can be made for the next year. This should occur sufficiently early enough that HR can make appropriate assignment commitments to employees, for high schools to develop master schedules, and for HR to recruit and hire where necessary.
3. The district should ensure that the staffing reductions enacted this spring for the Fiscal Recovery Plan are appropriately reflected in position control, and use that data to determine whether they meet the targeted savings for next year's budget.
4. The district should require authorization of the supervisor and the budget office for time sheets and should implement tracking methods for extra hours to prevent them from becoming permanent assignments. Also, the district should already be monitoring the hours of employees not expected to work at least 30 hours per week to ensure compliance with the ACA starting in 2015.
5. The district should require all extra pay stipends to be preassigned by managers and submitted to the board for approval at or before the start of the term or the sport. This should help ensure budget control and reduce supplemental payrolls.
6. The district should review the legal status and functions performed by independent contractors and make adjustments as necessary to ensure compliance with statutes.
7. All managers should be trained in their part of the position control process, including how and when to report personnel actions to the district office in a timely manner and which

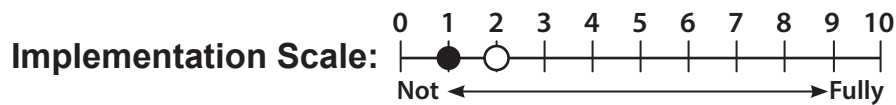
personnel decisions they are authorized to make. Further, a system of accountability should be developed to ensure compliance.

8. The credentials analyst should be included in the routing of the personnel request form to ensure that assignments of certificated staff match their credentials. In addition, internal audits should be conducted during the year to prevent misassignments.
9. The district should implement cross-departmental procedures to ensure that HR and Business staff regularly reconcile position control to employee records, budget, and staffing formulas, at the very least during budget development and for each budget revision.
10. See Standard 7.1 for additional recommendations.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



7.1 Use of Technology

Professional Standard

An online position control system is utilized and is integrated with payroll/financial systems.

Findings

1. The district uses the LACOE software applications HRS for position control and HR functions and PeopleSoft for budget and business functions. Position control is divided between the two systems, and Excel spreadsheets and manual processes are used to fill the gaps such as vacancy lists, leave accruals, assignment data to match to credentials, etc. The district does not fully utilize some system capabilities. Reconciliation of position control to budget is manual and is not performed comprehensively or consistently.
2. Based on interviews with staff about the functions they perform using the technology systems, the segregation of duties surrounding position control appear to be appropriate. However, LACOE has made recommendations to strengthen security access to the system, and interviewees could not confirm whether LACOE's recommendations had been considered or implemented.
3. The district uses position control only for full-time positions and assignments. All other employees are required to report their time on manual time sheets every payroll. This results in an inefficient use of staff time and many payroll errors because of the manual processing.
4. The district's Fiscal Recovery Plan calls for working with LACOE to implement a more effective position control system. As a first step, the district requested LACOE to audit the position control data to determine what needs to be done before position control can be used for budgeting. LACOE provided a voluminous report listing the particular data items that need to be corrected or completed in order to generate reliable budget information. Stipends, vacancies, part-time assignments, and work calendars are among the items that need to be addressed. Also, access to the automated position control system was being changed to allow more access to traditional HR functions in the system in order for Business Services to conduct the data cleanup efforts.
5. Employee leaves are still managed by multiple Excel spreadsheets and even manual cards. FCMAT was informed last year that LACOE would be offering automated accruals by now, but interviewees could not provide any information on the implementation timeline expected at this point.
6. SubFinder absences are not automatically uploaded to the payroll system. Rather, absences are reported by employees separately to Payroll for entry into the system. This results in additional manual work and the potential for errors in absence reporting and tracking. Interviewees reported that LACOE is working on a bridge between SubFinder and HRS.

7. User and system manuals are available for HRS, but the HR Department does not have desk manuals to document the procedures surrounding system use.

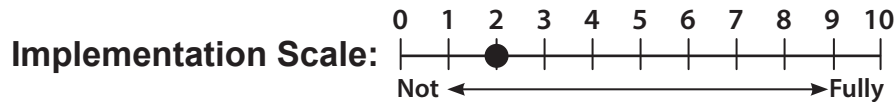
Recommendations for Recovery

1. The district should automate all position control functions to increase efficiency, reduce errors, and improve budget management. This should include automating leave accruals, using the substitute management system to feed payroll for substitute pay and leave usage, tracking of time worked for purposes of the ACA, and integrating position control and budget.
2. The district should ensure that security access to HRS and PeopleSoft for each employee in HR and Business Services is limited to what is appropriate to their job function for effective segregation of duties.
3. Desk manuals should be developed for all staff members in HR (see Standard 5.5).
4. See Standard 5.11 for additional recommendations to improve position control.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



7.2 Use of Technology

Professional Standard

The LEA provides professional development in the appropriate use of technological resources that will assist staff in the performance of their job responsibilities when need exists and when budgets allow such training. (cf. 4131, 4231, 4331)

Finding

1. The HR Department does not have a formal training plan for its automated systems. LACOE provides training in using the HRS system, but this training does not include procedures in the HR Department related to the use of the systems.
2. LACOE holds regular user meetings and training sessions on HRS and PeopleSoft, which district staff can attend.

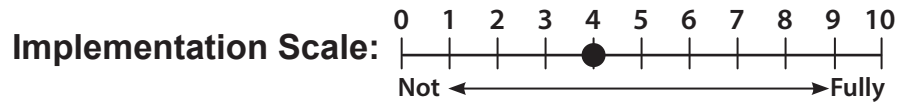
Recommendations for Recovery

1. The district should develop a formal training plan to include the following:
 - An analysis of who should be trained
 - Identification of who will provide the training
 - Identification of subjects to be covered in training
 - Scheduling of initial and refresher training sessions
 - Identification and development of training materials
 - An analysis of training costs and related resources
2. Training in the use of technology should be included along with technology processes and procedures for HR Department staff.
3. The HR Department should take responsibility for providing training to new employees in the use of technology so they can fulfill their responsibilities while waiting for the scheduled formal LACOE training.
4. The district should ensure that district staff attend LACOE user meetings and trainings on HRS and PeopleSoft.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 4



8.1 Evaluation/Due Process Assistance

Legal Standard

Clear policies and practices exist for the regular written evaluation and assessment of classified (E.C. 45113) and certificated employees and managers (E.C. 44663). Evaluations are done in accordance with negotiated contracts and based on job-specific standards of performance. A clear process exists for providing assistance to certificated and classified employees performing at less-than-satisfactory levels.

Findings

1. The HR Department provided supervisors with a list of all employees under their supervision who were due to be evaluated during the 2013-14 school year. The list did not include the date of the employee's last evaluation because this data is not maintained in the employee database or HR module of the position control system.
2. The notice to supervisors included the timeline for certificated and classified evaluations, evaluation procedures, and performance criteria. No annual trainings occur on effective evaluation techniques.
3. Supervisors receive FRISK training at the back-to-school administrative retreat but staff report that additional training is still needed. Of the more than 40 personnel files reviewed by FCMAT, no formal letters of discipline were found.
4. There is no evidence of any policies and procedures related to employee discipline or written protocols related to nonreelection of certificated staff, probationary release of classified personnel, or the granting of permanency status.
5. The district has not established procedures for performance improvement planning and does not use standard forms for this purpose. Additionally, the personnel file review found no evidence of performance improvement planning being needed or used.
6. The success of principals is not measured or monitored, and site administrators have not been annually evaluated. The district uses three principal evaluation forms (see standard 3.12). However, there is no indication that principals are held accountable for completing certificated or classified evaluations as required by the collective bargaining agreements, provide meaningful support to struggling employees, or hold employees accountable to high conduct standards through progressive discipline.

Recommendations for Recovery

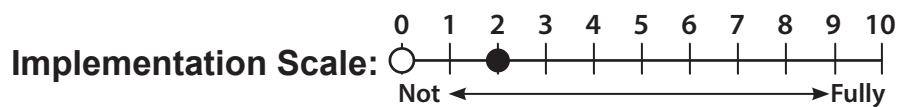
1. The district should review its principal evaluation forms and determine which will be used in the future, if any. The district should also consider developing and implementing a principal evaluation system based on the California Professional Standards for Education Leaders (CPSEL).

2. The evaluations of supervisors should include criteria related to completing certificated and classified evaluations as required by the collective bargaining agreements, ensure that evaluations are well written and demonstrate competency, and that they help struggling employees. Additionally, managers should be expected to hold employees accountable to high standards of conduct through progressive discipline measures.
3. The district should ensure that the HR Department provides supervisors with a schedule of evaluations annually based on timelines established in the certificated and classified collective bargaining agreements. Additionally, HR should inform supervisors of employees who are due to be evaluated in the current school year. The list of evaluations that are due should include the date of the employee's last evaluation.
4. Managers should be trained annually on effective supervision and evaluation techniques. Additional training is also needed in progressive discipline.
5. The district should begin entering and tracking employee evaluation dates in the position control system.
6. A performance improvement plan form and process should be developed and implemented that identifies performance deficiencies and offers struggling employees assistance and support. The improvement plan should document what the employee needs to change, what evidence will demonstrate progress, when progress will be measured, who will support the employee and monitor progress, and what resources will be offered to ensure success.

Standard Partially Implemented

July 2013 Rating: 0

July 2014 Rating: 2



8.3 Evaluation/Due Process Assistance

Professional Standard

Management has the ability to evaluate job requirements and match the requirements to the employee's skills. All classified employees are evaluated on performance at least annually by a management-level employee knowledgeable about their work product. Certificated employees are evaluated as agreed upon in the collective bargaining agreement and California Education Code. The evaluation criteria are clearly communicated and, to the extent possible, measurable. The evaluation includes follow-up on prior performance issues and establishes goals to improve future performance.

Findings

1. Classified evaluation forms are not job specific and criteria are primarily related to work behaviors or job skills. Specifically, classified employees are evaluated on work quality and quantity, work habits, personal relationships, and initiative. Supervisors are not expected to evaluate competency as it relates to essential job duties.
2. Certificated evaluation criteria are consistent with the Stull Act (E.C. 44660-44665) but provide an antiquated and inadequate system of measuring teacher performance.
3. Evaluations are either not routinely completed as required or not placed in the personnel file. Supervisors are not held accountable for completing evaluations as required by law and local collective bargaining agreements.

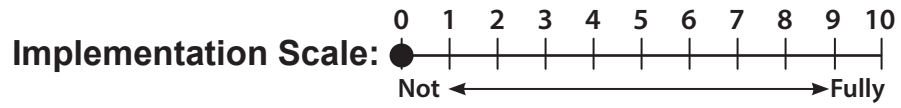
Recommendations for Recovery

1. Changes to the certificated and classified evaluation systems should be proposed during the next round of negotiations with the respective employee groups. Specifically, the district should propose that classified evaluation criteria include job specific requirements so that managers are expected to evaluate position core competencies and that only employees who demonstrate competency are granted permanent status.
2. The district should develop and propose an evaluation article that provides for differentiation, is based on standards, and promotes and acknowledges improved teacher practice.
3. The district should ensure that evaluations are completed timely and placed in personnel files.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



9.5 Employee Services

Professional Standard

The LEA's Workers' Compensation unit is actively involved in providing injured workers with an opportunity to participate in a modified duty/return-to-work program. Updates are regularly provided to the cabinet.

Findings

1. The risk management function has been contracted. The person fulfilling the risk manager role has the appropriate experience and has been in the position for a year. The health benefits function was shifted to the risk manager and just before fieldwork, the benefits specialist handling the health benefits was laid off, leaving only the risk manager to carry the department for the current and additional workload.
2. The district has a board policy and administrative regulation that provides for transitional duty assignments to help employees return to work under a temporary light-duty assignment. This is coordinated by the risk manager, who is also responsible for the interactive process and ADA accommodation meetings.
3. No one is available to back up the functions of the risk manager because it is a single-person department. When no risk manager was available, many functions were transferred to the HR Department, but were transferred back when the contractor was hired. There is no long-term plan for this department, but there should be because of its many important functions that are now performed by one person who is not a district employee but an outside contractor.

Recommendation for Recovery

1. The district should recruit and hire a permanent experienced risk manager and provide additional staffing to ensure that the Workers' Compensation and health benefit programs are effectively managed. Both programs incur a significant cost to the district, and investing more resources in this department could help reduce this cost.
2. The district should consider transferring the risk management to the HR Department and training HR staff to back up the important functions. This can help ensure coordination of employee services and information for these programs.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 2

Implementation Scale:



10.2 Employer/Employee Relations

Professional Standard

The personnel function provides a clearly defined process for bargaining with its employee groups that involves site-level administrators.

Findings

1. Interviewees expressed deep concerns about provisions in the collective bargaining agreements and the lack of district office support for enforcing management's rights under the contracts. They believe the contracts restrict their ability to improve student achievement and operations.
2. The initial comprehensive review reported that the first state administrator negotiated with the Inglewood Teachers Association and signed a tentative agreement with a disputed legal standing. That standing has not changed. Meanwhile, no official contract negotiations have occurred with either of the two unions other than what was required to move the health benefits program to Voluntary Employee Benefits Association (VEBA). No district bargaining teams have been formed. There has been no communications with site-level administrators about collective bargaining and no opportunity for them to provide feedback on the provisions of the collective bargaining contracts or for suggested changes to contract language in preparation for the next round of collective bargaining.
3. The current CALPRO agreement expired June 30, 2007, and automatically renews each year unless one of the parties provides notice to the other by April 1. At the time of fieldwork it was not known whether such a notice was given by April 1, 2014 to open up the contract for 2014-15.
4. The current ITA agreement expired on June 30, 2009. In light of the tentative successor agreement that is in question, it is not known which year this contract will be open for negotiations.

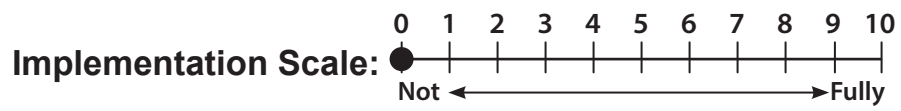
Recommendations for Recovery

1. The district should determine when the union contracts can be renegotiated and ensure that it is prepared to do so. The contracts will be significant in achieving fiscal recovery.
2. The district should ensure that all management interests are represented in bargaining. Specifically, the district should include site administrators on the collective bargaining teams.
3. A process should be developed to ensure that input from site administrators and department managers is obtained when preparing for labor negotiations each year. The input should include feedback on the collective bargaining agreements and proposed changes to the provisions to improve student achievement, management flexibility, and operations.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



10.3 Employer/Employee Relations

Professional Standard

The personnel function provides all managers and supervisors (certificated and classified) training in contract management with emphasis on the grievance process and administration. The personnel function provides clearly defined forms and procedures in the handling of grievances for its managers and supervisors.

Findings

1. The grievance process is documented in the collective bargaining agreements. Site administrators reported that they did not have copies of the contracts until September 2013, even though the contracts had been in place for several years. The agreements and forms are not available on the district's website.
2. HR provided training to site administrators on the teacher evaluation process, with an emphasis on effective evaluations and improvement plans. There have been no other training sessions on contract management, including the grievance process.
3. Site administrators expressed frustration at the lack of support from the district office in enforcing management rights under the contracts, most specifically in the area of employee leaves.

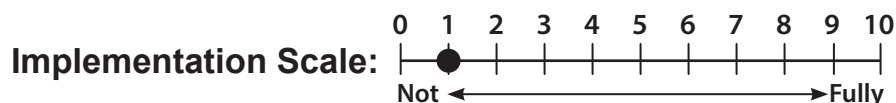
Recommendations for Recovery

1. A districtwide training program on current labor agreements should be implemented for all managers, and a schedule should be created for refresher training. New managers should receive the comprehensive labor contract training when they are hired.
2. The district should ensure that the HR Department trains managers in any changes to collective bargaining agreements each time there is a new agreement.
3. The most current version of each collective bargaining agreement and related forms should be posted to the district's public Internet website so that all employees and managers have ready access.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



10.4 Employer/Employee Relations

Professional Standard

The personnel function has a process that provides management and the board with information on the impact of bargaining proposals, e.g., fiscal, staffing, management flexibility, student outcomes.

Findings

1. Because of the turnover of top district administrators, FCMAT was unable to verify whether management and the board were provided with information on the effects of bargaining proposals in the past. The public disclosure required to be submitted to LACOE contains much of this information, but it is completed after the tentative agreement is reached. However, a disclosure document was not prepared for the tentative agreement with Inglewood Teachers Association dated December 4, 2012. No other documentation was provided as evidence of an operational or fiscal analysis of bargaining proposals.
2. Based on a review of the collective bargaining agreements and interviews with staff, some provisions severely restrict management rights and flexibility, provide benefits and working conditions beyond those found in other districts, and constrain management's ability to improve student performance or operational effectiveness. Examples are as follows:
 - Paid leaves of absence are beyond statutory requirements
 - Paid holidays are beyond statutory requirements
 - Specific starting and ending times of the day are established by contract for the student day and the teacher day
 - The district pays the full cost of medical, dental, and vision insurance coverage for the entire family for active employees. Retirees are entitled to the same benefit
 - The maximum class sizes included in the contract are less than the statutory limitations, and there are required staffing allocations for planning purposes
 - Employee furlough days were automatically restored in 2013-14
 - Temporary teachers automatically become probationary in the third year
 - CalPERS members can request that the district pay for the Golden Handshake (two additional years of service credit) if certain requirements are met
 - There are significant restrictions on management's rights in employee transfers

Recommendations for Recovery

1. The district should ensure that the HR Department, in cooperation with Fiscal Services, develops a process that provides management and the board with information on the effects of bargaining proposals, e.g., fiscal, staffing, management flexibility, and student outcomes. The multiyear impact should be determined and updated for every proposal before it is presented during bargaining.

- Changes in the collective bargaining agreement should be sought to ensure that programs and services can better support student achievement and to restore fiscal solvency.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0

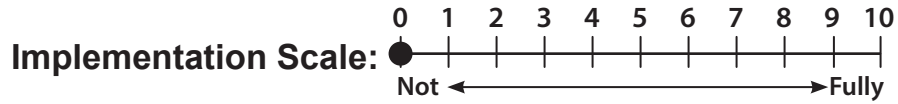


Table of Personnel Management Ratings

Personnel Management Standards		July 2013 Rating	July 2014 Rating
1.1	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The local educational agency (LEA) has clearly defined and clarified roles for board and administration relative to recruitment, hiring, evaluation and discipline of employees.</p>	0	0
1.2	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The personnel function has developed a mission statement and objectives directly related to the LEA's goals and provides an annual report of activities and services offered during the year.</p>	1	1
1.3	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The personnel function has an organizational chart , functions chart and a menu of services that include the names, positions and job functions of all personnel staff.</p>	3	2
1.4	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The personnel function head is a member of the superintendent's cabinet and participates in decision-making early in the process.</p>	4	0
1.5	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The personnel function has a data management calendar that lists all the ongoing data activities and responsible parties to ensure meeting critical deadlines on California Longitudinal Pupil Achievement Data System (CALPADS)/ California Basic Educational Data System (CBEDS) reporting. The data is reviewed by the appropriate authority prior to certification.</p>	2	3
3.8	<p>LEGAL STANDARD – EMPLOYEE RECRUITMENT/ SELECTION</p> <p>In merit system LEAs, recruitment and selection for classified service are in compliance with the rules of the personnel commission and all applicable requirements are followed. (E.C. 45240-45320)</p>	1	1
3.9	<p>PROFESSIONAL STANDARD – EMPLOYEE RECRUITMENT/SELECTION</p> <p>The personnel function has a recruitment plan based on an assessment of the LEA's needs for specific skills, knowledge, and abilities. The LEA has established an adequate recruitment budget. Job applications meet legal and LEA needs.</p>	0	0

Personnel Management Standards		July 2013 Rating	July 2014 Rating
3.11	<p>PROFESSIONAL STANDARD – EMPLOYEE RECRUITMENT/SELECTION</p> <p>Selection procedures are uniformly applied. The LEA systematically initiates and follows up and performs reference checks on all applicants being considered for employment.</p>	2	2
3.12	<p>PROFESSIONAL STANDARD – EMPLOYEE RECRUITMENT/SELECTION</p> <p>The LEA recruits, selects, and monitors principals with strong leadership skills, with a priority on placement of strong leaders at underperforming schools.</p>	1	1
4.3	<p>LEGAL STANDARD – INDUCTION AND PROFESSIONAL DEVELOPMENT</p> <p>The LEA has developed a systematic program for identifying areas of need for in-service training for all employees. The LEA has established a process by which all required notices and in-service training sessions have been performed and documented such as those for child abuse reporting, blood-borne pathogens, drug and alcohol-free workplace, sexual harassment, diversity training, and nondiscrimination. (cf. 4112.9/4212.9/4312.9), GC 11135 EC 56240, EC 44253.7)</p>	1	1
4.4	<p>LEGAL STANDARD – INDUCTION AND PROFESSIONAL DEVELOPMENT</p> <p>The LEA's nondiscrimination policy and ARs and the availability of complaint procedures shall be regularly publicized within the LEA and in the community, including posting in all schools and offices including staff lounges and student government meeting rooms. (cf. 4030, cf. 4031, G.C. 11135)</p>	1	1
4.5	<p>PROFESSIONAL STANDARD – INDUCTION AND PROFESSIONAL DEVELOPMENT</p> <p>Initial orientation is provided for all new staff, and orientation materials are provided for new employees in all classifications: substitutes, certificated and classified employees.</p>	0	2
4.6	<p>PROFESSIONAL STANDARD – INDUCTION AND PROFESSIONAL DEVELOPMENT</p> <p>The personnel function has developed an employment checklist to be used for all new employees that includes LEA forms, including acceptable use of technology and state and I-9 federal mandated information. The checklist is signed by the employee and kept on file. Employment Development Department reporting is compiled within 20 days of employment.</p>	2	2

Personnel Management Standards		July 2013 Rating	July 2014 Rating
5.1	<p>LEGAL STANDARD – OPERATIONAL PROCEDURES Regulations or agreements covering various types of leaves are fairly administered. (EC 45199, EC 45193, EC 45207, EC 45192, EC 45191) Tracking of employee absences and usage of time off in all categories should be timely and should be reported to payroll for any necessary salary adjustments.</p>	3	3
5.4	<p>LEGAL STANDARD – OPERATIONAL PROCEDURES Personnel files contents are complete and available for inspection. (EC 44031, LC 1198.5)</p>	1	1
5.5	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES Personnel nonmanagement staff members have individual desk manuals for all of the personnel functions for which they are held responsible, and the HR Department has a process for cross-training.</p>	2	3
5.7	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES The personnel function has procedures in place that allow for both personnel and payroll staff to meet regularly to solve problems that develop in the processing of new employees, classification changes, employee promotions, and other issues that may develop.</p>	3	0
5.8	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES Personnel staff members attend training sessions/workshops to keep abreast of best practices and requirements facing personnel administrators.</p>	1	1
5.10	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES Established staffing formulas dictate the assignment of personnel to the various sites and programs.</p>	3	2
5.11	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES The LEA has implemented position control processes that incorporate the hiring and placement of all governing board-authorized positions. A reliable position control is a planning tool that has defined standards and formulas for tracking, adding, creating, and deleting positions within the organization to align staffing with budget and payroll systems.</p>	2	1
7.1	<p>PROFESSIONAL STANDARD – USE OF TECHNOLOGY An online position control system is utilized and is integrated with payroll/financial systems.</p>	2	2

Personnel Management Standards		July 2013 Rating	July 2014 Rating
7.2	<p>PROFESSIONAL STANDARD – USE OF TECHNOLOGY The LEA provides professional development in the appropriate use of technological resources that will assist staff in the performance of their job responsibilities when need exists and when budgets allow such training. (cf. 4131, 4231, 4331)</p>	4	4
8.1	<p>LEGAL STANDARD – EVALUATION/DUE PROCESS ASSISTANCE Clear policies and practices exist for the regular written evaluation and assessment of classified (EC 45113) and certificated employees and managers (EC 44663). Evaluations are done in accordance with negotiated contracts and based on job-specific standards of performance. A clear process exists for providing assistance to certificated and classified employees performing at less-than-satisfactory levels.</p>	0	2
8.3	<p>PROFESSIONAL STANDARD – EVALUATION/DUE PROCESS ASSISTANCE Management has the ability to evaluate job requirements and match the requirements to the employee’s skills. All classified employees are evaluated on performance at least annually by a management-level employee knowledgeable about their work product. Certificated employees are evaluated as agreed upon in the collective bargaining agreement and California Education Code. The evaluation criteria are clearly communicated and, to the extent possible, measurable. The evaluation includes follow-up on prior performance issues and establishes goals to improve future performance.</p>	0	0
9.5	<p>PROFESSIONAL STANDARD – EMPLOYEE SERVICES The LEA’s Workers’ Compensation unit is actively involved in providing injured workers with an opportunity to participate in a modified duty/return-to-work program. Updates are regularly provided to the cabinet.</p>	1	2
10.2	<p>PROFESSIONAL STANDARD – EMPLOYER/EMPLOYEE RELATIONS The personnel function provides a clearly defined process for bargaining with its employee groups that involves site-level administrators.</p>	0	0
10.3	<p>PROFESSIONAL STANDARD – EMPLOYER/EMPLOYEE RELATIONS The personnel function provides all managers and supervisors (certificated and classified) training in contract management with emphasis on the grievance process and administration. The personnel function provides clearly defined forms and procedures in the handling of grievances for its managers and supervisors.</p>	1	1

Personnel Management Standards		July 2013 Rating	July 2014 Rating
10.4	<p>PROFESSIONAL STANDARD – EMPLOYER/EMPLOYEE RELATIONS</p> <p>The personnel function has a process that provides management and the board with information on the impact of bargaining proposals, e.g., fiscal, staffing, management flexibility, student outcomes.</p>	0	0
Collective Average Rating		1.46	1.36

Sources and Documentation

Interviews with district staff

Review of Board Policies and Administrative Regulations

The following revised policies and regulations were reviewed, but at the time of FCMAT's fieldwork, had not been approved:

BP 4139 – Peer Assistance and Review

BP 4141 – Collective Bargaining Agreement

BP 4141.6 – Concerted Action/Work Stoppage

BP 4143 – Negotiations/Consultation

AR 4212 – Appointments and Conditions of Employment

AR 4212.5 –Criminal Record Check

AR 4217.3 – Layoff/Rehire

AR 4218 –Dismissal/Suspension/Disciplinary Action

BP 4315 – Evaluation/Supervision

BP 4315.1 – Staff Evaluating Teachers

Revised October 24, 2012

BP 4030 - Nondiscrimination in employment

Revised May 26, 2010

BP 4100 Complaints Concerning Discrimination in Employment

Documents

Human Resources Staff Meeting Agenda – March 20, 2014

Human Resources Functional Organization Chart

Memorandum from the State Trustee to Members of the Administrative Council Indicating Meeting Dates for September 2014 – October 2014

School Calendar Committee Meeting Sign-In Sheet Dated January 10, 2014

HR Annual Calendar

2013-14 CalPADS Calendar

Email confirming school site Aeries training, October 29, 2013

Email confirming school site attendance procedures training, February 24, 2014

Certificated Management Performance Evaluation Form
Classified Layoff Notices
Particular Kinds of Service Reduction – Tie Breaking Criteria
Certificated PKS Layoff Resolution 38/2013-14 Dated March 12, 2014
Resolution 49-2013-2014 Implementing Certificated Layoffs
Notice of Possible Release and Reassignment Of Administrators
Certificated Layoff Request for Hearing Form
Verification of Certificated Layoff Notices Sent by Certified Mail
Human Resources Vision and Mission Statement
Sexual Harassment Training Affidavits for School Site Employees
Sign-In Sheet, Agenda, and Materials From The February 14, 2014 Substitute Teacher Orientation
New 2014 Certificated Employee Handbook
New 2014 Substitute Teacher Handbook
New Hire Checklist

Checklist of Classified Application Materials

Form I-9
2014-15 Enrollment Projections
Summary of Staffing By School Site And Department
Layoff Notices
Notices of Non-Reemployment
Proof of Service Documents
Notices of Certificated Non-Reelection
Memorandum of understanding (MOU) between Inglewood Teachers Association and the district signed December 4, 2012
Agreement between the district and the Painters and Allied Trades District Council 36 on behalf of California Professional Employees (CALPRO), AFL-CIO, dated July 1, 2004 through June 30, 2007
Agreement between the district and the Inglewood Teachers Association, CTA/NEA, dated July 1, 2006 through June 30, 2009
LACOE's January 29, 2014, analysis of PC Budget data and recommendations for implementing full use of position control for budget development
LACOE's December 22, 2010, analysis of security access to HRS

Data on employee absences for the 2012-13 fiscal year
Personnel request form
Technology system user manuals
Written HR procedures
Individual HR desk manuals
HR/Business meeting agenda of January 9, 2014
Board agendas and minutes
Employment agreements
Independent contractor agreements
Inglewood Unified School District personnel commission rules

Emails

Confirming position vacancies, eligibility lists, interview schedules, and interview panel members
List of evaluations due for the current year including timeline for submitting to human resources

Workshops and training session registration confirmations, agendas, and materials

HR Essentials Workshop, School Services of California, Inc. - October 21, 2013
35th Annual Credential Counselors and Analyst of California, October 16 – 18, 2013
2014 Commission on Teacher Credentialing Spring Credentials Webcast – December 9, 2013
2014 Professional Development Training Series, (Atkinson, Andelson, Loya, Ruud & Romo) – Leaves, Leaves & More Leaves – March 5, April 10, and May 1, 2014
CASBO Job-Alike Workshop – January 30, 2014
LACOE Assignment Monitoring Lab – October 14, 2013

Personnel File Review

Ten randomly selected certificated non-management personnel files
Ten randomly selected classified non-management personnel files
Ten randomly selected certificated management personnel files
Ten randomly selected classified management personnel files

Other Sources

Review of human resources Web page on the district's internet website

Pupil Achievement

1.1 Planning Processes

Legal Standard

Categorical and compensatory program funds supplement and do not supplant services and materials to be provided by the LEA. (20 USC 6321)

Findings

1. In state and federal compliance reviews, the district has not been cited for any noncompliance issues.
2. Planning materials do not indicate supplanting of funds, and the CDE regularly monitors the district office for the appropriate use of federal funds through annually submitted reports and on-site reviews.
3. School site councils approve school site plans at schools where these councils are active; however, there is no written calendar for developing budgets or monitoring plans.
4. The contract language entered into between the providers of after-school programs and the district does not require providers to set criteria for student participation or to set measurable growth outcomes.
5. Because after-school programs supported by categorical funds are not formally evaluated, there is no way of knowing whether the use of these funds helped improve student achievement and learning.
6. No effort has been made to evaluate the return on investment of categorical and compensatory program funds or determine whether they could be used in other ways to improve student achievement.
7. Although the district has Board Policy 0500 on the importance of being program-oriented and aligned with measurable student achievement outcomes, there is no measurable student data on achievement to verify alignment.
8. The district office is unclear on the appropriate timing of budget allocations.
9. There is little evidence of coordination occurring among funding sources.

Recommendations for Recovery

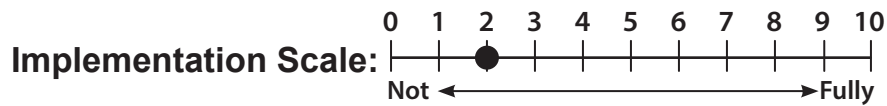
1. The contract between after-school providers and the district should be restructured to require providers to set annual measurable growth outcomes for students who participate in their programs.
2. A written calendar should be established for the development of budgets/plans.

3. An annual professional development or training process should be implemented to ensure that school site councils are positioned to develop budgets that are aligned to measurable student outcomes and school needs.
4. A monitoring plan should be developed to ensure that school site plans are aligned to measurable student outcomes.
5. The district office should provide schools with appropriate guidance on the timing of budget allocations to ensure thorough planning for upcoming school years.
6. The effectiveness of categorical funds use should be evaluated using definitive outcomes to measure the impact and return on investment, such as by student achievement on end-of-unit/term assessments.
7. The district should ensure that the funds received through categorical and compensatory programs are coordinated so that they supplement and not supplant services and materials provided by the district.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



1.2 Planning Processes

Legal Standard

Each school has a school site council, comprised of teachers, parents, principal and students, that is actively engaged in school planning. (EC 52050-52075)

Findings

1. The board policies (philosophy, mission, vision, values, goals, objectives, et. al.) fully support this standard.
2. The district complies on paper with the standard since policies exist. However, actual implementation and execution are inconsistent from school to school when comparing which have school site councils and which do not as well as how school site councils function.
3. For schools with school site councils, school site plans are approved.
4. Not all school councils are actively engaged throughout the year.

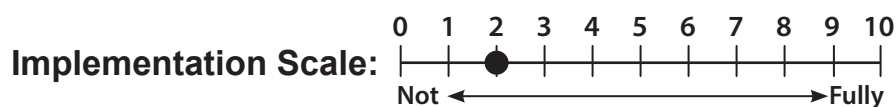
Recommendations for Recovery

1. Implementation and execution of policies should occur consistently from school to school throughout the district.
2. Each school should have an active school site council composed of teachers, parents, students, and the site principal, all actively engaged in school planning.
3. An annual professional development or training process should be implemented to ensure that school site councils are positioned to do their jobs effectively.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



1.4 Planning Processes

Professional Standard

The LEA's policies, culture and practices reflect a commitment to implementing systemic reform, innovative leadership, and high expectations to improve student achievement and learning.

Findings

1. Although district policies speak expressly to this standard, neither the practices nor the culture reflect a commitment to implementing systemic reform, innovative leadership, and high expectations to improve student achievement and learning.
2. Student expectation levels are not consistently high at all schools.
3. Expectations for improved student achievement do not include measurable achievement goals that are met by all students.
4. Because of staff and leadership instability at the district offices and at many schools, little systemic attention has been given to sustained leadership, raising expectations, or transforming the culture of all schools.
5. Most principals lack knowledge and training in systemic leadership and how to change the culture of their school.
6. The principals who are implementing change in the culture of their schools are making great efforts.
7. There is no indication that district office staff has offered innovative leadership.
8. There is no measurable standard to evaluate whether the leadership has been trained in instructional strategies to improve student achievement.
9. The district office does not monitor the leadership in improving teaching or student achievement.
10. A district office administrator has not been assigned to coordinate and evaluate school principals.
11. A district office administrator has not been assigned to oversee and provide professional development, and/or guidance to secondary principals.
12. Until recently, the assistant superintendent of curriculum was assigned to oversee and provide professional development and/or guidance to the elementary principals, but that position has been eliminated, and no plan has been communicated regarding who would be assigned to the elementary principals in the future.

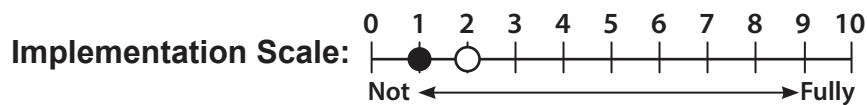
Recommendations for Recovery

1. Expectations for improved student achievement should include measurable achievement goals that are met by all students.
2. The instructional practices used by many staff members should be varied and accelerated to expect higher performance from students.
3. Many initiatives are implemented, but they lack coherence. Initiatives should be evaluated to ensure they are coordinated.
4. Principals should be provided with sustained leadership training on culture change at their schools.
5. The district should establish consistent leadership and staffing at the district office and schools.
6. The district should establish clear lines of reporting and evaluation of principals.
7. All principals should be trained to identify instructional strategies to improve student achievement, and the district office should monitor site leadership in this area.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



1.5 Planning Processes

Professional Standard

The LEA has fiscal policies and a fiscal resource allocation plan that are aligned with measurable student achievement outcomes and instructional goals including, but not limited to, the Essential Program Components. (Revised DAIT)

Findings

1. Board Policy 3000 (a-f), Business and Non-Instructional Operations Concepts and Roles speaks expressly to this standard.
2. Board Policy 3100 (a), Business and Non-Instructional Operations Budget speaks expressly to this standard.
3. The district does not have a fiscal resource allocation plan that is aligned with measurable student achievement outcomes and instructional goals including, but not limited to, the Essential Program Components.

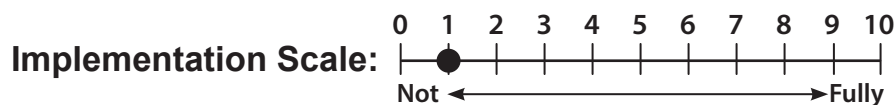
Recommendations for Recovery

1. The district should establish a program-oriented budget and relate it to academic priorities for the 2014-15 fiscal year.
2. Principals should be trained to develop, administer, and monitor the program-orientated budget, also known as a program-driven budget.
3. Principals should be given program-oriented budgets and allowed to fiscally manage their schools according to this budget. They should also be evaluated based on their effectiveness.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



1.6 Planning Processes

Professional Standard

The LEA has policies to fully implement the State Board of Education-adopted Essential Program Components for Instructional Success. These include implementation of instructional materials, intervention programs, aligned assessments, appropriate use of pacing and instructional time, and alignment of categorical programs and instructional support.

Findings

1. The district's board policies speak expressly to this standard.
2. Implementation of instructional materials, intervention programs, aligned assessments, appropriate use of pacing and instructional time, and alignment of categorical programs and instructional support indicate inconsistent application of the standard.
3. Even though instructional materials are appropriate, they are not consistently used in ways that support the Common Core State Standards throughout the district.
4. Intervention programs are made available to students, but are used inconsistently throughout the district.
5. There are no periodic assessments for elementary grades. Teachers use end-of-unit assessments on a school-by-school and classroom-by-classroom basis.
6. Many principals lack training and access to data from any form of a data system.
7. Teachers lack training in using data from assessments to drive classroom interventions and instruction.
8. Staff lack pacing plans from the district on instructional time.
9. Staff use instructional time inconsistently.
10. Teachers do not have any training and coaching on any pacing strategies or the effective use of instructional time.
11. Principals need additional training and support on aligning instruction to the demands of the Common Core State Standards.
12. Principals have been trained in techniques for monitoring and evaluating teacher use of classroom assessments to improve student achievement.
13. The alignment of categorical programs needs to be evaluated.

14. There is no selection criteria to ensure that key personnel in instructional support positions are qualified and effective.

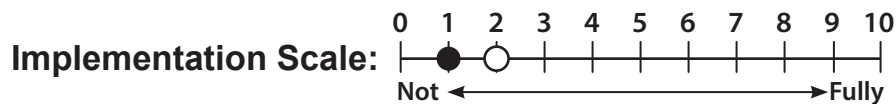
Recommendations for Recovery

1. Teachers should be provided with periodic assessments aligned to the Smarter Balanced Assessment Consortium.
2. Teachers should receive intensive training in using data from assessments and adjusting, monitoring and individualizing instruction consistent with the demands of the Common Core State Standards.
3. Principals should be provided with intensive training in ways to monitor and evaluate teachers' use of assessments.
4. Principals should receive intensive training in ways to help teachers use pacing plans as well as monitor and evaluate the teachers' use of pacing in the classroom.
5. The district should evaluate alignment and the results of using instructional support to ensure improved student achievement, make certain that the most effective staff members are engaged in the respective instructional support positions, and ensure that funds utilized to employ the instructional staff are used effectively and efficiently.
6. The use and results of categorical programs should be evaluated to ensure measurable growth in student achievement.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



1.8 Planning Processes

Professional Standard

The LEA provides and supports the use of information systems and technology to manage student data, and provides professional development to site staff on effectively analyzing and applying data to improve student learning and achievement. (DAIT)

Findings

1. The district uses the Aeries Student Information System (SIS) by Eagle software, which was adopted in 2007 and contains all the relevant student data. This system appears to function as intended and is available to administrators and teachers. In 2007, the district entered into an agreement with SchoolNet to provide K-12 “administrators and educators with the ability to analyze data, assess student performance, individualize instruction, and deploy curriculum” (District Technology Plan 2008-2013, p. 14). At the end of the 2012 calendar year, the district ended its contract with SchoolNet and adopted a new system to provide access to student data. The new system, Data Director, was never fully implemented throughout district schools and was replaced by Illuminate. The latter system has also not been fully implemented although it can be found in more secondary than elementary schools. Therefore, the system’s important functionality is unavailable to K-12 administrators and teachers. In addition, no periodic assessments were provided during the 2013-14 school year. As a result of all these circumstances, teachers and administrators are unable to access detailed periodic assessment information.
2. The Instructional Technology Department has undergone significant upheaval during the 2013-14 school year. Staff who served in this capacity during the 2012-13 school year are no longer with the district. It is unclear whether the staff currently serving in these positions has the technology skills to ensure the district’s technology needs are met.
3. Unlike 2012-13, there is no indication that schools examine student data with any regularity. Although not every school received professional development focused on analyzing data during the 2012-13 school year, none received professional development in 2013-14.
4. Principals have not received formal training on using Illuminate.
5. Interviews of principals found that they understand the importance of using data. Although they have sometimes allotted time for teachers to work with data, the principals are not sufficiently equipped to lead or support teachers in their use of data to inform instruction.

Recommendations for Recovery

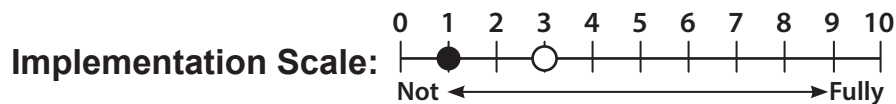
1. District administration should work with the classified and certificated bargaining units, as necessary, as well as the director of assessment and IT, to hire employees who meet district needs in open positions.

2. Principals should be provided with professional development to support the use of data to inform instructional and curricular decisions at the school sites.
3. Teachers should be provided with professional development through program improvement facilitators (PIFs) or other appropriate personnel to support their ability to work with student-level data to inform instructional and curricular decisions.
4. The district should clarify who is responsible for ensuring that teachers and administrators use the data provided by the student information system and Illuminate to inform their approach to instruction and the use of curriculum.
5. The district should settle on one product to serve as its “front-end” for data access, train all appropriate school site personnel to use it, and continue to use the same system until it is utilized successfully.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



1.9 Planning Processes

Professional Standard

The LEA holds teachers, site administrators, and LEA personnel accountable for student achievement through evaluations and professional development.

Findings

1. The district has a goal of “providing a system of shared accountability for student achievement with clear performance standards and consequences” (Board Policy 0200 (a), approved February 20, 2013).
2. The district/union collective bargaining agreement covers teacher evaluation directly in Article XVI. The “purpose of the evaluation ... is to evaluate the bargaining unit member performance, provide assistance and remediation to employees whose performance is less than satisfactory, and continue to improve the quality of educational services provided by employees.” Performance objectives shall relate to but will not necessarily be limited to “progress of students toward established standards of expected student achievement.” Except for this language, the contract includes nothing specifically on teacher accountability for student achievement.
3. The district has a Teacher Performance Evaluation and Assessment Form that requires administrators to assess teachers in the following specific areas: Adherence to curriculum/pupil progress, instructional techniques, and control and learning environment. Objectives are established, and a review performed. In addition, if improvement in a particular area is believed to be necessary, part of the form is dedicated to identifying recommendations for improvement. The meaning of “pupil progress” or how that relates to accountability for student achievement is unclear.
4. Nothing in the interviews with site principals suggested that teachers are accountable for student achievement.
5. There is no plan to build principals’ capacity to support instructional improvement at their school sites.
6. The district has a history of transferring principals, assistant principals and directors from their schools or maintaining them at their schools and positions for reasons other than the performance of the schools, students, or performance evaluations.

Recommendations for Recovery

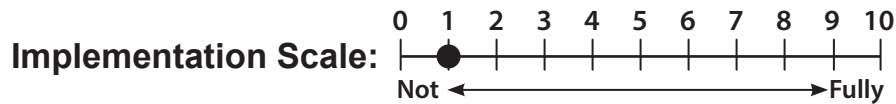
1. A clear plan should be developed for evaluating principals, requiring them to be held accountable for the academic achievement of their students.

2. Teacher evaluations should be structured to clearly focus on student achievement and the teachers' approach in fostering achievement in their classrooms (the connection between teaching and learning should be more clearly delineated in the evaluation process).
3. Systems of support should be created and implemented so that principals have the capacity to increase the instructional levels of the teachers.
4. Systems of support should be created and implemented to build teachers' capacity to provide high-quality instruction that will lead to student learning and achievement.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



2.1 Curriculum

Legal Standard

The LEA provides and fully implements SBE-adopted and standards-based (aligned for secondary) instructional textbooks and materials for all students, including intervention in reading/language arts and mathematics, and support for students failing to demonstrate proficiency in history, social studies, and science. (EC 60119, DAIT)

Findings

1. Students/classrooms were observed using textbooks and materials and ancillary materials aligned with the California standards, not necessarily the Common Core State Standards, in reading/language arts, mathematics, history/social science, and science.
2. There appeared to be heavy reliance on activities provided in the workbooks accompanying the adopted language arts and math series. These typically involved practice in basic skills, rather than an extension of student learning beyond the basic curriculum.
3. There was little indication of the use of district-adopted materials available to differentiate instruction in most classrooms observed.
4. There was little to no evidence that schools were positioned to support students failing to demonstrate proficiency in history, social studies, and science.

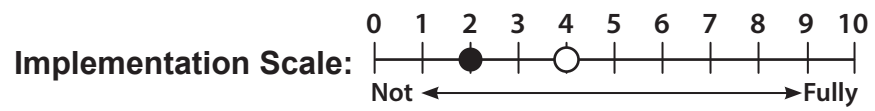
Recommendations for Recovery

1. The district should work with principals and teachers on using instructional materials that provide students with challenging activities, especially with the implementation of Common Core State Standards.
2. The district should re-examine the value and quality of implementation related to the use of intervention materials by reviewing data on the progress of underperforming students. This review should ensure that the materials provide these students with high levels of assistance.
3. The district should work with principals and teachers to transition from workbooks and worksheets to more student-centered instructional materials.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 2



2.3 Curriculum

Professional Standard

The LEA has planned, adopted and implemented an academic program based on California content standards, frameworks, and SBE-adopted/aligned materials, and articulated it to curriculum, instruction, and assessments in the LEA plan. (DAIT)

Findings

1. Interviews with site principals indicated that the district has not provided clear instructions about the materials to be used in core subject areas.
2. Classroom observations indicate that teachers usually use district-adopted materials to instruct students regardless of whether this practice supports the implementation of the Common Core State Standards.
3. Principals and district staff reported that teachers need assistance in using effective instructional strategies to deliver the curriculum.
4. Principals and district staff indicate that absence of formative and summative assessments presents problems in assessing the academic program described in the LEA plan.

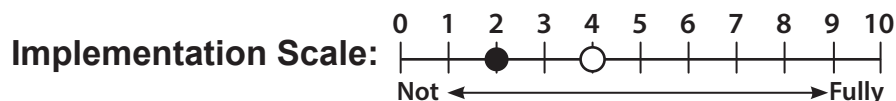
Recommendations for Recovery

1. The district should provide focused professional development designed to improve instructional delivery by teachers with ongoing follow-up by site principals and teacher leaders at each site.
2. Principals should frequently walk through classrooms to ensure that instructional materials are used in ways that support the Common Core State Standards and enable students to achieve at high levels.
3. The district should provide benchmark formative assessments to teachers to ensure that they can be used as a diagnostic tool to inform their instruction.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 2



2.4 Curriculum

Professional Standard

The LEA has developed and implemented common assessments to assess strengths and weaknesses of the instructional program to guide curriculum development.

Findings

1. The district did not regularly administer periodic assessments during 2013-14. As a result, assessments could not be used to assess the instructional program's strengths and weaknesses or guide curriculum development.
2. Schools were expected to use Imagine It. The district was expected to create end-of-unit assessments and periodic assessments using the Houghton Mifflin test generator for math. These assessments were not used with any consistency or regularity at the school sites or the district.
3. The employee who was responsible for periodic assessments is no longer in that position, and the replacement began her job one month before FCMAT's fieldwork. Before the position was filled, a consultant worked in that capacity part-time.
4. Because of the constraints created by the failure to fully implement any data system or regular periodic assessments during the 2013-14 school year, teachers and principals are unable to use periodic assessment data in any substantive way to inform instruction or the use of curriculum.

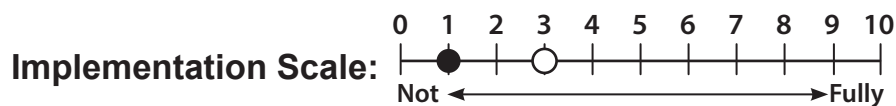
Recommendations for Recovery

1. Periodic assessments aligned with the Smarter Balanced Assessment Consortium should be identified and provided to schools for use during the 2014-15 school year.
2. A plan should be developed and implemented to use periodic assessments at the elementary and secondary levels to inform instruction.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



2.5 Curriculum

Professional Standard

The LEA has adopted a plan for integrating technology into curriculum and instruction at all grade levels to help students meet or exceed state standards and local goals.

Findings

1. In 2012-13, the district technology plan included the integration of technology into curriculum and instruction at all grade levels to help students meet or exceed state standards and local goals.
2. There is no evidence of any progress in implementing this technology plan. The director of IT from 2012-13 is no longer with the district. The new director assumed his role in January 2014 and has not been in that position long enough to complete more than a basic needs assessment on technology.
3. It is unclear whether any individual is responsible for integrating the technology plan into curriculum and instruction.
4. There is evidence that the district provided teachers with at least two professional development sessions on using technology in curriculum and instruction (e.g., flipped classrooms).

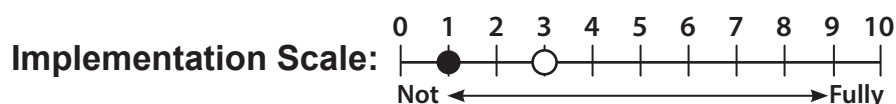
Recommendations for Recovery

1. The district should fully assess its progress towards implementing the technology plan.
2. The district should ensure it has a point person for integrating technology into curriculum and instruction.
3. The district should ensure it has a professional development plan that includes more than single-session professional development on particular technology applications. This plan should ensure ongoing support for teacher use of technology.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



3.1 Instructional Strategies

Legal Standard

The LEA provides equal access to educational opportunities to all students regardless of race, gender, socioeconomic standing, and other factors. The LEA's policies, practices, and staff demonstrate a commitment to equally serving the needs and interests of all students, parents, and family members. (EC 51007)

Findings

1. District policy and district staff indicate they provide all students with equal access to educational opportunities regardless of race, gender, socioeconomic standing, and other factors.
2. The district's board policies demonstrate a commitment to equally serving the needs and interests of all students, parents, and family members.
3. The actual practices and staff do not consistently demonstrate the commitment to equally serving the needs and interests of all students, parents and family members.
4. Interviews with principals found that some schools were not always well equipped to provide equal access to education for all students.
5. Specifically, not all schools/practices/staff are open and welcoming to Latino/Hispanic parents.
6. Interviews with principals and observations demonstrated that not all teachers are prepared with the necessary tools to provide English language development (ELD) and use specifically designed academic instruction in English (SDAIE) instructional strategies with English learners. Some principals are taking steps to systematize ELD instruction on their sites.
7. Interviews with principals and observations indicated that not all teachers are prepared with the tools to support disabled students. In particular, the pre-K classrooms observed were no more than basic child-care settings with no evidence of instruction or the ability to provide instruction to students.
8. The director of special education, who began that job August 2013, has spent most of her time stabilizing special education across the district and therefore has spent little or no time at schools.
9. The director of special education has implemented basic special education procedures such as IEP meetings and legal compliance activities.

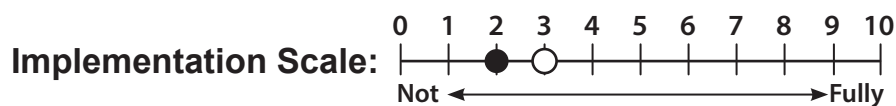
Recommendations for Recovery

1. The district should take steps to ensure all staff members are trained and aware of expectations. Practices should also be established at each school to ensure that a commitment is made and implemented to equally serve the needs and interests of all students, parents, and family members.
2. Teachers should receive professional development to ensure they provide productive ELD time, including using SDAIE strategies.
3. Steps should be taken to ensure that special education teachers are positioned to provide (appropriate) instruction to disabled students, particularly in pre-K.
4. All staff and practices should be monitored and evaluated regularly to ensure that this commitment is made and implemented.
5. The district should ensure that all front office personnel create a welcoming environment for students and parents.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



3.6 Instructional Strategies

Legal Standard

The LEA provides students with the necessary courses to meet the high school graduation requirements. (EC 51225.3) The LEA provides access and support for all students to complete UC and CSU required courses (A-G requirement).

Findings

1. All courses are made available so students can meet graduation requirements as well as A-G courses for acceptance to a four-year university.
2. All students have access to the courses necessary to meet the high school graduation requirements.
3. The district did not provide an evaluation tool that ensures the courses are sufficiently rigorous to adequately prepare students for graduation and higher education.

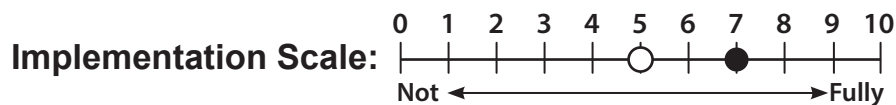
Recommendation for Recovery

1. A process of ongoing evaluation should be implemented to ensure that the rigor of courses adequately prepares the students for graduation and higher education.

Standard Partially Implemented

July 2013 Rating: 5

July 2014 Rating: 7



3.7 Instructional Strategies

Legal Standard

The LEA provides an alternative means for students to complete the prescribed course of study required for high school graduation. (EC 51225.3)

Findings

1. Students may recover credits or improve D grades by completing the UC-approved course work online through the licenses with the company Edgenuity, which was formerly Education 2020.
2. The district provides an alternative means for students to complete the prescribed course of study required for high school graduation at each of its high schools.
3. There are many optional programs in the students' home schools as well as alternative means at Morningside such as Saturday school and restructured Continuation High School for students.
4. Hillcrest Continuation High School's location and facility were closed for the 2013-14 school year as recommended in FCMAT's initial comprehensive review.
5. A visit to the Morningside Continuation High School program found that the revised program, location/facility for the program, and new leadership have improved greatly over the prior Hillcrest Continuation program.
6. Opportunities are available for high school students to make up missed time/attendance, with two to four Saturday sessions per month.

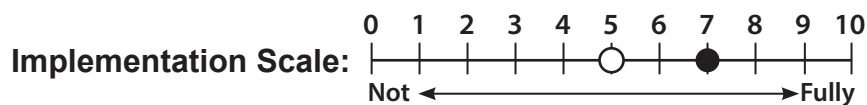
Recommendations for Recovery

1. The district should evaluate the effectiveness of the revised program delivery at the relocated Continuation High School.
2. The district should determine whether the program, if found suitably effective in 2013-14, should be modified for the 2014-15 school year and whether it should be made available to students who are not seniors.

Standard Partially Implemented

July 2013 Rating: 5

July 2014 Rating: 7



3.10 Instructional Strategies

Legal Standard

The LEA has adopted systematic procedures for identification, screening, referral, assessment, planning, implementation, review, and triennial assessment of students with special needs. (EC 56301)

Findings

1. The district has written policies and procedures to ensure that special education processes are conducted according to federal and state laws and that the staff is provided with appropriate ongoing training to ensure compliance with federal and state law.
2. While policies have been adopted for identifying, screening, assessing, planning, implementing, reviewing, and performing triennial assessments of students with special needs (Board Policies 0430, 6171), there is little to no evidence that these policies have been consistently implemented.
3. When the director of special education joined the district in August 2013, there was no assessment of special education in the district.
4. General education teachers have not received training/professional development on the identification and referral of students with special needs. As a result, significant numbers of underachieving students are referred to special education with no evidence that they belong there.
5. In addition to the lack of staff development, the insufficient number of psychologists and lack of student study teams (SSTs) result in a failure to comply with federal law. Families can wait two to three years for their students to be assessed.
6. The district appears to be out of compliance in the availability of one-to-one aides to support student needs.
7. When compared with statewide averages, extensive numbers of students receive special education speech services from the county office of education.
8. The Special Education Department lacks monitoring systems to ensure that identification procedures are successfully implemented.
9. The district has a significant number of “environmentally emotionally disturbed children” and the schools compound the problem by not providing safe, caring environments for special education students.

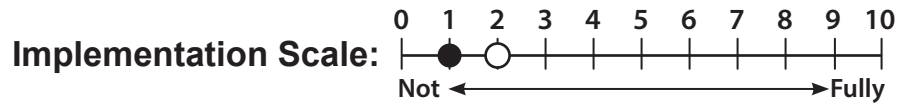
Recommendations for Recovery

1. In addition to the day-to-day work of administrators, the district should establish new review procedures/programs or schedules of internal monitoring to ensure compliance with special education policies and procedures.
2. The Special Education Department should monitor monthly student identification rates to ensure that new procedures are being implemented.
3. School sites that tend to overidentify students for special education should be closely monitored for compliance with district procedures. Principals should be included in the monitoring of this information.
4. Referrals should be tracked monthly by special education administration and measured against students eligible for special education to determine if referrals for special education assessment are valid. Further training should be provided if the ratio of valid referrals is too high.
5. Training and professional development should be provided so teachers understand how to identify and refer students to SSTs.
6. Training and professional development should be provided to ensure that special education and general teachers know how to meet the needs of autistic and other students with special needs.
7. The district should provide training to staff to better utilize the Special Education Information Systems (SEIS).
8. The district should hire psychologists and one-to-one aides to support student needs.
9. The district should complete a cost/benefit analysis of alternative means to provide special education speech services to the extensive numbers of students receiving services from the county office, e.g., transitioning to in-district services; soliciting proposals from other, external providers.
10. The district should determine benchmarks for student achievement based on the percentage of proficiency targets for special education students in math and English/language arts.
11. Because of the district's history and culture of a lack of accountability, particular attention should be paid to quality assurance checks and assurances so that the district/staff continue to follow all newly implemented policies and procedures.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



3.12 Instructional Strategies

Legal Standard

Programs for special education students meet the least restrictive environment provision of the law and the quality criteria and goals set forth by the California Department of Education and the Individuals with Disabilities Education Act. (EC 56000, EC 56040.1, 20 USC Sec. 1400 et. seq.)

Findings

1. While policies have been adopted for identifying, screening, assessing, planning, implementing, reviewing, and performing triennial assessments of students with special needs (Board policies 0430, 6171), there is little to no evidence that these policies have been implemented consistently.
2. The district has written policies and procedures to ensure that special education processes are conducted according to federal and state laws and that staff is provided with appropriate ongoing training to ensure compliance with federal and state law.
3. Programs for special education students in some cases do not meet the least restrictive environment provision of the law and the quality criteria goals established by the California Department of Education (CDE) and the Individuals with Disabilities Education Act (IDEA). There are problems with large numbers of special day class (SDC) students in classrooms and programs that do not meet individualized education program (IEP) goals.
4. The district should evaluate the need for students to be in SDCs.
5. The pre-K classrooms observed were not set up to meet the instructional needs of students with special needs. There was no possibility that students would be appropriately educated in those settings, and the individuals in the room did not have the skills to accomplish this.
6. The FCMAT study team did not receive all requested documents. As a result, it is not possible to determine whether there is a plan for special education programs.
7. Because the district has a history and culture of lack of accountability, the concern is that adequate attention has not been given to continued compliance or adherence to all newly adopted policies and procedures.
8. The district has not implemented any new review procedures/programs or schedules of internal monitoring to ensure compliance except for the day-to-day work of district administrators.
9. Quality assurance procedures have not been established so that the district/staff continue to follow all newly implemented policies and procedures.
10. A substantial amount of work needs to be done to consistently monitor and support sites.

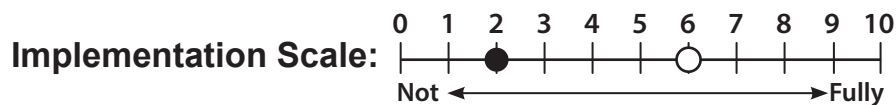
Recommendations for Recovery

1. The district must take steps to ensure that each classroom adheres to special education policies and requirements.
2. Unannounced audits of classrooms and IEPs should be completed and documented.
3. Quality assurance procedures should be established so that the district/staff can adhere to all policies and procedures.
4. A plan should be developed to increase the principals' skills and knowledge so they can assist and evaluate assigned special education teachers.
5. New review procedures/programs or schedules of internal monitoring should be implemented to ensure compliance.
6. Quality assurance procedures should be established so that the district/staff continue to adhere to all newly implemented policies and procedures.
7. The director of special education must establish and implement policies.
8. School sites must be consistently monitored and supported.
9. The district office staff should be more diligent with IEPs, placement of students, monitoring and assisting the classrooms.

Standard Partially Implemented

July 2013 Rating: 6

July 2014 Rating: 2



3.13 Instructional Strategies

Professional Standard

Students are engaged in learning, and they are able to demonstrate and apply their knowledge and skills.

Findings

1. District students are engaged in class work to varying degrees. At some schools, students perform meaningful work designed to increase knowledge and skills and are engaged actively. However, at others, particularly in some K-8 grades, they do not appear to be engaged in active learning to demonstrate higher-order thinking skills, analysis, synthesis, and application of knowledge and skills.
2. Classroom observations indicate that teachers need to improve and vary their use of instructional strategies to increase student engagement and their ability to apply knowledge and skills to academic tasks, as required by the Common Core State Standards and assessments.
3. In some schools, principals appear to have increased influence on classroom practices that result in higher levels of student engagement and are reflected in test results and AMOs. This indicates an application of the principal's role in improving school practices as documented in the "Effective Schools" research (Lezotte). On the other hand, some principals expressed concern that the district does not direct them to work with the Common Core State Standards. Instead, the district leaves the decision to schools and teachers, which leaves principals without the authority to direct teachers to alter their instruction to align with the standards.
4. Much more instructional leadership is needed from the principals at most schools.
5. The district should provide more instructional leadership, especially at elementary schools. The lack of districtwide consistency of effort and improvement at all grades should be addressed. No one at the district office was responsible for elementary instruction at the time of the FCMAT review.
6. Students in many schools vary widely from classroom to classroom in their levels of engagement as well as their ability to perform assigned tasks. These include reading grade-level texts, writing at appropriate grade-level standards, and performing the problem-solving included in grade-level content standards.
7. Despite evidence of participation or "on-task" behavior in most elementary classrooms, teachers and not students did the work that focused on thinking, causing the most engaged classrooms to be teacher-centered.
8. State and local benchmark test results indicate there is a wide variation in student achievement levels. At some sites, large numbers of students have failed to demonstrate their ability to apply knowledge and skills to the academic tasks in state and local assessments.

9. Most schools made improvements in 2013-14, but this was largely through the efforts of the individual principal and his/her staff instead of district office leadership and support.
10. Schools were impeded by the ineffectiveness of the district's Human Resources Department in providing them with adequate staffing for the start of the school year and replacing teachers who resign/retire in a timely and effective manner in 2013-14. In fact, most schools did not have full staffing until second semester.

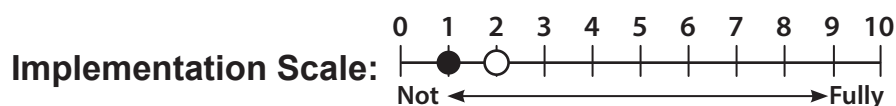
Recommendations for Recovery

1. The district's district office must provide much more consistent and effective instructional leadership to schools.
2. The district office must provide more instructional leadership and support to schools.
3. With the required implementation of the Common Core State Standards and upcoming assessments, teachers should be trained and provided with systemic support to fully understand the implications of new requirements and to take specific steps to implement new learning strategies in all classrooms.
4. Practices should be changed to improve pupil achievement. These include the practice of frequently giving notice to principals as well as providing nonrenewal notices to teachers along with the subsequent ineffective placement of teachers and principals at schools. Effective principals and teachers who remain at a school consistently can more easily build a culture of ownership, responsibility, and consistency to improve instructional practices and pupil achievement.
5. District and site leaders should re-evaluate practices to increase the accountability of administrative staff members so that all district employees are held to high standards in support of quality instruction for students. At the time of this review, no district office staff member was assigned to coordinate and evaluate the principals. They were left to function independently without district office support, accountability, or systemic leadership training.
6. Student performance on state and benchmark assessments should be reviewed as part of the accountability measures in evaluating employee performance.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



3.15 Instructional Strategies

Professional Standard

The LEA optimizes opportunities for all students, including underperforming students, students with disabilities, and English language learners, to access appropriate instruction and standards-based curriculum. (DAIT).

Findings

1. Given the new state mandate to teach the Common Core State Standards and the lack of direction to staff on how to do so, it is unclear whether underperforming students, students with disabilities (SWD), and English language learners (ELL) are placed in classes where instruction is aligned to the standards.
2. The district has communicated that textbooks once used for standards-based instruction should be utilized as a tool rather than as the curriculum. However, teachers vary greatly in how they use the textbooks and how they plan instruction to meet the requirements of the Common Core State Standards.
3. Student study teams (SSTs) are used effectively at some sites and ineffectively at others to identify students and develop an intervention plan.
4. There is little clarity regarding a Response to Intervention (RTI) model implemented in the district. The implementation of RTI is haphazard at best. Some principals indicated that they cannot implement the RTI model because of the teachers' lack of space or capacity to provide appropriate forms of intervention.
5. Teachers regularly attend IEP meetings so that they are apprised of individual students' learning needs and are made aware of the needed accommodations and modifications. Some principals are more confident than others in their ability to provide the appropriate accommodations and modifications for students with disabilities.
6. Teachers are provided with class lists indicating which students are identified as SWD or ELL.
7. Principals are not sufficiently equipped to support ELLs. Many at the elementary schools indicated that they either wanted to or recently created a schoolwide system for appropriate instruction to ELLs in homogeneously grouped classrooms.
8. In the 2013-14 school year, the district has not provided training for teachers in Specially Designed Academic Instruction in English (SDAIE), Sheltered Instruction Observation Protocol (SIOP), and other strategies to help English language learners access core curriculum.
9. In many schools, teachers are not well equipped to support the needs of their English language learners.

10. Classroom assignments have little differentiation based on students' identified learning needs as a SWD, ELL, or underperforming student.
11. Some SDC settings for students are poorly staffed and include too many students to effectively provide an instructional program designed to meet students' IEP goals.
12. Effectiveness should be increased in the intervention programs provided to students based on continued poor performance as reflected in academic assessments.
13. At some schools, the loss or lack of a PIF has affected the ELL and intervention programs.

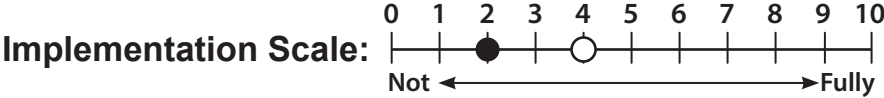
Recommendations for Recovery

1. The district should review its RTI program, including the SST process.
2. District staff should ensure that principals and PIFs, where applicable, clearly understand expectations and measures of accountability for implementation of RTI and ELL.
3. District staff and site principals should review placement of SWD and ELL at school sites (and individual class placement) to ensure that optimum instructional models can be developed at each school.
4. The district should increase principal and teacher accountability for implementing the accommodations required for SWD, ELL, and other underperforming students.
5. The district should provide professional development on SDAIE and other strategies to ensure access to the curriculum for all students.
6. Principals should regularly observe classrooms to ensure that SDAIE and other strategies are used to help ELL students access the core curriculum.
7. Principals should develop a schoolwide schedule identifying when ELL, intervention classes, and mainstreaming of SWD occur.
8. The district should ensure that all schools have a PIF to assist with the ELL and intervention programs.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 2



3.16 Instructional Strategies

Professional Standard

The LEA makes ongoing use of a variety of assessment systems to appropriately place students at grade level, and in intervention and other special support programs. (DAIT)

Findings

1. It is unclear what is used to make placement decisions at the secondary level.
2. Evidence from interviews indicates that assessments are not used in any methodical way to make appropriate grade-level placements or placement in intervention and other special support programs at elementary level.
3. Aeries is the only system consistently used by the district for accessing student data. The introduction of Illuminate has been inconsistent across the district. Many still do not have access to it and therefore do not use it to examine student data. One elementary site administrator said principals have been provided with a username and password, but have not been trained, so they are trying to learn on their own. Other principals said that they did not yet have access to Illuminate as they had used Data Director the year before.
4. Policies on using data to make appropriate grade-level placements or placement in intervention and other special support programs are too general to give principals and teachers adequate direction.

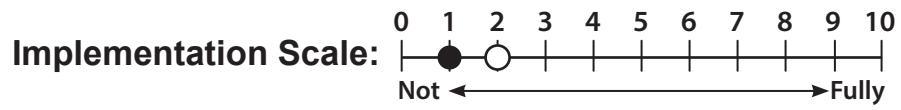
Recommendations for Recovery

1. District administration should complete a comprehensive review of the available assessment systems.
2. Professional development should be provided to principals and PIFs, when applicable, to ensure they are aware of the assessment systems and know when and how they should be used.
3. Teachers should receive professional development to ensure they are aware of the assessment systems and know when and how they should be used.
4. Policies should be developed that identify the specific assessment systems that should be used to support placement at grade level, and in intervention and other special support programs.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



3.17 Instructional Strategies

Professional Standard

Programs for English language learners comply with state and federal regulations and meet the quality criteria set forth by the California Department of Education.

Findings

1. Classroom observations at school sites found a great deal of variation in the ELD delivery model. In many schools, there was no evidence of teachers using strategies that support the needs of ELLs.
2. At some schools, a daily formal ELD period meeting is held, and the state ELD requirement occurs schoolwide, with students grouped by CELDT level for instruction using the district-adopted ELD materials.
3. In some schools, teachers attempt to provide ELD instruction to all English language learners in their classrooms regardless of CELDT level. In one school where the ELD population is small, the reading specialist separates the ELD students so they can participate in a workshop.
4. Teachers do not regularly analyze benchmark data to focus on the progress of English language learners, making adjustments to instructional strategies or placement in intervention programs as needed. One principal mentioned using the CELDT data for reclassification.
5. In some cases, the PIF (if the school has one) provides a great deal of support to English language learners. PIFs attend the English language learner coaches' meetings monthly.

Recommendations for Recovery

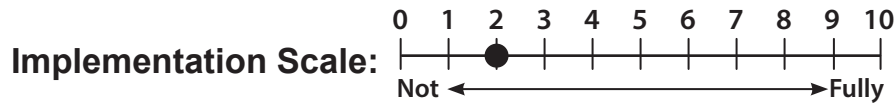
1. District staff and site principals should increase their focus on reviewing Annual Measurable Achievement Objectives (AMAO) data to ensure that the language development and academic needs of English language learners are being addressed.
2. There is a need across the district to clarify the expectations for English language learners regarding placement in ELD classes by CELDT level. More emphasis should be placed on becoming proficient in using language acquisition strategies that provide students with opportunities to speak frequently using academic language at the level indicated by the CELDT assessment. ELD experiences should also provide rigorous lessons for students, as well as promote language acquisition.
3. The monitoring of English language learners and reclassified students should be increased R-FEP to ensure they continue to make academic progress. With the change that resulted in many schools not being staffed with PIFs this year, this responsibility has received less emphasis and has been ignored at some schools.

4. Site principals and teachers should be held accountable for complying with state and federal regulations on instructional support for English language learners. A few principals admitted they are behind in providing instruction and ongoing assessments of ELLs.
5. Principals should re-examine the role of the PIF at each site to ensure that this position's activities support English language learners in proportion to their funding allocation.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



3.18 Instructional Strategies

Professional Standard

The LEA employs specialists for improving student learning, including content experts and specialists with skills to assist students with specific instructional needs.

Findings

1. Unlike last year, schools in 2013-14 had to decide whether to pay for a PIF from their site budgets. Most decided against this, and since not all schools have been assigned a PIF funded from Title I, Title II, and Title III, many do not have one.
2. The purpose of PIFs is to help underperforming students, improve teacher quality, and assist English language learners. However, in some cases, the PIF appears to function more as an assistant to the principal than to support students and teachers as intended by the original funding source.
3. Based on interviews, some PIFs have the qualifications needed to perform the job, but others appear to be lacking in the necessary skills.
4. At some school sites, PIFs provide a great deal of assistance to students and staff as intended based on their funding source, but this does not appear to be true in all cases across the district. In some cases, PIFs spend most of their time completing paperwork related to categorical programs/testing.

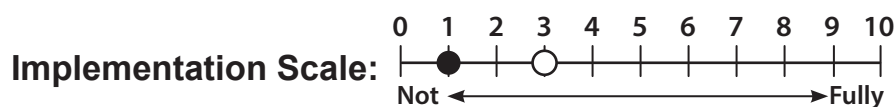
Recommendations for Recovery

1. The district should revisit the purpose of the PIFs with site principals to ensure that these personnel focus on the purposes of the funding sources (Title I, Title II, and Title III) that support their positions.
2. The district and principals should determine whether having a PIF is advantageous.
3. Principals should ensure that PIFs are held accountable for effectiveness in their designated role. District staff should ensure that principals assign duties to PIFs based on their intended purpose on site.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



3.22 Instructional Strategies

Professional Standard

The LEA offers a multiyear, comprehensive high school program of integrated academic and technical study that is organized around a broad theme, interest area, or industry sector. (EC 52372.5, EC 51226)

Findings

1. In practice, the district meets the standard of offering multiyear, comprehensive high school programs of integrated academic and technical study that is organized around a broad theme, interest area, or industry sector.
2. The district provides students with the necessary courses to meet high school graduation requirements, and provides support for all students to complete UC and CSU required courses. It also offers students a variety of academies as well as a variety of programs at Southern California Regional Occupation Center (SCROC).
3. The district has policies (Board Policy series 6000) to fully implement the State Board of Education (SBE) adopted Essential Program Components for Instructional Success.
4. The degree of execution and delivery of these requirements is inconsistent, and the rigor varies in quality classroom by classroom and school by school in the district's high schools.
5. There is a plan to expand offerings at Morningside High School.
6. Improvement was made in 2014-15 with the degree of execution and delivery of these requirements as well as the rigor and quality in classrooms in the district's two high schools.
7. The instructional leadership at the two high schools is focused and demanding. More work will be done at Inglewood High School under the direction of a newly assigned principal since 2013-14 was devoted to reorganization and improving the atmosphere and focus of the school.

Recommendations for Recovery

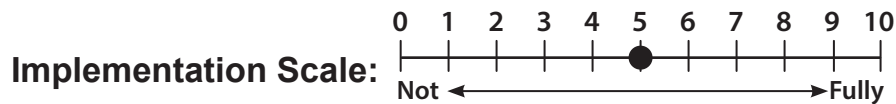
1. The district should ensure that the degree of execution and delivery of programs and courses is consistent from school to school.
2. The district should improve rigor in the classrooms.
3. The district should expand its program offerings and pathways.

4. Maintaining high level and consistent leadership at the high schools is essential for improvement.
5. The district should ensure that the high-school staffing is completed well in advance of the start of the school year.
6. The district should take steps to ensure timely replacement of key staff when they are disabled for long periods of time.
7. The district should provide the principals at the high schools with greater authority in selecting department chairs, teachers, and administrators to improve rigor in the classrooms and overall student performance.

Standard Partially Implemented

July 2013 Rating: 5

July 2014 Rating: 5



4.3 Assessment and Accountability

Professional Standard

The LEA has developed summative and frequent common formative assessments that inform and direct instructional practices as part of an ongoing process of continuous improvement.

Findings

1. The district has not developed summative and formative assessments that inform and direct instructional practices as a part of an ongoing process of continuous improvement for several reasons. The district is in a state of transition as it begins to implement the Common Core State Standards. As a result, it needs to develop new formative assessments that align to changes in curriculum being taught in conjunction with the implementation of the standards. Last year, the personnel in charge of assessment changed. A consultant was hired to work part-time with the district, and this individual does not appear to have been assigned to develop formative assessments. The new director of assessment assumed her responsibilities in April and therefore has not been in her position long enough to develop these assessments.
2. As a result of instability at the district office, the district has continued to use the end-of-unit assessments of the district-adopted English-language materials and used a test constructor from the elementary math program at the elementary grades. Teachers and principals use end-of-unit assessments (formative assessments) to varying degrees to inform and direct instructional practices as a part of an ongoing process of continuous improvement. The degree depends on the willingness of teachers to use the assessment data, the availability of the data in conjunction with other relevant student-level information, and the support available at the school site for teachers and principals to use the data to inform instructional practices.
3. The district has not developed or acquired periodic assessments beyond materials provided by the textbook publishers of the district-adopted curricula (at the elementary level).
4. The periodic assessments are not aligned with the California Smarter Balanced Assessment (SBAC) piloted this year. According to some principals, the district had the opportunity to use periodic assessments with the Smarter Balanced Assessment, but did not do so.
5. Because of the constraints created by the failure to fully implement any data access system (Data Director or Illuminate), teachers and principals cannot use periodic assessment data in any substantive way to inform instruction or the use of curriculum.
6. The district was able to implement the SBAC pilot with little difficulty this year.
7. Some principals indicated that the district did not provide them or their teachers with sufficient professional development or support to use formative or summative assessments to inform instruction even if the appropriate assessments were in place.

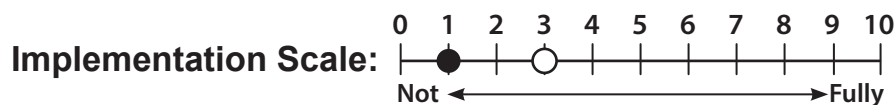
Recommendations for Recovery

1. The new director of assessment should be assigned to develop and/or identify formative assessments that can be used by schools to support instructional improvement.
2. Once formative assessments are in place, principals should receive professional development and ongoing assistance to support the use of formative assessments to direct instruction as part of ongoing improvement.
3. Teachers should receive training and ongoing help to be able to support the use of formative and summative assessments to direct instruction as part of ongoing improvement.
4. The district should discuss the importance and use of data and discuss and implement changes at schools during department, professional learning community, or other meetings and professional development opportunities at school sites.
5. Periodic assessments should be used that do not depend on the district-adopted textbooks and should be correlated to the California Smarter Balanced Assessment.
6. Data Director or Illuminate should be fully implemented so that periodic assessment data is available to teachers and principals in ways that are useful and so that other relevant student data can be assembled with this data.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



4.4 Assessment and Accountability

Professional Standard

The LEA provides an accurate and timely school-level assessment and data system as needed by teachers and administrators for instructional decision-making and monitoring.

Findings

1. The district has end-of-unit and periodic assessments that are administered inconsistently, teacher by teacher and school by school (at the elementary level). The district does not have a schedule clearly indicating when assessments should be completed. This is a change from the previous year, 2012-13 when there was a calendar for assessments.
2. The district has Aeries SIS to provide access to student-level data and Data Director and Illuminate for student assessment data. There is a significant amount of confusion regarding which front-end product (Data Director or Illuminate) should be used by school site personnel. Principals consistently indicated that they had not been provided with sufficient information or professional development to use Illuminate and that they had been directed to use Data Director the previous year. In fact, principals indicated that they had been given different direction regarding the appropriate system over the three previous years. The district adopted SchoolNet, but while that contract was still in effect, new district leadership moved the district to Data Director at least for elementary schools. Some secondary schools began using Illuminate as early as a year ago. New district leadership has decided to move the entire district to Illuminate even though the contract with Data Director has not expired.
3. Neither Data Director nor Illuminate is used with full functionality because of confusion, a lack of professional development, and a lack of access to either system. In addition, principals indicated that the system(s) data was incomplete or inaccurate. Moreover, the district has not had a regular administration of school or district-level assessments, making data unavailable.
4. Even if the data were available, teachers and principals are not sufficiently prepared to use it to inform instruction or make curricular decisions.
5. There is little to no accountability for using data to inform instruction. While principals consistently expressed an understanding of the value of using data to inform instructional and curricular decisions, they lack the resources to ensure that teachers use it or the authority to demand its use.

Recommendations for Recovery

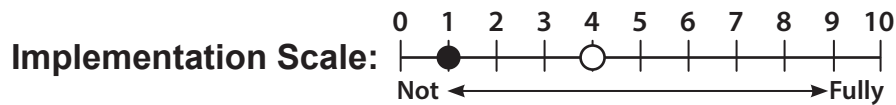
1. District administration should work to ensure that *one* data access system (front end) is adopted. If the district decides that Illuminate is the appropriate program, every school must have Illuminate to access data in Aeries.

2. Principals should be trained on the data access system (front end) so that they can use it to access data. They should also be provided with ongoing professional development so that they are prepared to use data to inform instructional and curricular decisions at the school sites as well as support teachers in their efforts to use data to inform instructional and curricular decisions.
3. The district should clarify who is responsible for ensuring that teachers and administrators use the data provided by the SIS and Data Director or Illuminate systems to inform their approach to instruction and the use of curriculum.
4. The district should hold teachers accountable for using data, and the district should provide principals and schools with the resources necessary (e.g., time and support) to use this data to inform instructional and curricular decisions.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 1



4.5 Assessment and Accountability

Professional Standard

School staff assesses all students to determine students' needs, and whether students require close monitoring, differentiated instruction, additional targeted assessment, specific research based intervention, or acceleration.

Findings

1. There is little evidence that school staff assess all students. Teachers sometimes use end-of-unit assessments to determine students' academic progress. In some cases, these assessments are also used to guide instructional decisions and determine the need for intervention or acceleration. Interviews indicated that schools do not consistently use student study teams or other resources to assess all students to determine their needs. In addition, not all principals believe they have the necessary support in the form of effective intervention specialists who can assist struggling and disabled students.
2. All students are not adequately assessed. Different schools use data with different levels of sophistication and frequency. In addition, the quality of instruction throughout classrooms and schools is so inconsistent that it would be difficult to determine whether student academic outcomes are the result of a specialized need or poor instruction. Interviews found that many students were placed in special education not because they clearly belong there, but because they perform at very low academic levels. Observation of special day classes also indicated that students were seemingly placed there because of lack of academic progress, not because of severe or significant special education needs that require them to be excluded from general education settings.
3. Some elementary schools use Imagine Learning to support English learners. Last year, (2012-13) there was also evidence that I Can Learn and Read 180 were used although neither programs appeared to be utilized this year.
4. Schools did not appear to consistently have intervention schedules that include the entire range of content areas (e.g., English language, social studies, math, and science). One school was unable to implement RTI because of a lack of space and support.
5. There was little to no evidence of differentiated instruction or close monitoring of students in general education classrooms.
6. It is unclear how schools address the needs of students who require acceleration. The focus appears to be on students who are not academically successful.
7. Principals are inconsistent in their ability to ensure that teachers assess students appropriately and/or provide instruction that meets student needs. Principals who conduct walk-throughs or classroom observations have varying degrees of knowledge regarding instruction and are not well positioned to help teachers develop practices that would better meet the needs of their students.

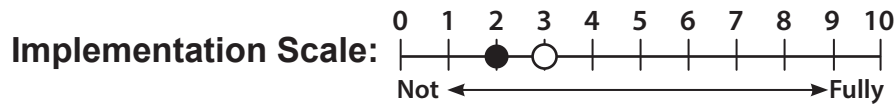
Recommendations for Recovery

1. The district should review the assessments that should be used to assess students and disseminate that information to principals to discuss at faculty meetings, where data is used to inform instruction.
2. District policy should be more specific regarding the assessments to be utilized as well as when, how often, and how they should be used.
3. Principals should receive professional development and ongoing support so they can guide their teachers to a) use assessments more effectively and b) improve instruction to better meet the needs of their students.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



4.10 Assessment and Accountability

Professional Standard

The LEA and school site administration monitor fidelity of program implementation in the delivery of content and instructional strategies.

Findings

1. No one at the district office regularly conducts meaningful visits to school sites throughout the year, walks through classrooms to observe instructional practices, or ensures compliance with program requirements.
2. Some principals include observation of classroom instruction in their regular weekly schedule. However, the amount of time spent in classrooms is minimized because of disciplinary concerns or lack of administrative staff and other issues. In addition, some principals' ability to spend time in the classrooms is severely hindered by the lack of an assistant principal and the overall size of the school as well as managerial and noninstructional obligations.
3. More secondary principals in school year 2013-14 regularly provide feedback to teachers on the quality of instructional strategies and appropriate content, but this does not appear to be consistent.
4. The district does not have a stated expectation on how frequently principals should monitor programs and discuss the results of observations with other principals, nor does it monitor needs.
5. Early in the year, district meetings were adjusted to focus on administrative/operational matters for principals, and at the beginning of the 2013-14, they emphasized improving the quality of instructional practices. However, this initiative had stopped at the time of FCMAT's fieldwork because no one was in charge of the effort at the district office.

Recommendations for Recovery

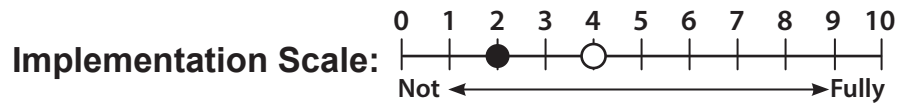
1. The district staff and principals should develop a common understanding of key elements to be monitored with the implementation of Common Core State Standards in 2014-15.
2. District meetings should provide a forum for principals in a setting that allows for open discussion, identifying challenges, sharing ideas, and formulating the next steps to improve the delivery of program content and the quality of instruction.
3. District staff and principals should develop reasonable expectations for time spent observing instruction each week, with feedback regularly provided to teachers.

- District staff should help principals increase their focus on instructional leadership by clarifying expectations and providing assistance to minimize noninstructional distractions.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 2



4.12 Assessment and Accountability

Professional Standard

Written policies and procedures are in place to ensure that special education processes are conducted pursuant to federal and state laws and that staff is provided appropriate, ongoing training to ensure proper implementation.

Findings

1. While the district has adopted systematic procedures for identifying, screening, assessing, planning, implementing, reviewing, and performing triennial assessments of students with special needs (Board Policies 0430, 6171), there is little evidence that these adopted policies are regularly followed at the school sites or that staff have been provided with ongoing training to ensure that they can implement the policies. Interviews indicated that there was a significant lack of infrastructure or assessment in special education earlier in 2013-14, so most of the new director's time was spent creating an infrastructure to support implementation of district policies.
2. While the district has written policies and procedures to ensure that special education processes are conducted according to federal and state laws, there is little evidence that these policies are closely followed. Staff has clearly not been provided with appropriate ongoing training to ensure proper implementation.
3. It is unclear whether programs for special education students meet the least restrictive environment provision of the law and the quality criteria goals established by the CDE and the IDEA. Observations of SDC found concerns regarding placement of students in SDC classrooms.
4. Because of the district's district office administrators' lack of accountability at the schools, particular attention should be paid to quality assurance checks and assurances so that the district/staff can follow all newly implemented policies and procedures.
5. FCMAT was not made aware of any new review procedures/programs or schedules of internal monitoring that were considered or implemented to ensure compliance.

Recommendations for Recovery

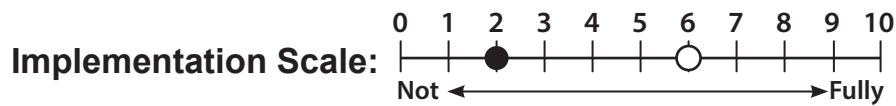
1. The district should establish a process of ongoing central administration evaluation to ensure implementation of special education policies and procedures at school levels.
2. New review procedures/programs/schedules of internal monitoring should be developed.
3. The district administrators should conduct unannounced evaluations of processes used in classrooms.

4. In-service sessions should be conducted at each school for staff to review policies/ procedures in specific areas.
5. Principals should assume responsibility for completing spot reviews of the policies and procedures being implemented at each school.
6. Principals should receive training or assistance from district office administrators to improve the evaluation and support provided to special education teachers.

Standard Partially Implemented

July 2013 Rating: 6

July 2014 Rating: 2



5.1 Professional Development

Professional Standard

The LEA provides a continuing program of professional development to keep instructional staff, administrators, and board members updated on current issues and research pertaining to curriculum, instructional strategies, and student assessment.

Findings

1. The district provided training in topics related to the Common Core State Standards (CCSS). All teachers were invited to these trainings on a voluntary basis, but some did not attend.
2. Other districtwide professional development was provided by topic, but it was not necessarily aligned with schools' needs.
3. Evaluations of the training indicated that the programs were introductory and superficial. Interviews with principals and a review of teacher evaluations of the training indicated that while some found the introductory information to be beneficial, most felt it to be a waste of time.
4. There has been no systemic follow-up of planned training by district staff. Principals have been left to develop their own in-house trainings.
5. At the elementary level, some principals took it upon themselves to organize professional development collaboratively; however, they disagree about the degree of effectiveness.
6. In 2013-14, the district had more of a focused plan for professional development; however, there is little follow-up and no planning for 2014-15. No district staff member was responsible for this critical activity as of May 2014.

Recommendations for Recovery

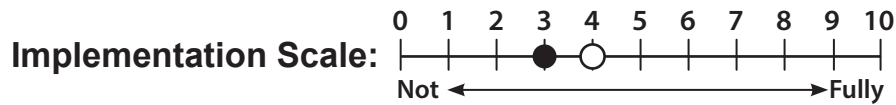
1. To increase the district's focus on core strategies designed to improve the academic performance of students and the skills of principals as instructional leaders, it should develop a cycle of professional development implementation that includes, a) an analysis of data to determine what training is needed, b) clear expectations for attendance by the appropriate groups, c) ongoing follow-up on implementation of strategies learned, and, d) identification of the next steps for further training and refinement of skills.
2. A limited number of professional development offerings (based on the analysis described above) in which all appropriate staff participates should be published in an annual professional development calendar.

3. Clear expectations should be established that staff will participate and implement the strategies taught. Supervisors should provide monitoring, support and ongoing feedback to ensure that strategies are well implemented across the district.
4. The district should evaluate the qualifications of professional development providers based on the effectiveness of implementation strategies. Devoting funds to “first time” presentations without sufficient funds for ongoing follow-up by teachers/principals substantially minimizes the effectiveness of professional development offerings.
5. The district should examine its approach to supporting new site principals to ensure that they receive the necessary support and training.
6. The state trustee should fully staff the district office with instructional personnel and assign specific responsibilities and accountability.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 3



5.3 Professional Development

Professional Standard

The LEA provides opportunities and ongoing support for teachers to collaborate on the analysis and improvement of curriculum, instruction, and use of assessment data.

Findings

1. The school calendar allocates a minimal amount of time for teachers to collaborate on analyzing and improving the curriculum, instruction, and use of assessment data.
2. Site principals and district representatives report that teachers need more training and guidance to conduct meaningful discussions on curriculum, instruction, and use of assessment data.
3. When the position exists at a school, many PIFs are used to perform administrative work and are not used effectively to assist teachers and students based on the needs identified during data collaboration meetings.
4. Principals and district representatives indicate that there is very little districtwide data for teachers to use to improve instruction. The data is used inconsistently from school to school and teacher to teacher to guide instruction, and many rely on end-of-unit assessments of the previously adopted curricula.
5. Observations of classroom instruction and reports by site principals indicate that differentiation of instruction based on needs developed through analysis of student performance data does not regularly occur in all schools and classrooms.
6. As a result of the district's lack of clarity about data during the 2013-14 school year, even efforts initiated in the previous year have stopped.

Recommendations for Recovery

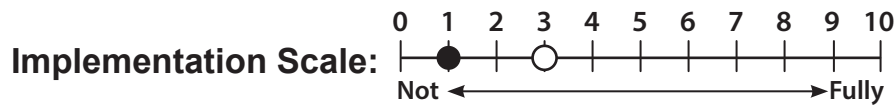
1. Teachers need additional training in using a protocol to analyze student performance data and determining how teaching instructional strategies should be adjusted as a result of the data analysis.
2. The principals of all school sites should require additional measures of accountability to promote openness about the topics of discussion during teacher collaboration time, the resulting next steps developed, and the support needed by the site principal or PIF.
3. Principal walk-through visits of classrooms should focus on implementation of strategies and differentiation of instruction resulting from data collaboration meetings, with frequent feedback to teachers based on observations.

- The central district office should be reorganized and effective staff hired to provide instructional and professional development leadership. At the time of FCMAT's fieldwork, no one was responsible for these critical needs. Improvement of pupil achievement will be static without strong leadership and direction from key central district office administrators.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 1



5.5 Professional Development

Professional Standard

The LEA plan includes budgeted coherent professional development activities that reflect research-based strategies for improved student achievement and a focus on standards-based content knowledge.

Findings

1. While there is a calendar of budgeted professional development available to school sites, there was little evidence that the resources were coherent or that they fit the needs of the schools and teachers.
2. These professional development opportunities were primarily about Common Core and Smarter Balanced testing, with a few other topic-centered trainings included (i.e., flipped classroom).
3. In 2013-14, the professional development opportunities offered to teachers seemed to be less about using strategies to improve student achievement. Compounding this problem, that professional development is not related to improving curriculum and instruction nor is the manner used to deliver it. The professional development offered is not sustained and ongoing, thus affecting the makeup of content.
4. There was no evidence of professional development tailored to principals. At the elementary level, principals did not have opportunities to learn and grow together as instructional leaders. Districtwide meetings were organized only to relay information to site principals rather than provide support and training for them to be instructional leaders.

Recommendations for Recovery

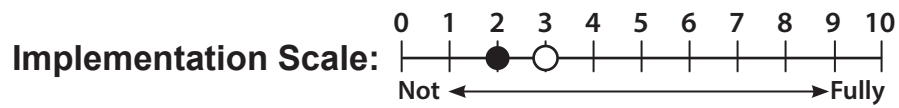
1. The district should create a comprehensive plan for professional development. The plan should articulate a theory of action and how professional development (or professional learning) will lead to improving leadership and teacher practice. Once this theory has been articulated, the different forms of professional development available should be aligned with it. At this point it should be clear which training should be supported and which might be abandoned.
2. Any professional development should be ongoing and not provided in a single-workshop format. Principals and teachers both need opportunities to practice what they are learning and receive appropriate feedback.
3. Principals should be provided with ongoing leadership development training so they can provide appropriate feedback to teachers.

4. A system to monitor and evaluate the effectiveness of the services provided by outside consultants should be created and used to determine when consultants are or are not building principal and/or teacher capacity.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 2



6.1 Data Management/Student Information Systems

Legal Standard

The LEA assigns and maintains Statewide Student Identifiers and maintains all data to be reported to the California Longitudinal Pupil Achievement Data System (CALPADS) and the Online Public Update for Schools (OPUS) necessary to comply with No Child Left Behind reporting requirements. (EC 60900(e))

Findings

1. The district assigns and maintains statewide student identifiers and maintains all data to be reported to CALPADS and OPUS, which is necessary to comply with NCLB.
2. The district has only one staff member assigned to oversee all aspects of collecting and reporting CALPADS data. The work is time- and labor-intensive, and the number of staff members assigned to complete it is insufficient. No budget has been allocated to increase the capacity of the office to support the state-required assessment work.

Recommendations for Recovery

1. The district's Aeries database should continue to be updated with student information to ensure future CALPADS submissions are timely and accurate.
2. The director of technology should be provided with sufficient resources, including assistance from other staff, to ensure that the district can comply with state requirements regarding maintaining statewide student identifiers and to work with the state regarding CALPADS and OPUS.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 3

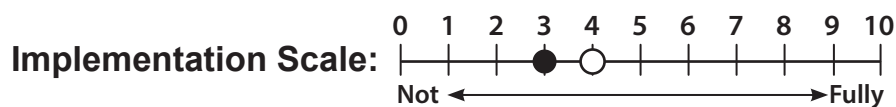


Table of Pupil Achievement Ratings

Pupil Achievement Standards		July 2013 Rating	July 2014 Rating:
1.1	LEGAL STANDARD – PLANNING PROCESSES Categorical and compensatory program funds supplement and do not supplant services and materials to be provided by the LEA. (20 USC 6321)	2	2
1.2	LEGAL STANDARD – PLANNING PROCESSES Each school has a school site council, comprised of teachers, parents, principal and students, that is actively engaged in school planning. (EC 52050-52075)	2	2
1.4	PROFESSIONAL STANDARD – PLANNING PROCESSES The LEA's policies, culture and practices reflect a commitment to implementing systemic reform, innovative leadership, and high expectations to improve student achievement and learning.	2	1
1.5	PROFESSIONAL STANDARD – PLANNING PROCESSES The LEA has fiscal policies and a fiscal resource allocation plan that are aligned with measurable student achievement outcomes and instructional goals including, but not limited to, the Essential Program Components. (Revised DAIT)	1	1
1.6	PROFESSIONAL STANDARD – PLANNING PROCESSES The LEA has policies to fully implement the State Board of Education-adopted Essential Program Components for Instructional Success. These include implementation of instructional materials, intervention programs, aligned assessments, appropriate use of pacing and instructional time, and alignment of categorical programs and instructional support.	2	1
1.8	PROFESSIONAL STANDARD – PLANNING PROCESSES The LEA provides and supports the use of information systems and technology to manage student data, and provides professional development to site staff on effectively analyzing and applying data to improve student learning and achievement. (DAIT)	3	1
1.9	PROFESSIONAL STANDARD – PLANNING PROCESSES The LEA holds teachers, site administrators, and LEA personnel accountable for student achievement through evaluations and professional development.	1	1
2.1	LEGAL STANDARD – CURRICULUM The LEA provides and fully implements SBE-adopted and standards-based (or aligned for secondary) instructional textbooks and materials for all students, including intervention in reading/language arts and mathematics, and support for students failing to demonstrate proficiency in history, social studies, and science. (EC 60119, DAIT)	4	2

Pupil Achievement Standards		July 2013 Rating	July 2014 Rating:
2.3	PROFESSIONAL STANDARD – CURRICULUM The LEA has planned, adopted and implemented an academic program based on California content standards, frameworks, and SBE-adopted/aligned materials, and articulated it to curriculum, instruction, and assessments in the LEA plan. (DAIT)	4	2
2.4	PROFESSIONAL STANDARD – CURRICULUM The LEA has developed and implemented common assessments to assess strengths and weaknesses of the instructional program to guide curriculum development.	3	1
2.5	PROFESSIONAL STANDARD – CURRICULUM The LEA has adopted a plan for integrating technology into curriculum and instruction at all grade levels to help students meet or exceed state standards and local goals.	3	1
3.1	LEGAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA provides equal access to educational opportunities to all students regardless of race, gender, socioeconomic standing, and other factors. The LEA's policies, practices, and staff demonstrate a commitment to equally serving the needs and interests of all students, parents, and family members. (EC 51007)	3	1
3.6	LEGAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA provides students with the necessary courses to meet the high school graduation requirements. (EC 51225.3) The LEA provides access and support for all students to complete UC and CSU required courses (A-G requirement).	5	7
3.7	LEGAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA provides an alternative means for students to complete the prescribed course of study required for high school graduation. (EC 51225.3)	5	7
3.10	LEGAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA has adopted systematic procedures for identification, screening, referral, assessment, planning, implementation, review, and triennial assessment of students with special needs. (EC 56301)	2	1
3.12	LEGAL STANDARD – INSTRUCTIONAL STRATEGIES Programs for special education students meet the least restrictive environment provision of the law and the quality criteria and goals set forth by the California Department of Education and the Individuals with Disabilities Education Act. (EC 56000, EC 56040.1, 20 USC Sec. 1400 et. seq.)	6	2

Pupil Achievement Standards		July 2013 Rating	July 2014 Rating:
3.13	PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES Students are engaged in learning, and they are able to demonstrate and apply their knowledge and skills.	2	1
3.15	PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA optimizes opportunities for all students, including underperforming students, students with disabilities, and English language learners, to access appropriate instruction and standards-based curriculum. (DAIT)	4	2
3.16	PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA makes ongoing use of a variety of assessment systems to appropriately place students at grade level, and in intervention and other special support programs. (DAIT)	2	1
3.17	PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES Programs for English language learners comply with state and federal regulations and meet the quality criteria set forth by the California Department of Education.	2	2
3.18	PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA employs specialists for improving student learning, including content experts and specialists with skills to assist students with specific instructional needs.	3	1
3.22	PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES The LEA offers a multiyear, comprehensive high school program of integrated academic and technical study that is organized around a broad theme, interest area, or industry sector. (EC 52372.5, EC 51226)	5	5
4.3	PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY The LEA has developed summative and frequent common formative assessments that inform and direct instructional practices as part of an ongoing process of continuous improvement.	3	1
4.4	PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY The LEA provides an accurate and timely school-level assessment and data system as needed by teachers and administrators for instructional decision-making and monitoring.	4	1

Pupil Achievement Standards		July 2013 Rating	July 2014 Rating:
4.5	PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY School staff assesses all students to determine students' needs, and whether students require close monitoring, differentiated instruction, additional targeted assessment, specific research based intervention, or acceleration.	3	2
4.10	PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY The LEA and school site administration monitor fidelity of program implementation in the delivery of content and instructional strategies.	4	2
4.12	PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY Written policies and procedures are in place to ensure that special education processes are conducted pursuant to federal and state laws and that staff is provided appropriate, ongoing training to ensure proper implementation.	6	2
5.1	PROFESSIONAL STANDARD – PROFESSIONAL DEVELOPMENT The LEA provides a continuing program of professional development to keep instructional staff, administrators, and board members updated on current issues and research pertaining to curriculum, instructional strategies, and student assessment.	4	3
5.3	PROFESSIONAL STANDARD – PROFESSIONAL DEVELOPMENT The LEA provides opportunities and ongoing support for teachers to collaborate on the analysis and improvement of curriculum, instruction, and use of assessment data.	3	1
5.5	PROFESSIONAL STANDARD – PROFESSIONAL DEVELOPMENT The LEA plan includes budgeted coherent professional development activities that reflect research-based strategies for improved student achievement and a focus on standards-based content knowledge.	3	2
6.1	LEGAL STANDARD – DATA MANAGEMENT/ STUDENT INFORMATION SYSTEMS The LEA assigns and maintains Statewide Student Identifiers and maintains all data to be reported to the California Pupil Achievement Longitudinal Data System (CALPADS) and the Online Public Update for Schools (OPUS) necessary to comply with No Child Left Behind reporting requirements. (EC 60900(e))	4	3
Collective Average Rating		3.23	2.03

Sources and Documentation

School accountability report cards for all schools, published fiscal recovery plan (4/16/2014)

2013-14 adopted budget

Budgets for categorical and compensatory programs

Observation/visits of schools and classrooms

Review of all school site plans, 2013-14

School plan resource allocations, 2013-14

State and federal compliance reviews

Comprehensive local plan for special education

District technology plan 2008-2013

IUSD testing calendar

Assistant superintendent's schedule of preliminary meetings with principals for their annual evaluation

Sample teacher observations

Teacher performance observation and evaluation form

Samples of school site council minutes from selected schools

Samples of school site council membership rosters from selected schools

LEA plan

State and local student benchmark data reports

List of adopted textbooks, grades 1-12

Inglewood High School, Morningside High School and City Honors High School list of courses

Inglewood High School, Morningside High School and City Honors High School career/course plan of study

District graduation requirements and A-G requirements

Inglewood Unified School District comprehensive assessment calendar

Saturday school brochure for attendance recovery - elementary, middle and high school students

Credit Recovery Program statistics: sites, dates, number of students, names of teachers

Master list of course offerings and teacher assignments (master schedules) in each high school

List of high school courses, Inglewood Unified published graduation requirements; continuation high school list of courses

Observations in continuation school for students to complete the prescribed course of study required for high school graduation

Alternative routes to graduation requirements from Inglewood High School

Alternative routes to graduation requirements from City Honors High School

Alternative routes to graduation requirements from Morningside High School

Saturday school brochure (Academic Attendance Recovery Coordinated Program)

Inglewood High School online credit recovery statistics

Special education policies and procedures, parts 1, 2, 3, 4 (2011-2012) authored and implemented in response to the CDE verification review of 2011

Comprehensive local plan for special education

Special education student accommodation plans

State and local benchmark assessment results

Title III year 4 plan

Documentation from Los Angeles County Office of Education reviews of the district's ELD program

School schedules indicating ELD and intervention periods

Teacher assignments for instruction of students with disabilities

Sample schedule of individualized education plan (IEP) meetings

Documentation from Los Angeles County Office of Education reviews of the district's ELD program

School schedules indicating ELD instructional periods

Course offerings at each high school

List of courses at the high schools demonstrating integrated academic and technical study that are organized around a broad theme, interest area, or industry sector: Geometry, physics, principles of engineering, and introduction to engineering design are combined with our students' ongoing participation in the UCLA MESA program and in the Northrop-Grumman High School Intern Program (HIP).

Course/program offerings at the Southern California Regional Occupation Career Technical Center

Morningside High School STEM program

Morningside High School Math/Science Health Magnet

Elective course/program offerings at Morningside High School, including business technology, culinary arts, media design, medical assistant, and industrial arts coursework

Elective course/program offerings at Inglewood High School, including business practices, SCROC business occupations, JROTC, SROC silk screening, and graphic design coursework

Plans for an engineering pathway program to be implemented at Morningside High School in SY 2014-15

Instructional intervention schedules from various schools

Special education policies and procedures, parts 1, 2, 3, 4 (2011-2012) authored and implemented in response to the CDE verification review of 2011

Samples of training provided to staff by the SELPA; teacher sign-in attendance sheets at trainings

Professional development offerings and agendas

Evaluations by principals and teachers of in-service training held in 2013-14

Various “by school” professional development activities

CALPADS documentation for in-service

Instructional Technology Department trainings

Information Technology Network and Computer Operations Training Goals

Inglewood Unified School District Professional Development Plan for 2013-14

Sample teacher evaluation

Teacher performance evaluation and assessment form

Collective bargaining agreement between the Inglewood Unified School District and the Inglewood Federation of Teachers (IFT)

The strategic plan summary 2008-2013

State and local student benchmark data reports

List of personnel with bilingual capability in front offices of each school

District supplied responses to several standards

Agendas from principals meetings

Agendas from administrator retreats

Aeries database information

2013-2014 Schools Directory

Roster of district office staff

Evaluations by principals and teachers of districtwide in-service meetings

IUSD continuum for the implementation of the Common Core State Standards

IUSD education services division focus indicators 2013-14

Sample of previous certificated management evaluation form

Sample of revised (2013) certificated management evaluation form

Consultant agreements 2013-14

List of professional development providers for 2013-14

Board policies

0100.1(a) Philosophy and Goals

0101(a) Philosophy and Goals in Instruction

0200(a): District Philosophy, Goals, Objectives, and Comprehensive Plans/Goals for the District (2013)

0402(a), Nondiscrimination in District Programs and Activities

0402(b) and 0402 (c), Nondiscrimination in District Programs and Activities Access for Individuals with Disabilities

0420(a) Philosophy, Goals, Objectives and Comprehensive Plans: School Plans/Site Councils (b), (c) Single Plan for Student Achievement

0420(b) and 0420(c) Nondiscrimination in District Programs and Activities Access for Individuals with Disabilities

0420(d-f) School Plans for Categorical Block Grants 2008

0430(a), Philosophy, Goals, Objectives, and Comprehensive Plans

3000(a-f), Business and Non-Instructional Operations Concepts and Roles

3100(a), Business and Non-Instructional Operations Budget 2011

6000.1(a) Instruction: Courses of Study 2008

6000.2(a) Instruction: High School Graduation Requirements 2007

6146: Instruction – Elementary/Middle School Promotion Requirements

6151.1: Instruction – Class Assignment

6162.5(a): Instruction – Student Assessment

6171: Instruction – Identification and Evaluation of Individuals for Special Education

Job descriptions for the following:

Teacher specialists

Executive director of secondary school support

Director of categorical programs

Coordinator of assessment

Interviews with district staff

Financial Management

1.1 Internal Control Environment

Professional Standard

All board members and management personnel set the tone and establish the environment, exhibiting high integrity and ethical values in carrying out their responsibilities and directing the work of others. Appropriate measures are implemented to discourage and detect fraud. (State Audit Standard (SAS) 55, SAS 78, SAS 82: Treadway Commission)

Findings

1. While the district has policies on its code of conduct, conflict of interest, and ethics, most policies are severely out of date, and some have not been revised in more than 23 years. As a result, many may not comply with current law and district practice. Board policies and administrative regulations are based on laws and legislation contained in numerous documents, including the Education Code, Government Code, Public Contract Code, federal regulations, case law, district practice and experience. Board policies and regulations are a key component of internal control and provide the guidelines and directives necessary for a district and its personnel to operate. Because they are based on laws and regulations that are frequently revised, it is important to ensure that board policies are updated to reflect changes in this legislation.

There are various ways to update policies and administrative regulations, including using attorneys to ensure that current law is followed. A more economical approach is to contract with a third party to identify policies that are missing or out of date. Recent advisory board agendas indicate that the district has continued a contract with the California School Boards Association (CSBA) for a subscription to its Gamut manual maintenance; however, because of recent district turmoil and the elimination of a position directly related to this function, the updates were either not processed or could not be accessed during the FCMAT interview period, and questions have arisen regarding the viability of some board policies. As a result, the district should consider contracting with CSBA to participate in a three-day policy development workshop. This workshop would enable the district to update and develop board policies en masse, utilizing the on-site expertise of CSBA's consultant. As the district works through the process of updating policies, it will be important to include the district's upper-level administrators to provide additional guidance and expertise in the practical application of the board policies or administrative regulations in their departments/areas of expertise.

2. Board policies (BP) relating to professional standards and code of ethics applicable to employees are usually found at BP numbers 4119, 4219, or 4319, depending on whether the employee is certificated, classified or management. The district's website provides a link to board policies and administrative regulations, which have been combined into one item, and shows Responsibilities of Teachers and Professional Code of Conduct to be BP 4218. However, there is no code of conduct for classified or managerial employees. BP 4218 includes the responsibilities of teachers, guiding principles for commitments to students, public, and profession, and speaks generally of unprofessional conduct, but should delineate specifics regarding this conduct, what to do if it is observed, the consequences such as reporting to law enforcement, and a prohibition against retaliation.

The district did not include a code of ethics policy in the 2008-09 handbook for certificated employees provided to new teachers. No similar handbook for classified or management employees was provided to FCMAT. Interviews with district administration and staff found that they did not know the district had an ethics policy, had not been asked to sign it, and did not participate in any training or discussion on the subject.

3. Board members and employees designated in the district's conflict of interest code (Board Bylaw 9270) are required by Government Code 87500 to annually file a statement of economic interest/Form 700 to disclose any assets and income that may be materially affected by official actions. The district's policy has not been updated in seven years, and the district positions filing Form 700 as designated in that policy are generally not reflective of the positions that filed for the 2013 year or that are in the district. While the district provided FCMAT with a draft, Exhibit B, showing handwritten changes, the final Exhibit has not been posted online to reflect board approval nor was a final, board approved copy provided. Therefore, FCMAT's review of the Form 700 filings is in conjunction with the online policy that lists the following positions as being responsible for filing Form 700 annually in addition to its board members:

- Superintendent
- Chief operations officer
- General counsel
- Assistant superintendents of
 - i. Academic services
 - ii. Human resources
- Inspector general
- Adult school principal
- Consultant
- Directors of
 - i. Maintenance, Operations and Transportation
 - ii. Fiscal Services
 - iii. Safety, Security & Emergency Planning
 - iv. Special Projects
 - v. Curriculum and Instruction
 - vi. Risk Management
 - vii. Information Technology
 - viii. Food Services

Documentation provided to FCMAT indicates that Form 700 was not requested from the director of risk management or any consultants. Of those that were requested by the district to provide Form 700, regardless of which exhibit was used, filings from one board member, the chief facilities and operations officer, the director of food services and the executive director school and community relations were not completed and returned to the district office. Although Board Policy 9270 provides for filing Form 700, within 30 days of assumption of office and within 30 days of leaving office, it appears that only annual certifications were requested. Several of the filings were incomplete.

4. District staff and administration indicated that some vendors were not necessarily hired based on qualifications and/or cost. Allegations regarding hiring decisions being based on attributes other than qualifications were made in the prior review period and continue into the current review period. Many district staff members of varying levels reported that even with the change in state trustee, they believe this culture has not shifted to any great extent. One employee related that new administrative positions were established in the current year, increasing salary and benefit expenditures for those positions; however, the old positions were eliminated effective for the 2014-15 school year with both the original and new administrative staff collecting salaries and benefits for the current year.

Although improving an organization's ethical culture takes time and effort, the process has to begin with top administrators making clear decisions and speaking to the employees about expectations for behavior. This should include ethical and unethical behavior and the consequences for the latter. This approach is often referred to as the "tone at the top," and it is important that administration model this behavior to show that the rules are the same no matter the position.

Complicating this process are the changes in the district's top management, including the appointment of a new state trustee, the new positions of chief operations officer and executive director/fiscal advisor replacing the assistant superintendent business services and business and fiscal services coordinator positions as well as the elimination of the positions of assistant superintendent, education services and assistant superintendent, human resources. Many key positions were filled with consultants at the time of FCMAT's interviews. All these changes can prompt confusion among employees about the expectations of each manager or administrator in these positions.

5. Some of the most common means of detecting fraud are employee reporting and anonymous tips. These methods are typically most effective when employees have access to a suggestion box or a tip line that gives individuals the choice of identifying themselves or remaining anonymous. The mere existence of such mechanisms will deter some employees from acting unethically or illegally. The district has not established an anonymous means of reporting fraud or questionable activity, although Business Services Department administrators indicated that they would be participating in the "We-Tip" program offered by the insurance provider. While some district employees indicated they would be comfortable reporting these issues to their supervisor or the campus police, others expressed fear of retaliation.

A district should also have written procedures indicating who receives tips, what to do when information is received, such as determining the level of investigation warranted, deciding who should perform an investigation, and reporting the results of those inquiries.

6. Fraud and the misuse of physical or cash assets occur when three factors, known as the fraud triangle, converge: pressure or motive, opportunity, and rationalization or lack of integrity. When two of the three factors are present, the probability that fraud may occur increases. With three factors, it is almost certain that fraud may occur.

A common motive is the need for money, which may be present given any individual employees' circumstances. The third factor, rationalization or lack of integrity, has reportedly been prevalent in the past and, as was reported by ABC News; three district employees were indicted in September 2013 for embezzlement. In addition, employees who perpetrated questionable acts were allowed to return to the same positions, with access to district assets, where these acts were allegedly committed. The remaining factor is opportunity, which varies depending on an employee's assigned duties. The district's 2008-09, 2009-10, 2010-11 and 2011-12 audited financial statements identified various opportunities for fraud and presented them as audit findings. One was reported in 2008-09 and repeated in three subsequent years because it was not adequately addressed. Others were reported and carried into one or two subsequent years.

Of greater concern is the increasing number of audit findings during these four fiscal years as well as the increase in the number of those considered to be material weaknesses. Material weaknesses are those that rise to a higher level of concern because they are a significant deficiency that results in a higher likelihood that the district's internal controls will not prevent or detect a material misstatement of financial statements.

Audit Findings		Material Weaknesses	
Fiscal Year	Number	Number	Area
2008-09	11	0	
2009-10	13	0	
2010-11	16	1	Financial Statements ASB Bank Reconciliations
2011-12	20	6	Financial Statements ASB Bank Reconciliations Inventory and Fixed Assets Cafeteria Competitive Sales Payroll Human Resources Cash With Fiscal Agent

To prevent findings from becoming acts of fraud, the district should ensure each function has proper internal controls. One way to achieve this is by developing department policies and procedures as well as desk manuals for each position. A business department policies and procedures manual provides an opportunity to plan and diagram internal controls as well as written standards regarding transactions for the business office, school sites and other district departments. Desk manuals include step-by-step procedures for the majority

of the job duties and are important to ensure proper internal controls and provide a better understanding of each position's responsibilities. FCMAT was provided with policies and procedures for many areas in the financial management section; however, these were a combination of policies and procedures and desk manuals with some key functions missing such as accounts receivable and salvaged books and equipment. Some contained duplicative material, which can be confusing if this includes conflicting information.

The district has adopted a resolution regarding the handling of salvaged and/or damaged instructional materials and surplus materials (see Standard 16.1 below). These procedures are very prescriptive; however, they are available by reviewing board agendas and there was no documentation provided to FCMAT to substantiate that they had been provided to employees. FCMAT's interviews indicated that the procedures that upper-level administrators thought were being followed had little resemblance to those being used by district staff. When district staff were asked for copies of the procedures that they followed, they were unable to produce any document that reflected the procedures spelled out in the board resolution.

In the district's audited financial statements for the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012, the auditor's opinion included a paragraph regarding the district's ability to continue as a going concern. It also included an audit finding expressing the auditor's apprehension about the district's ability to meet its financial obligations.

As of the date of the FCMAT interviews, the 2012-13 audit report findings and recommendations had not been released. Staff development and internal control procedures in response to external audits can be developed and implemented based on management exit interviews with external auditors and draft findings. Interviews with business services staff provided no evidence of the reduction of opportunities for fraud and the misuse of physical or cash assets as a result of information garnered from external audits or employee arrests.

7. In an effort to identify potentially questionable or unethical behavior, Business Services Department administrators research unauthorized purchases and problematic expenses/reimbursable items, and notify the employee seeking the expenditure or reimbursement via e-mail. The state trustee and chief operations officer are included in these e-mails. This provides documentation of the communication as well as the ability to keep upper-level administrative staff aware of potential ethical issues. This also provides awareness to the employees involved that they are accountable to upper levels of the organization for their actions. As of the time of FCMAT's interviews, Business Services Department administrators indicated that the district had not taken steps to request reimbursement from employees related to unauthorized or unreasonable transactions identified through this process.

Similarly, the Business Services Department administrators have added their approval to the final accounting transaction processes in an effort to show that all work is being reviewed at the highest levels.

Recommendations for Recovery

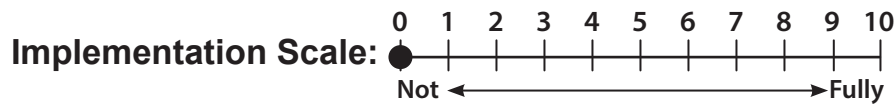
1. The district should immediately update its board policies and administrative regulations using the CSBA's policy development workshop and Gamut manual maintenance.
2. The upper-level manager or administrator from each applicable department should be included when adopting or revising board policy.
3. The district should require board members and designated employees to file statements of economic interests/Form 700 upon taking office, leaving office and annually. The list of designated employees should be updated more frequently, based on the placement of consultants and executive personnel.
4. Management decisions and the reasons they are made should be clear to the district staff.
5. The district should regularly train all employees in district expectations and standards for ethical behavior, the board's policies and regulations, and the consequences for not adhering to these standards.
6. Board policies and administrative regulations on ethics should be included in the packets for new and returning employees, and each employee should be required to acknowledge that he or she has received and reviewed the information.
7. The district should follow through on the establishment of an anonymous hotline, provide training, and encourage the employees, students, community members and board members to report any questionable activity. Written procedures should be established for retrieving the information reported; a protocol for determining the level of investigation warranted; a means of determining who should perform an investigation; and procedures for reporting the results.
8. Each required function should have proper internal controls.
9. The district should ensure that a single, comprehensive policies and procedures manual is created for the Business Department and train departmental and site staff in its use.
10. Desk manuals of employee duties should be developed, and the manual for each position should include a step-by-step procedure for all assigned duties.
11. The district should form an audit committee to provide another level of oversight to help ensure proper operations and adequate follow-up to audit findings.
12. Processes and procedures adopted by the board should be distributed to the employees affected, instruction provided regarding their use, and the employees allowed an opportunity to ask questions so that they may fulfill the directives of the state trustee and the board.

13. The Business Services Department should continue to review and follow up on questionable items so that employees are aware that they are examined by upper management. The district should review individual incidents and, if appropriate, refuse payment to either the vendor or reimbursement to the employee as well as follow through on penalties and consequences for employees' actions.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



1.3 Internal Control Environment

Professional Standard

The organizational structure clearly identifies key areas of authority and responsibility. Reporting lines in each area are clearly identified and logical. (SAS55, SAS78)

Findings

1. The district was unable to provide FCMAT with a districtwide organizational chart, and those provided by departments/divisions and schools varied in how they depicted the organization. Some showed the department/division as a stand-alone entity. Some departments provided only management positions and others showed all positions. Some charts, such as the one found Monroe Middle School, depicted their relationship to the entity as a whole; however, without the districtwide organizational chart, FCMAT was unable to determine how all schools, departments and divisions fit together as a cohesive entity. None of the organizational charts provided reflected the current upper-level management structure. There is confusion over where the new organizational structure came from and who is responsible to update it and depict it. The Human Resources Department staff indicated that the Business Services Department was solely responsible for the current organization structure while others believe the new structure comes from the state trustee. There is also confusion about who is responsible for the creation of organizational charts for the district. The Human Resources Department believes that the Business Services Department should create the chart while the state trustee indicated that he has already drawn it. Regardless of who is responsible, the chart was not provided to FCMAT. After interviews, Human Resources staff also indicated that a needs assessment of their division was not performed prior to the restructure. Many of the department manuals provided contained departmental organizational charts that needed to be revised to reflect the current organizational structure.
2. The district's administrators and business services staff indicated they knew who their supervisor is and understand the concept of chain of command; however, this was not necessarily the case with the positions in other divisions or at the sites. Some site staff expressed confusion regarding who to call for routine lawn maintenance or with employee payroll errors.
3. Principals indicated that there were no opportunities to review the recent district office restructure and resulting shift in responsibilities. They indicated that the only reason they circumvent the chain of command is that they don't know which responsibilities belong to which individual.

Recommendations for Recovery

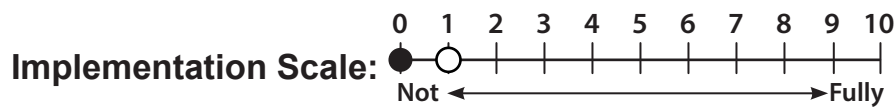
1. A districtwide organizational chart should be developed that identifies all management and district support staff positions and their reporting structure.

2. The district should ensure that lines of reporting are clearly defined on the organizational chart, and distribute the chart to all employees to help ensure that they know who they report to and who is in the chain of command above their supervisor.
3. A thorough needs assessment should be performed prior to any restructuring.
4. It is imperative to the operations of the district that any changes to the organization structure and/or duties be clearly communicated in writing to all employees. Once these changes occur, administrators and managers must regularly communicate with all divisions, as well as sites, as duties are reassigned.
5. A list of district office employees and job duties should be distributed to all divisions and site administrators.
6. All employees should be trained in the concept of chain of command.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



2.1 Inter- and Intradepartmental Communications

Professional Standard

The Business and Operational departments communicate regularly with internal staff and all user departments on their responsibilities for accounting procedures and internal controls.

Communications are written when they affect many staff or user groups, are issues of importance, and/or reflect a change in procedures. Procedure manuals are developed. The Business and Operational departments are responsive to user department needs.

Findings

1. The district has historically lacked a systematic process for effective communication between the Business and Operational departments and between district office departments and school sites. This circumstance was exacerbated by frequent and routine turnover in administrative and management positions over the last several years.

Changes in district leadership and management roles have continued since FCMAT's last review. The instability of management personnel has a direct effect on communication quality districtwide.

2. Some administration and departmental management reported increased involvement from the district and increased communications pertaining to the implementation of findings, addressing the identified needs of the district, and an increased focus on improving services, meeting compliance requirements and utilizing services that will affect incurred costs. However, many administrators, departmental and school site personnel continue to cite a general lack of cohesiveness throughout the organization and an overall lack of ineffective communication systems that inhibit decision-making, especially on budgetary issues.
3. No districtwide communication is disseminated to district staff providing updates pertaining to current events and district activities. The state trustee reported that he has embarked on a "listening tour," visiting school sites and speaking with staff. Certificated and classified school site staff members are reportedly offered the opportunity to participate in one-on-one discussions during these visits. The state trustee also reported aggressive community outreach, engaging in conversations in several community forums, understanding the importance of keeping the community informed and up to date on the obstacles facing the district during its recovery period and the progress on new educational programs for students. However, other than the state trustee reporting about these efforts and reports contained in board meeting minutes, no additional documentation was provided to FCMAT to confirm these efforts.
4. Interviews with the chief operations officer indicated that several means of communications within and outside the district are being explored. These include the development of a single-page flyer on current events and pertinent facts about the district that would be disseminated to staff as well as through school site council, parent meetings, student handouts, and mailers. Additionally, electronic communications to staff,

website enhancements and attendance at community service organization meetings were also mentioned as additional ways that are being explored to improve communications with the district, parents and community members. While the chief operations officer discussed these ideas, no documentation was provided to FCMAT that showed any concrete action was taken or indicated whether the idea has been broached among upper-level administration at the district.

5. The district is reorganizing the administrative team along with dissolving all assistant superintendent positions in the district. This process has been termed as “flattening of the organization” by the state trustee. The cabinet has been restructured. During this transition, the state trustee meets primarily with the chief operations officer for updates on the status of operations throughout the district. District office staff and school site personnel report that it is sometimes difficult to know who is responsible for what area, where to direct their questions, or with whom to seek guidance and/or direction as a result of the changes in the administrative structure.
6. With the flattening of the organization, the director of secondary education support services is the immediate administrator responsible for overseeing secondary education. The director meets twice each month with secondary school site administrators and is available and included when issues arise. The district position that has been responsible for overseeing the district’s primary-level educational programs has been eliminated, and there had been no decision at the time of FCMAT’s visit about who would assume those duties. At the time of fieldwork, the district had also not developed an organizational chart that depicted the most recent reorganization, and no one had been selected to take over primary education duties. Consequently, the communication structure between the state trustee and the person assigned primary education duties is unknown.
7. Principals’ meetings conducted to address educational issues, communicate focused expectations, accountability and planning have been inconsistent with the shift in the administrative structure. These meetings should be routine and designed to address educational issues and should be focused on the expectations of the administration, accountability, planning and communicating the direction of the educational program including district established goals and objectives.
8. Departmental leadership in the business office report that they are working on establishing a system for routine communications between functional areas including business, personnel and payroll. A routine meeting schedule has been established to discuss functions that overlap or affect duties between these departments and develop approaches to working together. The departmental leadership intends to orient staff from the departments on processes and procedures for conducting particular functions and improving internal controls.

It is evident that attempts were made to establish a framework for routine interdepartmental communications in the form of monthly meetings between the Human Resources and Business Services departments. FCMAT reviewed agenda's for five meetings conducted from January 2014 through April 2014. This review suggested that they have not been made a priority or have been rescheduled and/or delayed. Additionally, the content of each agenda remained unchanged, suggesting little or no progress for each content area.

9. The district has several operating manuals available for employees. District staff reported that manuals were updated during this review period; however, none reflect a date of the actual revisions. One of the manuals shows that an update was performed during the 2013-14 year as evidenced by a new calendar included in the document while others have retained a March 1, 2012 date of last revision.

The content of these manuals should be routinely reviewed and updated in conjunction with changes in procedure. At least annually, the district office departments should update the procedures manuals and ensure that each school site and department has the latest version. Since FCMAT's last review, the district conducted trainings for personnel in various focused content areas including attendance accounting procedures, student information systems, work order systems and purchase requisition systems. The district should continue to focus on routine trainings that reinforce district policies and procedures.

Recommendations for Recovery

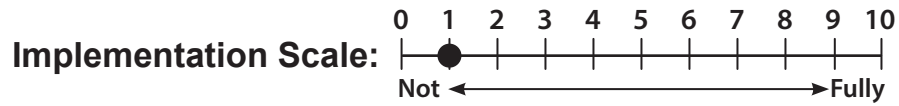
1. The district should continue to develop and enhance efforts to establish a systematic process for effective communication between the Business and Operational departments and between district office departments and school sites.
2. The district should continue its efforts to establish a communication system that provides cohesiveness throughout the organization and also improves decision-making, especially on budgetary issues.
3. The district should continue efforts to establish and conduct regularly scheduled community meetings that provide current information on the district's recovery plan.
4. Routine principals meetings should be conducted focusing on the expectations of the administration, accountability, planning and communicating the direction of the educational program based on district-established goals and objectives.
5. The district should commit to established routine inter-departmental meeting schedules and update agendas to reflect content progress and progressive elements for each subsequent meeting.
6. Procedures manuals should be routinely reviewed and updated as changes in procedure take place. At least annually, district office departments should update their procedures manuals.

7. The district should provide each school site and department with the latest version of district procedure manuals.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



2.3 Inter- and Intradepartmental Communications

Professional Standard

The board is engaged in understanding the fiscal status of the LEA, for the current and two subsequent fiscal years. The board prioritizes LEA fiscal issues, and expects reports to align the LEA's financial performance with its goals and objectives. Agenda items associated with business and fiscal issues are discussed at board meetings, with questions asked until understanding is reached prior to any action.

Findings

1. Board agendas and subsequent board minutes include limited information on the fiscal impact of requests being considered before ratification, approval or denial by the state trustee. Board agendas and minutes also include a summary total of batched purchase orders, but not a detailed list of those purchase orders.

Education Code Section 17604 requires all contracts and purchase orders to be approved by the state trustee or governing board. A complete list of all purchase orders should be available for review and attached as an exhibit to the board agenda. In addition, the district should attach each contract presented for ratification rather than a brief summary of services and dollar amount. This will allow questions to be asked before approval and/or ratification.

2. FCMAT was not provided with packets or exhibits presented during board meetings. The district's website provided limited access to minutes at the start of FCMAT's fieldwork; however, that access was almost entirely eliminated during the writing of this review. Consequently, FCMAT's review consisted of any agendas or minutes team members could save in hard copy form, those provided within the other operational areas of this review, and any specific portions of agendas or minutes provided by the district related to an explicit item.
3. Board members do not consistently attend all governing board meetings. FCMAT's review of board minutes provided in other operational areas of the review showed that of the 12 board meetings conducted between October 16, 2013 and March 14, 2014, one board member attended nine meetings, two attended six meetings, one attended one meeting, and one member did not attend any meetings. It is essential the board members attend all meetings to gain a broader understanding of the administration led by the state trustee and the district's fiscal matters. At the meetings attended, discussions of the district's financial activities and situation were brief, providing only a generalized overview of the status of fiscal conditions.
4. Board members are provided with an opportunity to comment during each board meeting. While one or two board members expressed an interest in content related to fiscal matters, there was little evidence to suggest that they are routinely educated on these issues. The state trustee and the chief operations officer expressed their expectations to incorporate input from teachers, principals, parents and the community in developing

budget presentations. Based on comments made by the board on March 14, 2014, there appeared to be at least one presentation during the period under review. However, FCMAT could not assess the content of that presentation since the district did not provide documentation. Responses to fiscal questions posed by board members on specific fiscal matters were generally provided by the state trustee or chief operations officer.

5. Board minutes provided to FCMAT in other operational areas show limited discussion by the state trustee on the realignment of educational goals and objectives as part of the overall plan to reduce deficit spending and correct the structural budget deficit. Comments made by board members during meetings attended indicated some interest in fiscal matters; however, questions were relatively limited and were followed by the state trustee indicating he would provide more detail in the future.
6. There is no evidence that the board participates in budget development or understands the budget and the severity of the district's financial situation. In an interview, one board member asked whether the district would have its governing authority restored by the coming fiscal year. This reflects a lack of understanding about the process of obtaining a state loan and the process required to restore powers to the district and its governing board. The district should schedule study sessions that provide board members with narrative executive summaries and detailed information. Board members could also benefit from budget training to help them better understand the entire budget process and make informed decisions.
7. Information should be provided to the board regarding a budget overview, current assumptions, enrollment projections, year-over-year trends, multiyear financial projections, cash flow actuals to date and current year projections, and the status of the emergency state appropriation balance at each reporting period.
8. A review of board policies and administrative regulations indicates that most are severely out of date. The state trustee should develop and update the business and noninstructional board policies and administrative regulations with the assistance of the administrator responsible for each division including Business, Academic Services and Human Resources.

Recommendations for Recovery

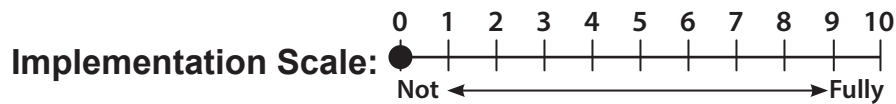
1. A complete list of purchase orders should be attached as an exhibit to the online board agenda and in each board packet.
2. Contracts presented for ratification should be in their entirety and include an analysis of their fiscal impact.
3. The district should provide online access to all board agendas, board packets and minutes to allow all those affected to access the information discussed.
4. Board members should attend all meetings and actively demonstrate a desire to seek understanding on all fiscal matters presented.

5. The district should conduct and the board should attend budget committee meetings and workshops to gain a stronger understanding of the district's budget and fiscal decisions. Information should be provided and reviewed with the board regarding a budget overview, current assumptions, enrollment projections, year-over-year trends, multiyear financial projections, cash flow actuals to date and current-year projections, and the status of the emergency state appropriation balance at each reporting period to improve board members' understanding of the district's fiscal condition.
6. The district should develop and update business and noninstructional board policies and administrative regulations with the assistance of the administrator of each division including Business, Academic Services and Human Resources.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



3.1 Staff Professional Development

Professional Standard

The LEA has developed and uses a professional development plan for training business staff. The plan includes the input of business office supervisors and managers, and identifies appropriate training programs. Each staff member and management employee has a plan designed to meet their individual professional development needs.

Findings

1. The district does not have a formal staff development plan for the Business Division, nor are individualized plans developed based on individual staff member professional development needs. Board Policy 4310 specifically states “the superintendent or designee shall develop a program of ongoing staff development” for classified staff. Although sporadic training took place during the review period, the content was generalized instead of being tailored to the needs of each staff member. Limited training opportunities were offered to department and school site staff in focused content areas, including the automated requisition system for purchasing, Aeries student information system for enrollment, attendance and CALPADS reporting and School Dude work-order system between September 2013 and January 2014.

To identify where the greatest training needs are, the district leadership should use routine evaluation of areas where deficiencies were identified, including the annual audit reports or other regulatory agency reviews, combined with observations based on performance of assigned duties for each position. This content should be used in conjunction with input of business office supervisors and managers to identify appropriate training programs targeted to meet the identified professional development needs of business staff.

2. Business office staff acknowledged that while they are encouraged to attend professional development activities, they are responsible for identifying opportunities and requesting approval to attend. There is no structured schedule or system to identify focused training needs.

Recommendations for Recovery

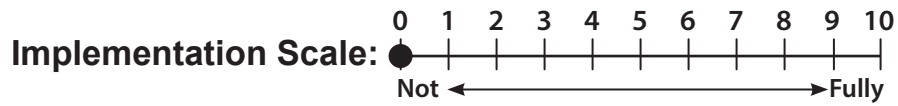
1. A formal staff development plan should be developed for the Business Division targeted to specific district goals and/or objectives. The district should evaluate areas associated with the foundational concepts and procedures of the district business office as well as content areas where deficiencies were previously identified in the annual audit reports or other regulatory agency reviews. The input of business office supervisors and managers should be used to identify appropriate training programs targeted to meet the identified professional development needs of staff members.
2. Appropriate resources should be identified to fund the training identified in the staff development plan.

- The district staff should attend routine trainings offered by the county office and seek additional fiscal training and guidance to develop and enhance sound business practices and technical skills of department staff.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



3.2 Staff Professional Development

Professional Standard

The LEA develops and uses a professional development plan for the in-service training of school site/department staff by business staff on relevant business procedures and internal controls. The plan includes a process to seek input from the business office and the school sites/departments and is updated annually.

Findings

1. The district has not established a formal staff development plan to evaluate and provide targeted training for school site/department staff. Periodic training has occurred in isolated content areas since FCMAT's last review period, but is inconsistent and attendance requirements are loosely applied.
2. The district does not have a process for identifying the professional development needs of school site/department staff or a plan for business office staff members to provide routine training and oversight. Instead, business office staff provide staff members with trainings only when requested. During FCMAT interviews, school site administration and support staff identified inconsistent levels of training from the district's business office in core operational practices, including budget development and management. Review of relevant business procedures and overview of internal controls is infrequent, inconsistent or completely lacking. School site administrators report the need for more training on district policy, procedures and protocols for routine business functions.
3. A business office staff needs assessment can be the basis of an effective professional development plan that integrates professional development opportunities for school site personnel. The plan should include a measurement matrix to help management evaluate targeted training opportunities by comparing them to productivity and performance objectives and should be updated annually.

Even though most managers and some school site principals indicated they have online access to financial system reports, they continue to report that they have not received adequate training on which reports to review and how to interpret the information. During the last fiscal year, the district offered and conducted follow-up training for the online requisition system for school sites and auxiliary departments.

School site/department staff should receive routine guidance and training in all content areas related to business activities including, but not limited to, budget management, procurement, enrollment and attendance and ASB (if applicable). A best practice is to ensure staff members receive annual trainings to refresh, update or correct routine practices. Additionally, staff member turnover or movement is not uncommon, and all new staff members, either to a district, site/department or position, should receive training upon assuming the position.

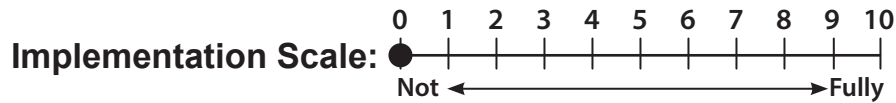
Recommendations for Recovery

1. A formal staff development plan should be developed for the business staff to provide school site/department staff with in-service training on relevant business procedures and internal controls.
2. The district should conduct a needs assessment for business office personnel and staff working with ASB to develop a professional development plan that identifies focused training on relevant business procedures and internal controls and includes a measurement matrix to evaluate productivity and performance objectives.
3. School site/department staff members should receive annual trainings to refresh, update or correct routine practices. Additionally, all new staff members, either to a district, site/department or position, should receive training upon assuming the position.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



4.2 Internal Audit

Professional Standard

Internal audit findings are reported on a timely basis to the audit committee, board and administration, as appropriate. Management then takes timely action to follow up and resolve audit findings.

Findings

1. The primary objective of an internal audit is to provide the district management with an independent assessment of monitoring systems; review procedures; authorization processes; and organization risk and controls. Internal audits also provide an opportunity for the district to improve and mitigate overall risk, including the detection of fraud or misappropriation of funds by employees in the normal course of business. The district has not established an internal audit function.

The state trustee should ensure an audit committee is established and that an internal audit is performed to assure the district that organizational risk is minimized, and policies, procedures, laws and regulations are followed.

Internal audit findings should be resolved in a timely manner to the satisfaction of the independent internal auditor. Additionally, procedures should be established to prevent any similar findings from occurring in the future.

2. Management is responsible for resolving any findings and recommendations as a result of the district's annual independent audit. This is especially critical if the district's findings are in accordance with Education Code Section 41344, which may require the repayment of a penalty arising from an audit exception for average daily attendance or other related data that did not comply with statutory requirements as a condition of apportionment. The district does not have an audit finding policy or administrative regulation that establishes the procedure to address audit findings in a timely manner. At a minimum, the district should develop an audit finding resolution worksheet that includes the following:
 - Each department and staff assigned to address each specific audit finding.
 - Information on when the audit finding was discussed with the affected department, a proposed audit finding resolution date and actual date of audit finding resolution.
 - Signatures, with the date signed, from each department affected by the finding, the business and fiscal services coordinator, and the chief business official.

A copy of the completed audit finding worksheet should be provided to the district audit committee and the audit firm.

3. Although the district does not have an internal audit function or position, numerous investigations are being conducted by independent, external third parties. In addition, the California State Department of Education has completed its fieldwork regarding the food service program in the district and will issue a status report.

Several district employees stated that the results of last year's FCMAT reports and comprehensive review were not shared with them by their supervisor.

External audits, reports, reviews, or investigations can generate opportunities for growth and allow responsible staff to identify specific elements of underlying the areas of concern and develop a collaborative plan to implement the standards.

4. Upper-level Business Services Department staff indicated that they are attempting to apply internal audit practices to identify and address structural weaknesses in the district's payroll and accounts payable processes.

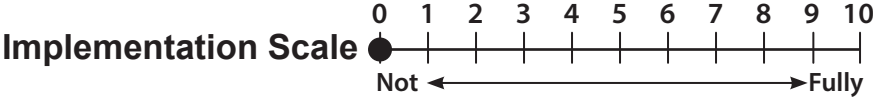
Recommendations for Recovery

1. The district should adopt board policies and administrative procedures to establish an internal audit function. Internal auditing responsibilities should be assigned to a qualified professional. The audit committee should be established and establish specific procedures for the internal auditor to use subject to approval by the state trustee.
2. Internal auditor's findings should be resolved in a timely manner, and the definition of "timely" should be defined in the district audit findings policies and procedures.
3. The internal auditor's findings should be reported to the internal audit committee, which should then report to the state trustee and the board.
4. The district should develop an audit finding policy and administrative regulation and incorporate an audit finding resolution worksheet as part of the procedure.
5. All external audits, reports and reviews generate opportunities for growth. Reviewing these external reports with responsible staff allow opportunities to jointly identify specific elements of underlying the areas of concern and develop a collaborative plan to implement the standards.
6. Upper-level Business Services Department staff should continue to apply internal audit practices to identify opportunities to correct structural weaknesses within the organization.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



5.1 Budget Development Process

Professional Standard

The board focuses on expenditure standards and formulas that meet the goals and maintain the LEA's financial solvency for the current and two subsequent fiscal years. The board avoids specific line-item focus, but directs staff to design an entire expenditure plan focusing on student and LEA needs.

Findings

1. The district's efforts to help increase the board's understanding of the budget and knowledge of the district's cash flow requirements included the following:
 - A board workshop held on February 26, 2014 regarding revenues, enrollment/ADA decline, comparative data, cash, controls over expenditures and board budget responsibilities. However, this meeting was not contained on the district's online board meeting agenda list, and the district was unable to provide FCMAT with minutes of the meeting. As a result, other than the Power Point presentation, there is no other evidence that this workshop occurred.
 - The minutes of the March 14, 2014 special board meeting reflect that board members raised questions about the second interim report presentation as well as one board member's comment "on the presentation as to where we are with the budget." The minutes of that meeting do not include a presentation on the district's second interim report, and FCMAT was not provided with presentation materials for this or any other financial report.
 - The cash flow reports submitted to the board along with the district's 2012-13 second and third interim reports, 2013-14 adopted budget and 2013-14 first and second interim reports and a separate April 14, 2014 cash flow found the following:
 - Some reports such as its 2012-13 second and third interims, 2013-14 adopted budget omitted a cash flow report in its entirety.
 - Of the remaining reports, the cash flow included in the 2013-14 second interim report did not state which months reported actual receipts and expenditures and which used projections.
 - An analysis of the cash flow report provided with the 2013-14 first interim report found that revenues and expenditures did not match that of the projected budget.

Revenues in the cash flow report were understated by approximately \$15,000, and expenditures were understated by approximately \$860,000. FCMAT's review of the spreadsheet provided found that it does not include the effect of the other transactions in the total column. After application of the understatements and inclusion of the other transactions, the district's year-end cash balance (including accruals and adjustments) would have decreased from the reported \$5.7 million to negative \$10.5 million. This \$16.2 million decrease in cash will increase the negative cash balances reported by the district for March through June 2013.

- An analysis of the two cash flow reports for the 2013-14 second interim reporting, one contained in the second interim report and the other a spreadsheet dated April 14, 2014, show that they both have revenues and expenditures that match those reported in the second interim budget. While both have the same numbers in their balance sheet transactions, they do not match those reported in the district's 2012-13 unaudited actuals. Both cash flow reports show the district's 2013-14 ending cash balance (including accruals and adjustments) to be a negative \$13.1 million and the difference between the negative \$10.5 million from the 2013-14 first interim and the negative \$13.1 million from the 2013-14 second interim is the elimination of a \$3.0 million draw from the state emergency loan utilized in the first interim report.
- Two board members graduated from the California School Boards Association's masters in governance program; however, their completion dates are in 2005 and 2008. Of the remaining three board members, none have enrolled in the program. Based on comments made by the state trustee in FCMAT interviews, the district will not utilize the CSBA training and the district will provide instruction to its new board members.

As is also discussed in Standard 2.3, board members do not consistently attend board meetings, and there is no evidence either in board minutes or FCMAT's interviews with the board and district administrators that the board participates in budget development or understands the budget and the severity of the district's financial situation.

2. Because the district does not post its actual board packets to its website, FCMAT could not determine what information was provided to the board; however, deficiencies in the documentation provided to FCMAT were noted as follows:
 - Some cash flow reports did not state which months reflected the actual revenues and expenditures in the report.
 - Cash flow reports were missing from some financial reports.
 - The assumptions used in the district's multiyear financial projections (MYFPs) prior to the 2013-14 second interim report were limited or nonexistent. Detailed assumptions regarding both revenue and expenditures are essential in determining whether the projections are realistic and likely to occur.
 - The Form CAT was not completed when the district finalized its unaudited actuals at August 28, 2013; instead, it shows a date of January 31, 2014.

The board could better focus on district and student needs if it were provided with complete standardized account code structure (SACS) forms, cash flow reports that show actual and projected amounts, a full disclosure of all the assumptions used in the MYFP for revenues and expenditures and information beyond SACS forms. Additional information can include executive summaries along with a discussion of the district's financial status, and instruction on fiscal and budgeting concepts as well as anticipated developments. Charts, graphs and an analysis of the variances between the prior report and the one presented can help board members and the community better understand school finance and the district's budget. These can also be used to provide year-to-year trends in key areas such as net ending balances; changes to revenues and expenditures; funds or programs that require a contribution from the unrestricted general fund; and

student enrollment and ADA. It is essential for the information to be consistent to prevent confusion since the district lacks the institutional knowledge to answer most questions on changes in previous fiscal years (such as those in SACS criteria and standards reports).

These items are fundamental to helping the board understand revenue and expenditure standards and the formulas needed to achieve and maintain the district's solvency while focusing on student and district needs.

3. A comparison of the 2012-13 unaudited actuals with the 2013-14 second interim report for the general fund found the following:
 - An increase of approximately \$11 million in total revenues primarily because of LCFF.
 - An increase of \$3.8 million for salaries and benefits
 - An increase of \$1.6 million in books and supplies
 - An increase of \$2.8 million in services and other operating expenditures
 - An increase of \$752,000 in other outgo
 - An increase of \$4.1 million in contributions to restricted programs

The 2012-13 unaudited actuals included \$29 million received from the state emergency loan. Removing this amount shows an operating deficit of \$11.9 million. The 2013-14 second interim report projects deficit spending of \$10.7 million. This analysis shows that while the district has received an extremely large increase in revenues, it projects to spend 81.3% of the new revenues primarily in the categories of contributions to restricted programs, salaries/benefits and services/other operating expenditures.

The district's 2013-14 second interim MYFP shows \$2.2 million in deficit spending in fiscal year 2014-15 and a surplus of \$2.1 million in fiscal year 2015-16. Both years also include lump-sum reductions in salary/benefit expenditures; \$3.5 million in 2014-15 and \$3.9 million for 2015-16. While the district has authored a fiscal recovery plan for 2013-14, the reductions noted above in the 2013-14 second interim MYFP are not included in the plan. The very brief assumptions included in the 2013-14 second interim MYFP regarding adjustments to personnel state that the 2014-15 reductions involve elimination of administrators and certificated-level employees. Reductions for 2015-16 are related to declining enrollment and reductions in services from teachers. However, without a detailed and well-thought-out plan, these savings may not be achieved. Elimination of the lump-sum reductions produces \$5.7 million and \$2.0 million in deficit spending in 2014-15 and 2015-16, respectively. This would then result in further erosion of the district's fund balance, leaving an approximate \$1.1 million by the end of 2015-16.

4. The collective bargaining agreement with classified employees provides for reopening salary and health and welfare benefits as well as two other articles per party by April 1 for each year's negotiations. As is discussed in Standard 14.1 below, no collective bargaining activity occurred in the last reporting period, including no public disclosure of the administration's initial proposals contractually referred to as "reopeners to negotiations" or "sunshining."

In December 2012, the initial state administrator entered into a tentative agreement with the certificated bargaining unit for the term ending June 30, 2015, which allowed for furlough days in 2013-14 and 2014-15. Reopeners allow three articles for each party in those two years, but exclude any changes to compensation and fringe benefits. This agreement remains in dispute and may proceed to litigation. However, district administration reported that the Inglewood Teachers Association was willing to return to the table in May 2014 for discussions on the status of the terms of the November 2012 tentative agreement.

Recommendations for Recovery

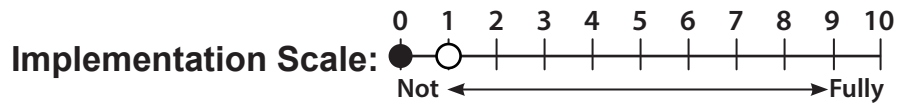
1. Board members should attend workshops to receive more detailed information on their role in developing the budget and its connection to student achievement.
2. The district should assign staff members from additional district departments such as Human Resources and Student Services to hold board workshops and presentations in their areas of responsibility to increase the board's knowledge of the connection between finance and student achievement.
3. The board should receive monthly cash flow reports that include projections through year-end.
4. Detailed assumptions for both revenues and expenditures should be included in all multiyear financial projections.
5. The district should ensure that the total amounts included in the cash flow report match revenues and expenditures from the current year's projected budget, and balance sheet transactions reflect those from the prior year's unaudited actuals report or audited financial statements as applicable at the time of the interim report.
6. The board should receive all SACS forms, complete sets of assumptions for the MYFP, and additional information at each reporting cycle to augment SACS forms and give board members financial information in a more understandable format.
7. The district should encourage board members to complete the CSBA's masters in governance program or, alternatively, provide its own curriculum to enhance board members' knowledge.

8. The district should continue to review the budget to identify revenue increases or additional expenditure reductions to eliminate ongoing deficit spending and the negative general fund ending balance projected for fiscal year 2015-16.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



5.2 Budget Development Process

Professional Standard

The budget development process includes input from staff, administrators, board and community as well as a budget advisory committee.

Findings

1. Site and department administrators consistently reported that they had no input into how their 2013-14 budgets were developed. Both Business Services Department staff and site administrators indicated that budgets were not distributed until August or September, which further shows the lack of participation by sites in developing their own budgets.
2. A few administrators indicated they met with district budget staff to allocate funds for items they purchase among objects 4000-5999 (supplies and services), but no discretion was allowed in salaries and benefits. With the changes in business office staffing, FCMAT could not clarify how involved the prior business and fiscal services coordinator was in developing the 2013-14 budget, but interviews with some business office staff indicated that they considered the 2013-14 budget a rollover from the 2012-13 budget. The district's new executive director/fiscal advisor has school district and county office experience to use in budget development.
3. Given the lack of site and department participation in budget development in the past, increased involvement will be new for many departments/sites and will require the business office to provide in-depth training as well as develop procedures and forms so staff can feel comfortable with the task. That training should include the following:
 - Budget worksheets showing the total amount available per resource and the staffing allocated with lists of those people and the hours they work, lists of stipends paid, the time sheet positions normally attached to the resource as well as indirect costs to be charged to the program, which will leave an unallocated amount for sites/departments to design their spending plan.
 - Information on account coding, how to understand it, and how these codes translate into which items can be spent in each object category.
 - Detailed information on how each funding source should be utilized, perhaps using School Services of California's CAT Wizard or a similar tool to provide this information.
 - Salary and benefit calculation spreadsheets that will allow site principals and department heads to have hands-on experience on how a position fits into a budget as well as how it is affected by statutory benefits. This can prove to be one of the biggest obstacles to understanding budgeting. Many managers understand the idea of paying a salary, but forget that benefits such as Social Security, Medicare, workers' compensation insurance, unemployment insurance, etc., are also charged. In many instances, a district's business office uses a spreadsheet that can be provided to help in this calculation.

- Information on district goals and priorities, which would bring the district in conformity with BP 3100.
- A discussion of indirect costs, including what they are, how they are calculated and the need for these costs to be paid from each resource that allows them.

These trainings should move the district toward a more open and inclusive budget development process. However, site administrators and department heads should be reminded that they are responsible for adhering to the budget plan they develop.

4. The district formed a budget advisory committee to help make budget recommendations for the 2012-13 fiscal year. The 2012-13 committee consisted of 21 members including a board member, two business office administrators, two representatives from the classified bargaining unit, four from the certificated bargaining unit, two from the Inglewood Management Association, and 10 community members. Six meetings were scheduled, and the district established a website where budget ideas could be anonymously presented. The minutes showed that at the May 17, 2012 meeting, a list of budget reductions were to be finalized and placed on the district's website for public review. Three board meetings were held between the May 17, 2012 BAC meeting and the board's adoption of the 2012-13 budget on June 27, 2012. All three meetings' minutes indicate that the board discussed some budget reductions, but did not state specifically where they originated. No budget advisory committee was reported to have been formed for the development of either the 2013-14 or 2014-15 budgets.
5. In the past, the board's input reportedly was not sought during budget development. Instead, the board was presented with the budget and discussion was held during adoption. FCMAT's interviews and document review show no changes have been made to this process.
6. The district's audited financial statements for the fiscal year ending June 30, 2012 continue to include a finding regarding the district's ability to continue as a going concern. Finding number 2012-1 is a repetition of those contained in audited financial reports from June 30, 2011 and June 30, 2010 which are numbered 2011-1, 2010-1, and 2008-1, respectively. As of FCMAT's fieldwork, the audited financial statements for the year ending June 30, 2013 had yet to be released and it is unknown if they will continue to include a going concern finding.

Recommendations for Recovery

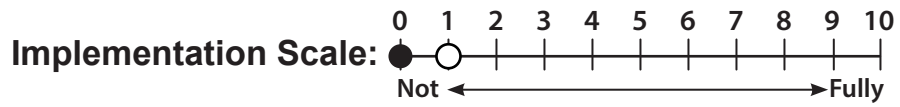
1. The district should train all administrators and managers who will be included in budget development in future fiscal years as outlined above.
2. The budget advisory committee should be reconvened for future budget processes to enable the district to obtain community input.

3. The district should seek input from the board in budget development.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



5.3 Budget Development Process

Professional Standard

The LEA has clear policies and processes to analyze resources and allocations to ensure that they align with strategic planning objectives and that the budget reflects the LEA's priorities. The budget office has a technical process to build the preliminary budget that includes revenue and expenditure projections, the identification of carryovers and accruals, and any plans for expenditure reductions. The LEA utilizes formulas for allocating funds to school sites and departments. This may include staffing ratios, supply allocations, etc. Standardized budget worksheets are used to communicate budget requests, budget allocations, formulas applied and guidelines. A budget calendar contains statutory due dates and major budget development milestones.

Findings

1. Although the district has adopted board policies and regulations on the budget and its development, no evidence was provided of processes or strategic planning objectives used during the budget development for fiscal year 2013-14. There is also no indication that the district developed or used any list of priorities for budget resource allocations and expenditure reductions for its 2013-14 budget. While the district staff report that they use allocation formulas to determine the revenues provided in budgets to departments and sites, these formulas are not shared with the departments or sites.

FCMAT reviewed the district's worksheets on estimated categorical budget allocations, which provide each school site their allocations for various restricted programs. These worksheets are given to school sites at various times during the year; however, based on the signature dates, the first disbursement of the worksheets for the 2013-14 allocations occurred in the August - September 2013 time frame. One school site provided FCMAT with the March 4, 2014 updated worksheet showing that budgeted revenues were reduced by 53% because of the elimination of concentration grant funding for the site. Providing the site with such significant budgetary reductions so late in the year causes confusion at the site level and can have a major fiscal impact if the restricted funds were spent and unrestricted funds must be used to backfill the lost revenues.

2. As in the first review period, the district has continued to experience turnover in its Business Services Department. The assistant superintendent of business services and the business and fiscal services coordinator are no longer at the district, and the structure now includes a chief operating officer and an executive director/fiscal advisor. The new chief operating officer's background is in operations while the new executive director/fiscal advisor has business office experience at districts and county offices. However, the 2013-14 budget includes a major change in school financing because of calculations related to LCFF, requiring additional training for everyone. The county office gathers information from its districts and performs the LCFF calculation for them; however, each district should review the calculations received to determine if they are correct and reasonable in light of their particular circumstances. Without adequate LCFF training, the executive director/fiscal advisor cannot accomplish that task.

FCMAT's review of the district's LCFF calculations shows that the district uses the greater of prior year or current year ADA, the amounts published by School Services of California regarding base grants, the appropriate adjustment factors, and calculations of supplemental and concentration grants; and the county office uses the Department of Finance LCFF gap funding percentages. However, there are various versions of the LCFF calculator in existence and, with this revenue stream comprising 73.74% of the district's budget, the district should carefully review the county office's assumptions and numbers and make comparisons with at least one other calculator to ensure that the county office's numbers are reasonably proportional. Using FCMAT's LCFF calculator, there are only slight differences in LCFF revenue with FCMAT's calculator showing 0.02%, 0.01% and 0.01% more in 2013-14, 2014-15 and 2015-16, respectively.

The district's budget technicians continue to be assigned to handle categorical programs and have experience in that part of the budget process. However, because of the changes in the Business Services Department's management, departments and sites are confused about who does what at the district office.

This emphasizes the need for continuity in administrative personnel and for those who leave the district to document their knowledge and processes for future use.

3. The sites once again indicated they are not informed about carryover and that they don't know if or when it occurs. The business office staff reported that carryover is added to site budgets at second interim. A review of the 2012-13 Form CAT showed that five programs had carryover: Title I (\$825,198), Title II, Part A (\$141,378), Title III LEP (\$24,899.71), School Improvement Grant (\$1,562,172) and Carl Perkins Career and Technical Education (\$9,488.77). When compared against the carryover reported in the 2011-12 Form CAT, carryover for two programs (Title I and Title III) increased, two programs saw their carryover decrease (Title II and Carl Perkins) and the School Improvement Grant was new to 2012-13. Of those that increased, Title I's carryover was 10 times greater than the prior year and Title III's was 126 times greater.

An analysis of variances from the 2013-14 adopted budget to the 2013-14 first interim report to the 2013-14 second interim report in these three programs shows the following:

- Federal revenues in total decreased by \$1,817,353 between budget adoption and first interim reporting.
- Total federal revenues increased by \$1,537,538 between the district's first and second interim reports and leaving them \$279,815 lower than where they started at the adoption budget.

Since the 2013-14 Form CAT was not prepared until January 31, 2014, the district logically did not know what carryover to apply until second interim reporting.

The 2012-13 Form CAT also shows that one program, Medi-Cal billing option, increased its fund balance over that fiscal year by approximately \$8,400. This indicates a program with funding that was not used to its fullest extent and increases the possibility for the unrestricted general fund to be utilized instead of restricted funds.

4. A comparison of the district's 2013-14 adopted budget with the second interim report shows that the district had originally assumed a \$10 million draw down from the state emergency loan, which produced deficit spending of \$121,505. However, the second interim report assumes no draw down from the loan and, without the \$10 million in state emergency appropriation proceeds, the district's deficit spending increases by 5.8%.

The differences between the two reports are as follows:

- A \$5.0 million increase in total revenues primarily from LCFF
- A \$3.7 million increase in expenditures for salaries and benefits
- A \$2.0 million increase in expenditures for books and supplies
- A \$815,000 decrease in expenditures for other outgo
- A \$791,000 decrease in contributions to restricted programs
- A \$860,000 increase in transfers out

Consequently, even with a \$5.0 million increase in revenues over those shown in the adopted budget, the district plans to expend more than the revenue increase, increasing its deficit spending. However, salaries and benefits decrease from 79.04% of total revenues in the adopted budget to 78.79% of total revenues at second interim.

The district's multiyear financial projection included in the 2013-14 second interim report no longer includes plans for the district to draw down funds from the emergency state appropriation proceeds. However, as is discussed in Standard 5.1, the 2013-14 second interim MYFP shows lump sum reductions in salary/benefit expenditures; \$3.5 million in 2014-15 and \$3.9 million for 2015-16. There is no detailed explanation of how those numbers were arrived at, and removing them from the MYFP leaves the district with reserves of 2.45% in 2014-15 and 0.9% in 2015-16.

Form ICR, which is included in the district's 2012-13 unaudited actuals, tracks the application of the district's indirect cost rate to programs. This form indicates that the district's approved individual indirect cost rate was 2.77% for 2012-13. Indirect rates used in programs varied from 1.57% to 2.77%, and allowable rates vary between programs, some of which have a set rate. For example, the rate for Title III is 2%, and the rate for economic impact aid (EIA) is 3%. Other programs allow the district to charge indirect costs at its individual rate, while some, such as vocational education or the after school program, have a maximum of either the district's rate or 5%, whichever is greater. Charging each restricted program the appropriate indirect cost rate helps the unrestricted part of the budget defray the costs of services used by restricted programs and helps show the total cost of each program. A review of the district's 2012-13 unaudited actuals found that although the district did a much more thorough job of charging indirect costs, there were still issues regarding the following:

- Programs that included indirect rates higher than those allowed by law were Title III LEP.
- Some categorical programs charged a rate that was less than that allowed.
- Some categorical programs were not charged indirect costs.

5. The district developed a budget calendar for the 2013-14 budget that is no longer a list of financial reports due to the county office. It includes items such as review of budget enrollment projections, determination of personnel needs, deadlines for making the budget available for public inspection, presentation of the budget to the board and its 45-day deadline for budget revisions. While this is a major improvement, a complete budget calendar should also include all the steps used to compile the budget in the Business Services Department such as responsibility for updating and ensuring accuracy of position control, deadlines for LCFF and other revenue projections, review of the draft budget by the executive director/fiscal advisor and revision to the budget from changes at May revise. Each item should be listed by the staff member or department assigned to complete them, and the date that the task will take place or is due.
6. One of the preliminary steps in developing a budget is determining student enrollment for the budget year. While some districts utilize vendors who specialize in student demographic analysis, the district performs this task in-house, using the cohort survival method for first through twelfth grades. This method groups students by grade level upon entry and tracks them through each year they stay in school. It evaluates the longitudinal relationship of the number of students passing from one grade to the next in a subsequent year, closely accounting for retention, dropouts and student transfers to and from the district grade by grade. Although other enrollment projection methods are available, the cohort survival method is usually the best choice for school districts because of its sensitivity to incremental changes in several key variables. For kindergarten enrollment, the district has changed from its practice of duplicating the current year's enrollment (used in the prior reporting period) to utilizing birth rate statistics in estimating kindergarten enrollments.

For the two subsequent years, the district's criteria and standards reflect an assumption of a 1.1% to 3.4% enrollment decline. In reviewing the district's CBEDS enrollment, the district's annual historical decline over the past 17 years has averaged 1.04%, with its five-year average being a 1.42%; however, it has seen an 8% decline since 2010-11. Based on the historical trends, an assumption of a 1% to 2% decline would be a better estimate of enrollment in future years, but that should be reviewed and analyzed in light of other factors such as charter school enrollment. It should be noted that the 2013-14 second interim assumption narrative reflects a 5.8% to 6.2% reduction in enrollment. The two documents should reflect the same assumptions.

Recommendations for Recovery

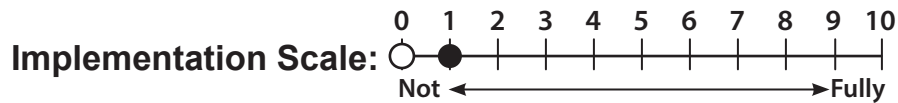
1. The district should develop and document processes and strategic planning objectives for budget development, develop a list of priorities for budget resource allocations, and provide sites/departments with the revenue allocation formulas used in budgeting.
2. The district should provide the executive director/fiscal advisor with training and mentoring to ensure that this person can develop the budget in the future. The process should be documented in detail for future use.
3. The inclusion of carryover assumptions or estimates during budget development should be prohibited without prior approval from the state trustee.

4. The district should clearly communicate to site administrators when carryover is added to their budgets.
5. The full allowable indirect cost rate should be budgeted and charged for each program.
6. The district should develop the budget calendar to include statutory deadlines for all required budget development tasks so that each staff member is aware of deadlines and meets them.
7. The district should continue using birth rates to determine kindergarten enrollment in conjunction with the survival cohort method for estimating enrollment.
8. The district should construct charts tracking the historical patterns of enrollment, attendance reporting, and census day numbers as well as the ratios between them to predict and review the enrollment and attendance used in financial reporting.
9. District personnel constructing the MYFP should ensure that the assumptions contained in all documents are in agreement with one another.

Standard Partially Implemented

July 2013 Rating: 0

July 2014 Rating: 1



6.1 Budget Adoption, Reporting, and Audits

Legal Standard

The LEA adopts its annual budget within the statutory timelines established by EC 42103, which requires that on or before July 1, the board shall hold a public hearing on the budget to be adopted for the subsequent fiscal year. Not later than five days after that adoption or by July 1, whichever occurs first, the board shall file that budget with the county superintendent of schools. (EC 42127(a))

Findings

1. At its June 26, 2013 meeting, the board held a public hearing and adopted the district's 2013-14 budget within the statutory timelines established by California Education Code (EC) Section 42103. However, the minutes do not indicate that an actual public hearing was held, including the time the meeting was adjourned to conduct the hearing or when it concluded. Instead, the minutes state "[a]pproved to hold a public hearing on the proposed budget for the 2013-14 fiscal year." The staff at the Los Angeles County Office of Education (LACOE) indicated that the budget was received on June 28, 2013, which is before the July 1 deadline.

On August 12, 2013, the county office approved the district's budget stating the following:

- The budget projects a small operating deficit of \$131,505 in fiscal year 2013-14 followed by a surplus of \$943,996 in fiscal year 2014-15 and a large deficit of \$14.8 million in fiscal year 2015-16.
- The district's emergency state loan allocations of \$10 million in 2013-14 and \$16 million in 2014-15 masked a large structural deficit in those years that will continue to exist without developing and implementing a fiscal stabilization plan.
- LACOE was concerned that "if the structural deficit spending were allowed to continue after the Emergency State Loan is fully allocated in 2014-15, it could severely impact the district's fiscal solvency in future years."
- The district projected reserve levels of 11.0% for 2013-14, 11.5% for 2014-15 and a negative 0.73% for 2015-16. The levels for 2013-14 and 2014-15 met the minimum requirements of the State Criteria and Standards; however, the reserve for 2015-16 was below the required level. LACOE requested the district make adjustments to the 2013-14 budget and adopt a fiscal stabilization plan to restore and maintain the required reserve level for 2015-16. These adjustments were to be reflected in the 2013-14 first interim report due to LACOE by December 15, 2013.
- The district projected declining enrollment for the current and two subsequent years, and the county office reminded the district that Education Code Section 42238.5(a) (1) allows districts with declining attendance to utilize the greater of the prior year or current year's actual attendance. However, the district will lose state funding over time if enrollment continues to decline and must carefully monitor its enrollment trends and adjust its financial projections accordingly.

- Labor negotiations for 2013-14 were reported as not settled, and the county office reminded the district of its public disclosure requirements under Government Code Section 3547.5 and California Code of Regulations Title V, Section 15449.
- LACOE reminded the district of its duty to revise its budget in accordance with Education Code Section 42127(i)(4) and that any adjustments are to be submitted to LACOE upon governing board approval.
- A reminder to the district regarding debt issuance by districts with qualified interim report certifications per Education Code Section 42133(a).

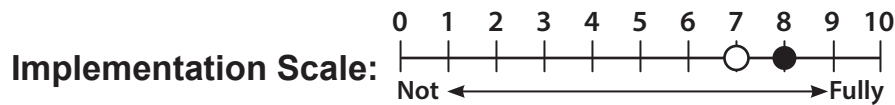
Recommendations for Recovery

1. The district should continue to hold a public hearing and adopt its budget on or before July 1 of each year.
2. The district should ensure that the board meeting is adjourned to conduct the public hearing. The district’s meeting minutes should memorialize this action.
3. The district’s adopted budget should continue to be filed with the county superintendent of schools within five days of its adoption or by July 1, whichever occurs first.

Standard Fully Implemented

July 2013 Rating: 7

July 2014 Rating: 8



6.2 Budget Adoption, Reporting, and Audits

Legal Standard

Revisions to expenditures based on the state budget are considered and adopted by the governing board. Not later than 45 days after the governor signs the annual Budget Act, the LEA shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect funding available by that Budget Act. (EC 42127(2) and 42127(i)(4))

Findings

1. On June 27, 2013, Governor Jerry Brown signed Assembly Bill 110, the 2013-14 State Budget Act, giving the state three consecutive years of on-time budgets. Therefore, changes to budgets as a result of the 2013-14 State Budget Act were required to be made available to the public on or before August 11, 2013.
2. FCMAT's interview with the district's executive director/fiscal advisor found that the district did not make revisions to its 2013-14 budget as required by 42127(i)(4) and that the largest change to its budget, calculation of the LCFF, did not occur until its 2013-14 first interim report, which was completed in December 2013.

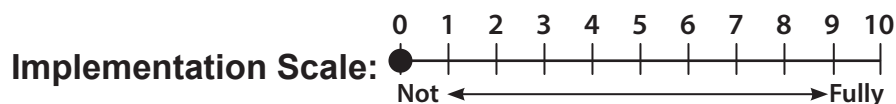
Recommendation for Recovery

1. The district should revise and make available to the public its revenues and expenditures based on funding made available by the relevant year's state budget act within 45 days of the governor signing the annual Budget Act.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



6.3 Budget Adoption, Reporting, and Audits

Legal Standard

The LEA completes and files its interim budget reports within the statutory deadlines established by EC 42130, et. seq. All reports are in a format or on forms prescribed by the superintendent of public instruction and are based on standards and criteria for fiscal stability.

Findings

1. The county office's review letter for the district's 2012-13 second interim budget report was dated April 15, 2013. County office records indicate that it received the hard copy of the report on March 18, 2013. Education Code Section 42130 requires that this report describe the district's financial and budget status for the period ending January 31 and be approved by the district's governing board within 45 days after that, or March 17, 2013. Minutes of the district's March 20, 2013 board meeting indicate approval of the second interim report in compliance with EC 42130. A review of this sequence of events shows that the district delivered a budget document to the county office before board approval and that this approval came three days after the statutory deadline. The cover sheet for the board item states "[b]y approving this item, the Interim State Administrator will meet the requirement for filing the Second Interim Report by March 15, 2013." That statement was in error about the date as defined by the statute and about the statutory deadline occurring before the board meeting.

The second interim budget review letter from the county office indicated that the district budget included a negative certification and that the county office concurred with that assessment. The letter noted the following:

- The district anticipating receiving the remaining \$26 million from the emergency state loan in 2013-14.
- An operating surplus in both 2012-13 and 2013-14 of \$11.2 million and \$9.1 million, respectively. However, a projection of an operating deficit of \$10.7 million in 2014-15, which is unsustainable without a fiscal recovery plan.
- The county office's concern of the magnitude of the underlying structural deficit only one year after the emergency state loan's last installment and requesting that "the district address deficit spending in its Fiscal Stabilization Plan."
- The district's request for a \$5 million temporary loan from the county office because of delays in obtaining the balance of the emergency state loan until fiscal year 2013-14 and potential shortfalls of cash in May or June 2013. The county office neither agrees to nor denies the temporary loan but requests the district "monitor it's (sic) cash flow carefully and provide an updated cash flow projection by the End of Year Financial Statement."
- Requests that the district submit a fiscal stabilization plan with the end-of-year financial statement.

- The district had included an increased contribution for its restricted programs that would be affected by federal sequestration in an amount that was sufficient to address potential reductions.
 - A reminder to the district regarding debt issuance by school districts with negative interim report certifications as specified in Education Code Section 42133(a).
 - A reminder that the district is also required to develop a third interim report and submit it to the county office by June 1, 2013.
 - Notification that the county office is required to approve the audit contract of any district with a negative interim report certification according to Education Code section 41020(b)(2).
2. The county office's review letter for the district's 2012-13 third interim budget report was dated July 9, 2013. County office records indicate that it received the report on May 22, 2013. However, the date included on the 2012-13 third interim report shows that it was printed at 5:09 p.m. on May 22, 2013. Education Code Section 42131 requires that the third interim report include projections of the district's fund and cash balances through June 30 for the period ending April 30 and be delivered to the county superintendent of schools no later than June 1. FCMAT was unable to review the district's board agendas and minutes to determine if this document was presented to the board and the date that occurred. The county office letter noted that the district projects a \$10.2 million surplus in the general fund, a 10.97% reserve; while cash is projected to be positive, the district continues to work with FCMAT to develop a fiscal stabilization plan. The county office requested the plan to be submitted with the district's 2013-14 adopted budget.
3. The county office's review letter for the district's 2013-14 first interim budget report was dated January 13, 2014, and county office's records indicate that the hard copy was received on December 16, 2013. Education Code Section 42130 requires this report to describe the district's financial and budget status for the period ending October 31 and to be approved by the district's governing board within 45 days after that or Sunday, December 15, 2013. The district's December 11, 2013 board meeting minutes indicate approval of the first interim report in compliance with EC 42130.

The 2013-14 first interim budget review letter from the county office indicated that the district's budget included a negative certification and that the county office agreed with that assessment. The letter also noted the following:

- The district is projecting an operating deficit of \$8.5 million, a \$2.4 million surplus and a \$41,155 surplus for fiscal years 2013-14, 2014-15 and 2015-16, respectively.
- The projected draws from the state emergency loan of \$3 million in 2013-14, \$12 million in 2014-15 and \$5 million in 2015-16 mask a structural deficit. The county office expressed its concern that if deficit spending continues after the emergency state loan is fully utilized that it could "severely impact the district's fiscal solvency in future years."
- The county office had recommended that increases in LCFF revenue be assigned, reserved or otherwise set aside in 2014-15 and 2015-16 because there is no statutory guarantee of increases in any given year until full implementation and potential

restrictions on increases in LCFF revenue. The district included LCFF gap funding increases, but did not assign or restrict the amounts in their ending fund balances. The county expressed concern about “the potential impact on the district’s fiscal solvency should the increases not materialize and recommend extreme caution in budgeting these funds.”

- The district projected an 8.6% decline in enrollment between 2012-13 and 2013-14. The county office reminded the district that Education Code Section 42238.5(a)(1) allows the use of the greater of the prior year or current year actual attendance but that allows only a one year cushion. With continued declining enrollment, the district will lose state funding over time, and the county office requested it to carefully monitor enrollment and adjust its financial projections accordingly.
- The district’s labor contract negotiations remained unsettled, and the county office reminded the district that it must meet public disclosure requirements if action is taken in a proposed collective bargaining agreement.

The letter also contained a request that the district develop and submit a fiscal stabilization plan with its 2013-14 second interim report.

4. The county office’s review letter for the district’s 2013-14 second interim budget report was dated April 15, 2014. County office records indicate that it received the hard copy of the report on March 18, 2014. Education Code Section 42130 requires that this report describe the district’s financial and budget status for the period ending January 31 and be approved by the district’s governing board within 45 days after that, or March 17, 2014. Minutes of the district’s March 14, 2014 board meeting indicate approval of the second interim report in compliance with EC 42130.

The second interim budget review letter from the county office indicated that the district budget included a negative certification and that the county office concurred with that assessment. The letter noted the following:

- The district was in the process of implementing portions of a fiscal recovery plan, and significant portions of the plan remained under development to be implemented in phases over time. The district was requested to provide an update with the 2013-14 third interim report due to the county office by June 1, 2014.
- The district is projecting an operating deficit of \$10.7 million, a deficit of \$2.2 million and a surplus of \$2.1 million for fiscal years 2013-14, 2014-15 and 2015-16, respectively.
- No further draws on the emergency state loan were projected.
- The county office had recommended that increase in LCFF revenue be assigned, reserved or otherwise set aside in 2015-16 because there is no statutory guarantee of increases in any given year until full implementation and potential restrictions on increases in LCFF revenue. The district included LCFF gap funding increases, but did not assign or restrict the amounts in their ending fund balances. The county expressed concern about “the potential impact on the district’s fiscal solvency should the increases not materialize and recommend extreme caution in budgeting these funds.”

- To maintain a positive cash balance, the district had applied for an exemption from the June 2014 state apportionment deferral. As backup plans, in case the exemption was not granted, the district has an inter-fund borrowing resolution in effect and cash available in other funds. The district was requested to notify the county office immediately if a cash shortfall is projected.
- The district projected an 11.6% decline in enrollment between 2012-13 and 2013-14. The county office reminded the district that Education Code Section 42238.5(a) (1) allows the use of the greater of the prior-year or current-year actual attendance but that allows only a one year cushion. With continued declining enrollment, the district will lose state funding over time, and the county office requested the district to carefully monitor enrollment and adjust its financial projections accordingly.

The letter also contained reminders regarding public disclosure requirements on proposed collective bargaining agreements and required the district to develop a third-interim report, and submit it to the county office by June 1, 2014.

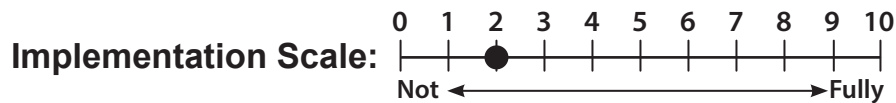
Recommendation for Recovery

1. The district should ensure that all budget reports are approved by the governing board and filed with the Los Angeles County Office of Education on time and include a plan to meet all financial criteria and standards for the district's budget as established by the state. This should include a plan to eliminate the district's structural budget deficit while maintaining reserves at required levels.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



7.2 Budget Monitoring

Professional Standard

The LEA implements budget monitoring controls, such as periodic budget reports, to alert department and site managers of the potential for overexpenditure of budgeted amounts. Revenue and expenditures are forecast and verified monthly. The LEA ensures that appropriate expenditures are charged against programs within the spending limitations authorized by the board.

Findings

1. The district's purchase requisition function continues not to recognize encumbrances at the requisition level. Consequently, if the amount in the budget line item is insufficient, the order can be placed without enough funds in the budget and can lead to overspending.

District staff reported various levels of training on the online requisition system that was implemented within the last three years. Some staff reported that they were trained at the time of implementation and that the training was sufficient to allow them to utilize the system. If questions arise, staff can call or e-mail any of the people in the Purchasing Department, and the questions are answered immediately or in a timely manner. Others interviewed stated that they had not received any training or relied on previous knowledge of the system from a prior district. The district offered refresher training on September 17-19, 2013 and September 23-26, 2013. Purchasing Department staff interviewed reported that they will also visit the site to provide training on demand. The discrepancies in district staff's knowledge of training shows that the district's staff would benefit from a mandatory annual in-service before the start of school, including training in the online requisition system. This information would reduce the number of questions site staff ask the Purchasing Department.

2. Site administrators and department heads indicated that they are responsible for monitoring their budgets; however, information differs on the method provided to perform that task. Some indicated they have online access to the financial system, and others reported receiving paper copies of budgets. Some said they received nothing, and still others did not believe they had online access. For those with online access, training was provided at the time of the switch to this approach, but they indicated that the initial training was not adequate. If staff need assistance with these tasks, they can call or e-mail the budget technician. Additional training could reduce the time all parties spend on these issues and give users greater control and participation in budget monitoring.
3. Those with paper copies of their budgets received them from the Budget Department upon request, and those with no reports used other site staff's help to obtain reports for this process. The differences in the budget monitoring methods used by site administrators demonstrates the need for the district to provide principals with an in-service on budget monitoring, including training on the online system and assistance in reading account codes as well as system-generated reports.

4. The online purchase requisition system allows a purchase that exceeds the line-item budget and therefore requires manual budget transfers to avoid overspending, but still allows the purchase to proceed. The district's budget technician and budget analyst are to prepare the necessary transfers, including backup documentation. However, rather than prepare an individual budget transfer with backup as an issue arises, Business Services Department staff reported that budget transfers are only performed en masse at interim reporting periods without backup documentation. The collective budget transfers are approved by the chief operating officer or executive director/fiscal advisor instead of the site administrator/department head responsible for the budget. In many school districts, the site or department initiates budget transfers before they are carried out in the business office.
5. District staff do not provide the board with a monthly budget update that identifies balances for revenues and expenditures. Staff members present interim budget reports to the board as required by the Education Code, and these reports include multiyear financial projections.
6. As reported with other budget monitoring issues, FCMAT's interviews with district staff found various levels of understanding regarding categorical funding. Most of those interviewed stated they did not receive training, some reported they called the budget technician or used others' knowledge, some had prior training from another source, one was unsure if training occurred, and one stated he or she received training. This is yet another annual in-service training that should be provided by the district.

Recommendations for Recovery

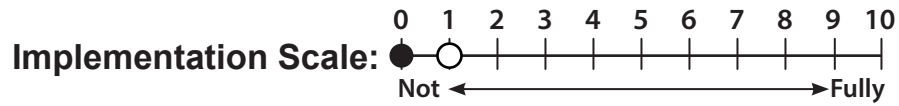
1. The district should consider implementing a "hard stop" in the purchasing system so that funds are encumbered at the requisition level, and the purchase cannot proceed without sufficient funds.
2. All employees who use the online requisition system should attend an annual in-service that focuses on how to use the purchasing module and the proper account coding of requisitions.
3. The district should provide site administrators with an annual in-service workshop on budget monitoring.
4. Budget transfers, including backup documentation, should be performed as they are needed to process individual transactions, rather than en mass to prevent overspending as it occurs.
5. Staff should be instructed on how to compile the backup documentation needed to support budget transfers. After this instruction, site and department staff should be held accountable for preparing budget transfers and monitoring their budgets.
6. The district should provide the board with monthly budget updates.

- School site staff should be given additional information on categorical funding, including the resources available and which expenditures are appropriate for each resource.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



7.3 Budget Monitoring

Professional Standard

The LEA uses an effective position control system that tracks personnel allocations and expenditures. The position control system establishes checks and balances between personnel decisions and budgeted appropriations.

Findings

1. The district uses PeopleSoft as its accounting and financial reporting software, which is the system provided by LACOE. The district also utilizes the Human Resource System (HRS), an integrated personnel, payroll and retirement system that is separate from, but electronically interacts with PeopleSoft. The position control database is located in HRS, and each position is stored in the database using a position number. Positions for the current and next fiscal year are stored and can be used in this database.

LACOE converted the district to the position control database at the end of the 2010-11 fiscal year and assigned position numbers to all the district's positions. The district determined that a separate position was needed to implement and manage the database system and approved the creation of a position control and budget analyst in November 2011. The position was filled; however, this person was promoted to business and fiscal services coordinator, retaining the duties of the analyst position. Because the district determined that its needs regarding budgetary issues were greater than its need for a complete position control system, the position control database system was only partially implemented. At the time of FCMAT's fieldwork, the position control system continued to be incomplete and had been rendered unusable by the executive director/fiscal advisor for budgetary purposes. The district plans to work with LACOE to once again clean up the database so that it can be used in fiscal year 2014-15; however, no documentation of those plans was provided for this review.

2. As an alternative to using the current system while it is under construction, district business office staff prepare spreadsheets that include all district positions, attach the account coding for each position, and use these documents to calculate the salary and benefit costs during budget development and interim reporting periods. Because of the organization of the district's budgeting duties, three spreadsheets have to be combined into one master spreadsheet to provide a complete picture of staffing. Staff periodically update the spreadsheets throughout the year to show personnel and position changes; however, maintaining three separate spreadsheets makes it possible that all three or none include a particular position. Further, staff reported that they did not know what Human Resources uses to track positions, and no reconciliation procedures exist between Budget, Payroll and Human Resources to ensure that all departments work with the same information.

FCMAT requested copies of the spreadsheets in use; however, none were provided. Consequently, it is not possible to perform additional analysis to determine whether the spreadsheets contain sufficient information to operate as a manual position control system that can be used for personnel decisions and budget appropriations.

A reliable position control system establishes positions by site or department and helps prevent over- or underbudgeting by including all district-approved positions. In addition, a reliable system prevents a district from omitting from the budget routine annual expenses such as substitutes, extra duty pay, stipends, vacation payouts, and estimated salary changes when employees move from one column to the next on the salary schedule.

3. To be effective, a single position control system should be used and integrated with other financial modules such as budget and payroll. In addition, position control functions should be separated to ensure proper internal controls. The controls should ensure that only board-authorized positions are entered into the system, the Human Resources Department hires only employees for authorized positions, and payroll staff pay only employees hired for authorized positions. The proper separation of duties is a key factor in creating strong internal controls and a reliable position control system.

The following table depicts a suggested distribution of labor between the Business and Human Resources departments to help provide the necessary internal control structure for position control.

Task	Responsibility
Approve or authorize position	Governing board
Input approved position into position control, with estimated salary/budget. Each position is given a unique number.	Business or Human Resources department
Enter demographic data into the main demographic screen, including: Employee name Employee address Social Security number Credential Classification Salary schedule placement Annual review of employee assignments	Human Resources Department
Update employee benefits. Review and update employee work calendars.	Business or Human Resources department
Annually review and update salary schedules.	Business Department
Account codes Budget development Budget projections Multiyear projections Salary projections	Business Department

4. The district has created a personnel requisition form to fit into the management of the position control database. This form is used to create a new position, fill an open one, add a stipend/extra duty, or change components (such as days, hours or location). The site/department requesting the position change generates the form, which is submitted to a budget technician to determine if there are sufficient funds. If the position is new, the Business Services Department assigns the position number and the personnel requisition is forwarded to the Human Resources Department for processing and hiring. Once someone is hired, the Human Resources Department is responsible for entering the employee's demographic and step/column information into the position control database.
5. The Human Resources Department tries to either send a list of board approvals to payroll the day after the board meeting to expedite payroll processing, or there is an inter-departmental meeting between Business Services and Human Resources where

the approvals are shared. However, this is not always the case, and until the position control system is built, the process of integrating the personnel requisition form into the formal position control database cannot be accomplished. District staff have completed the implementation of separate files for employees in the Payroll Department as a step toward the process of integrating the personnel requisition form into the database. All items related to payroll such as employees' W-4s and DE4s are held in the files in the Payroll Department, and items such as the personnel requisitions, etc. are held in Human Resources. A copy of the personnel requisition should be kept in payroll files to substantiate changes in payroll calculations.

6. Unilateral decisions made by site and department administrators can have a significant impact on position control and the district's budget. In FCMAT's prior review, Board Information Letters were found that stated that a document control specialist position was never created and approved, and a budget was never established or included in position control for the position, yet a person was assigned to the position and paid to perform duties. While Board Information Letters are no longer authored, these situations could be avoided by implementing a complete position control system, establishing proper policies and procedures related to that system, and holding employees accountable for following the process.
7. Staff members have several procedures to reduce the risk of adding fictitious individuals or individuals who do not work for the district to the payroll, including the following:
 - An employee's demographic information must be entered into the position control module before payroll can be processed.
 - Monitoring reports are generated, which show information on payrolls for hourly payments and help identify overpayments.
 - The county office issues warning letters as employee compensation nears 80% of its pay limit so the district can investigate this issue to determine whether there was overpayment.
 - School sites are provided with copies of the position control spreadsheet that relate to their sites as the spreadsheet is updated or as they request.

Implementing procedures should help staff detect payroll errors and enable the district to implement repayment measures. However, various district staff who were interviewed reported employees have sometimes been overpaid during this review period. One overpayment from the previous review period was reported as still moving through the repayment process. However, the district was unable to provide FCMAT with a list of those who had received over- or underpayments. The district's collective bargaining agreement with its classified unit provides in Article 12.9.5 that "[a]ny payroll overpayments as a result of misplacement on the salary schedule or other error shall be corrected by automatic salary deduction in equal installments over twelve working months. Any balance due upon separation from service shall be deducted from the employee's final paycheck." The certificated collective bargaining agreement has no language regarding overpayments. District staff reported that employees who were identified as overpaid during the period under review had fulfilled their repayment obligations. However, the district has no official policy to address overpayments after

severance. In light of this, the Payroll Department has continued to institute procedures to reconcile an employee's final paycheck to avoid overpayments.

While implementing these measures may help detect overpayments, another flaw in the HRS system could result in overbudgeting, overpayments, and ineligible employees receiving health and welfare benefits. Specifically, the system does not delete someone from a previously held position. For example, the district recently discovered that a person held two part-time positions before 1998. The combination of those positions provided the person with seven hours of paid time, which qualified that individual for district-paid health and welfare benefits. In 1998, the person's second job assignment was terminated, so the health and welfare benefits should have been terminated as well. However, the benefits were never terminated in HRS, and this person received district-paid health and welfare benefits for 15 years while not being entitled to them. The average cost of the district's health and welfare package is \$13,500 per employee for the 2012-13 year. Assuming a 5% decrease in premiums per year to 1998, the district has paid approximately \$132,000 over 15 years for the benefits of an employee who was not eligible to receive them.

FCMAT's interviews with district staff indicated that this issue was corrected; however, because of the changes in the administrators responsible for this issue, it is unknown if the employee(s) were required to repay the district for the premiums paid. To prevent this problem from reoccurring, the district reportedly required all employees to re-enroll for the current benefit year.

Recommendations for Recovery

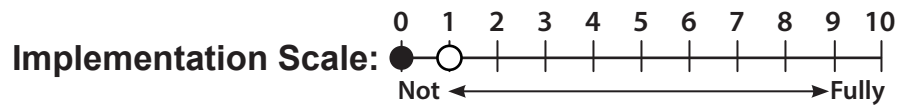
1. The district should immediately and fully implement the position control database system and revise procedures/job duties to incorporate the upkeep of the system. Utilization of temporary employees may be necessary to complete this step in a timely manner.
2. The position control module should include all contracted positions as well as routine annual expenses such as substitutes, extra duty pay, stipends, vacation payouts and estimated column changes.
3. The district should update position control as personnel changes are made to ensure that all revisions are captured in a timely manner.
4. The district should complete the policies and procedures for incorporating the position control database into the district's normal business routine, distribute the policy to all district administrators/managers, and hold every employee accountable for following it.
5. Separate payroll files should continue to be maintained for each employee. A copy of the personnel requisition form should be kept in the payroll files to substantiate payroll calculations.
6. The district should continue to require personnel requisition forms for all hiring and position changes.

7. The district should draft board policy addressing payroll overpayments to staff and the measures that will be taken to obtain repayment.
8. The district should create reconciliation processes and/or exception reports in its payroll processing to capture and reduce payroll errors.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



8.1 Accounting

Professional Standard

The LEA forecasts its cash receipts and disbursements and verifies those projections monthly to adequately manage its cash. The LEA reconciles its cash to bank statements and reports from the county treasurer monthly.

Findings

1. On August 1, 2012, FCMAT summarized its analysis and recommendations to support a \$55 million emergency state appropriation for the district. Governor Brown subsequently signed Senate Bill 533 into law on September 14, 2012, providing for an emergency appropriation and state takeover.

When sizing a state loan, FCMAT utilizes specific criteria and numerous assumptions based on historical and projected financial information. This projection serves as a snapshot in time and is not an exact calculation because of inherent limitations, including the accuracy of the baseline data; unpredictable trends; unanticipated changes in enrollment trends; and changes in federal, state and local economic conditions and funding calculations unknown at the time of the projection.

The final recommendation is the compilation of assumptions intended to provide financial stability over a three-year period, allowing the district time to implement a fiscal recovery plan and make the necessary reductions to correct the structural budget deficit. The district has made three drawdowns totaling \$29 million in the six months from September 2012 through February 2013, leaving a balance of \$26 million to bridge cash flow deficiencies until a fiscal recovery plan is fully implemented. The fiscal recovery plan presented to the public in April 2014 is based on many variables but indicates the district does not believe it will require financial support in excess of the \$29 million already borrowed from the state.

The district's cash-flow statement dated April 25, 2014, with actual cash transactions through January 31, 2014, projected an ending cash surplus of \$3.0 million on June 2014. The accuracy of the assumptions supporting this cash flow appears much improved over the prior year. However, FCMAT's analysis of this document shows that two items need some adjustment. The first is that state revenue deferral schedules obtained from the CDE indicate a February apportionment of \$4 million instead of the \$5.4 listed on the cash flow. The second is a prior-year reduction in revenue limit of \$4.2 million found in CDE's 2013-14 first principal apportionment summary, which was not listed under "Prior Year RL" on the cash flow. While it is possible that it could be contained within the amounts found in "Prior Year Accounts Payable," there is insufficient information in the cash flow to determine whether most of the prior-year adjustment was accounted for in this manner. If neither of these items is recorded elsewhere in the cash flow statement and despite the presumption that the district will be granted a deferral exemption from the June 2014 apportionment, the impact of these two items could reduce the June 30, 2014 surplus to a negative.

The state's reduction of districts' principal apportionment has created cash-flow issues for many districts, but has had a significant impact on those like Inglewood Unified that are already experiencing cash-flow difficulties. The letter issued by the county office in reviewing the district's 2013-14 second interim report advises all districts to have a board-approved temporary cash borrowing resolution in effect should they suffer a shortfall.

It is critical that CDE, the state trustee, the board and the public understand the importance of the availability of cash to meet district obligations. Monthly cash flow statements are essential to this endeavor; therefore, the business office should make this a priority. Business office staff reported that they check cash daily for all funds and provide weekly reports to their supervisor. In February 2014, the district reportedly made a presentation to the board that depicted a graph of the 2012-13 weekly cash balance with and without the state loan. This was followed up with a state loan timeline and a reconciliation of how the funds were used in the April 2014 fiscal recovery plan. While the district appears to be putting significant effort into the education of the board and public on cash flow issues, the district should improve those efforts by presenting the current and two subsequent fiscal years when projecting cash flow statements. This informs the board and community about the district's cash flow issues and helps the district determine whether it can meet expenditure obligations.

At the time of FCMAT interviews, the district had not made the sustained expense reductions necessary to achieve and sustain fiscal solvency and had already used \$29 million or 53% of the emergency state appropriation. Of primary concern is the inability of the district to complete negotiations with its bargaining units. It is critical that the district implement the budget adjustments required to realign revenues with expenditures.

2. As the district continues to struggle with cash flow issues, timing for interfund cash repayments, accounts payable and payroll will be critical. FCMAT's interviews and review of the 2013-14 second interim report disclosed that both the capital facilities fund (fund 25) and the building fund (fund 21) made expenditures that may not adhere to the rules associated with those funds. If the expenditures from these funds are ultimately denied, they will need to be transferred to the unrestricted general fund, which will further contribute to deficit spending. The department heads/managers responsible for expenditures need to know and follow the rules attached to the funding source to ensure that the expenses incurred qualify and do not put unrestricted funds at risk. Employees issuing warrants and making interfund transactions that have an impact on cash should confer with the executive director/fiscal advisor and consider cash-flow impacts. This will also give the executive director/fiscal advisor an opportunity to adjust the cash-flow projection for changing needs.
3. The district utilizes a \$100,000 revolving fund account. Education Code Sections 42800 - 42806 and 45167 provide for the establishment of a revolving cash fund and authorize the school district to make payment for services, supplies and/or payroll errors that are urgent and/or unforeseen. Determination of these events is identified through board policy and the district's internal procedure: Payroll Cash Advance Collections – Revolving Fund.

The day before paychecks are issued, district procedure requires the payroll, budget and accounting supervisors, as well as additional human resources staff members, to pull checks for employees and board members with outstanding balances owed to the district. However, a review of the reconciliation shows that this part of the overall procedure was not consistently followed. At the time of the FCMAT interviews, four of the outstanding balances were amounts owed by board members, some more than three years old, and six of the items were payroll corrections more than five months old. Accounting Department staff prepared reconciliations of salary advances, but there is no evidence of efforts to collect these sums. The district should modify its current procedure to include appointments to speak to each person individually, entering into a written repayment agreement and following up on any missing payments. If these efforts are unsuccessful, the item should be sent to collections or written off after board approval of the forgiveness of debt. Given that there is a potential to forgive the debt of board members, the district may want to seek the advice of legal counsel.

4. FCMAT's interviews with business office staff indicate that the county office does all cash balancing to the treasury. Reconciliations for the clearing and revolving fund accounts are timely, and stale-dated checks more than six months old are now cleared from the outstanding check list. FCMAT's review of the food service bank account shows that it was not reconciled monthly. The reconciliations provided to FCMAT were undated to show when the reconciliations were performed; however, the September 2013 reconciliation was performed by the upper-level accounts payable clerk. She had been laid off from her employment at the district and did not return to paid employment until February 2014. The food service account also has had deposits in transit for over a year and the reconciliations show no sign of additional review by the accounting supervisor. The district should reconcile all checking accounts. Cash balances should be reconciled with what is in the county treasury and bank statements.

Recommendations for Recovery

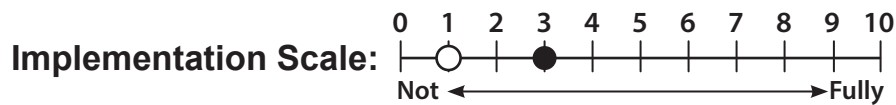
1. The business office should continue to analyze the average daily balance and month-end balance and prepare monthly cash-flow statements. The most recent California Department of Education apportionment documents and schedules should be used to support the payment and deferral information.
2. The district should continue educating the board and public on the importance of cash-flow analysis and projections. The district should present the current and two subsequent fiscal years when projecting cash-flow statements to help determine if it can meet its expenditure obligations.
3. The district should closely follow its recovery plan, implementing the necessary budget adjustments required to realign revenues with expenditures.
4. The managers should ensure that all expenditures meet the funding criteria. Managers should confer with the executive director/fiscal advisor if they are uncertain and consider the cash-flow impacts and risk to the unrestricted general fund before approving or processing questionable transactions.

5. The district should modify its current payroll cash advance collections – revolving fund procedure to include appointments to speak to each person individually, entering into a written repayment agreement and following up on any missing payments. If these efforts are unsuccessful, the item should be sent to collections or written off after board approval of the forgiveness of debt. Given that there is a potential to forgive the debt of board members, the district may want to seek the advice of legal counsel.
6. All bank reconciliations should be performed monthly in a timely manner and reviewed by a district employee; outstanding deposits as well as checks should be removed from the reconciliation after six months unless they are actively being investigated.
7. All checking accounts as well as cash balances should be reconciled with what is in the county treasurer and bank statements.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 3



8.2 Accounting

Professional Standard

The LEA's payroll procedures comply with the requirements established by the county office of education, unless the LEA is fiscally independent. (EC 42646) Per standard accounting practice, the LEA implements procedures to ensure timely and accurate payroll processing.

Findings

1. The district has one consulting payroll supervisor and two technicians. The consulting payroll supervisor had retired from the district as its payroll analyst. Payroll checks are delivered to the district office and distributed to assigned personnel from each school site. Employees at the school sites are required to sign an employee list to obtain their payroll warrant. Because of suspicions of nonexistent or "phantom" employees on the payroll, the district's prior administration indicated that they would have one payroll during the review period where all employees individually picked up and signed for their paychecks, but this did not occur.
2. The district has a cash advance procedure through the revolving fund account. Interviews with business services staff indicated that these payments are called salary advances, but are not always advances of wages, which is evidenced by several unreimbursed loans that were outstanding long past the subsequent payroll. One is three years old (see Standard 8.1). The district's cash advance procedure requires that before each payday, a meeting occur that includes supervisors from payroll, budget and accounting as well as two staff members from the Human Resources Department. These meetings are to collect and resolve outstanding payroll cash advances that are to be deducted from the next pay cycle. The paychecks of employees owing funds are to be pulled out and forwarded to the Accounting Department to settle the outstanding account. Accounts can only be written off if the employee leaves the district; however, the policy does not include the level of the district employee who should approve the write-off and does not include board approval to avoid a gift of public funds issue. This procedure was not referenced in FCMAT's interviews of any employee of the Payroll, Budget, Accounting or Human Resources departments.
3. To support audits of payroll records, the Facilities/Maintenance and Operations departments implemented a time-clock system last year. FCMAT's interviews with district payroll staff indicate that other departments have sign-in sheets that record daily employee attendance. Employees are supposed to sign in each day upon arrival and sign out at departure. If there is an absence, the employee is instructed to call the supervisor who documents the absence on the sign-in sheet. Upon return, the employee completes an absence verification sheet and gives it to his or her supervisor for approval. A review of sign-in/out forms provided by the district showed some days missing signatures for attendance, illness or vacation. Closer review of the February 2014 sign-in sheet showed that some had consecutive, identical signatures using the same pen, indicating some employees may have signed the sheet before the actual date.

Site managers indicate that employees fill out their own time sheets, and office managers input employee hours worked onto payroll and absence sheets. The employee is given the complete form, which is then reviewed and signed. Staff can go back and modify their attendance as long as they change the date; however, FCMAT's interviews indicated that no recertification of daily or weekly registers by the site supervisor is required. Site personnel reported that office managers, who were new this year, received no training in payroll.

4. The payroll system is not automated to electronically process time cards. Therefore, the payroll process for hourly employees is cumbersome, requiring many hours of manual processing and verification. Since the district uses the PeopleSoft program from the county office, it should work with LACOE to determine if automated payroll time systems are available that are compatible with PeopleSoft for the district to evaluate.

An employee ledger card is used as the district record of absences. These cards are extremely old and, in some cases, frayed and falling apart and must be processed manually. During FCMAT's interviews, employees expressed concerns about employees exceeding accrued sick leave balances and indicated that absence slips are not consistently submitted by employees. Paying for absences in excess of accrual balances leaves the district vulnerable to excess compensation and further complicates the obstacles the district faces in identifying overpayments and collecting these amounts.

Interviews with various district staff members found that management became aware that absence tracking had become disjointed in the last year, and the district is currently reconciling and resolving outstanding issues.

5. The classified employee contract states that seniority for classified employees is determined based on paid hours worked in a particular class plus higher classes. There is no process to record cumulative employee hours worked by position or retrieve this information in a timely manner.
6. The district purchased the position control module from the county office many years ago and pays an annual fee, yet it has not been fully utilized (see also Standard 7.3). In previous FCMAT reports commissioned by the district, the team strongly recommended that the district fully implement position control to manage and track employees, benefits, vacancies and populate the budget. Interviews with both business services and human resources staff found that a major area of focus in position control is the cleanup of positions in the system that have been eliminated and/or no longer should exist on record. The district needs to build an accurate picture of positions. While FCMAT's interviews indicate that there are verbal written plans to accomplish this task, documented procedures are not yet available. Once implemented, the district will need to develop policies and procedures in this area that follow LACOE's PeopleSoft manuals.
7. Internal controls for payroll should provide the appropriate checks and balances between departments and segregation of duties. Proper internal controls would ensure that the employee who processes payroll does not review and sign the payroll list or have access to the pay warrants received from the county office. At the time of the FCMAT's

interviews, one position supervised the department, processed one payroll, and processed all direct deposit forms. The district's executive director/fiscal advisor identified additional areas of concern related to segregation of payroll duties and the ability to trace anomalies such as the inclusion of a footprint stamp to be able to determine who made changes to a payroll batch and when. The district should ensure that proper segregation of duties is established and monitored periodically.

Errors in payroll continue to be an issue. FCMAT's interviews with business office managers found that each person processing payroll at the district runs prepayroll reports and checks his or her own work. FCMAT's interviews did not indicate that payroll reconciliations were performed. At least three business services administrators/managers/supervisors review time reports, attempting to catch errors before warrants are issued, while the district is searching to fill the payroll supervisor position. Last year, two key employees had their vacation balances cashed out despite the fact that Board Policy 4350.1 includes no provisions for cashing in vacation days except upon termination. Errors continue to occur with the monthly classified payroll even though the employee assigned to this area of payroll has been in the same position for several years. The district should have processes to reconcile and review payroll to capture errors before running the payroll warrant register. However, if the errors keep occurring at a rate that is unacceptable, the district should investigate, provide training as is necessary, and hold those employees accountable, which may include progressive discipline.

An additional problem in payroll is that the payroll process does not remove employees from the system until formal board action takes place. To assist with this process, the Human Resources Department attempts to notify payroll immediately upon an employee's termination so employees can be removed from the payroll report before board action. This does not occur consistently, and overpayments continue to occur. In one case, a terminated certificated employee was not promptly listed for termination on the board agenda and received four months of additional pay.

Recommendations for Recovery

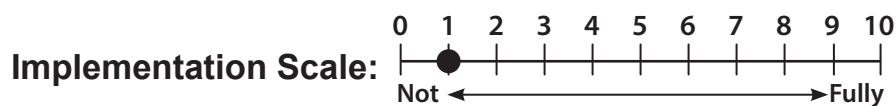
1. The district should have one payroll where employees must bring identification and sign for their checks.
2. The cash advance procedure should be modified in accordance with Standard 8.1. Write-offs of any debt owed to the district should include board approval to avoid gift of public funds issues.
3. More accountability and supervisorial oversight should be attached to the sign-in/out procedure and absence forms. All managers and site staff should be fully trained in time/attendance processing. Employees should be advised on who to notify if they believe an employee is failing to file or falsifying payroll records.
4. The district should automate the system for the electronic processing of time cards.

5. The district should investigate and implement an electronic method of absence tracking to avoid payments for absences in excess of accrual balances and discontinue using the aged, manual system.
6. The district should try to negotiate the modification of the classified contract definition of seniority to match data that can be readily produced.
7. The district should fully implement position control to manage and track employees, benefits, vacancies and populate the budget. The district should implement written procedures to incorporate and support LACOE manuals.
8. The district should continue and expand its review of the Payroll Department and segregation of duties.
9. Payroll reconciliation procedures should be developed to assist in identifying payroll errors.
10. Payroll employees should have access to all relevant board policies and procedures and be held accountable to follow them.
11. Procedures to reduce the payroll error rate for classified monthly payroll should be implemented, training provided as necessary to payroll staff, and those employees should be accountable for their errors, which may include progressive discipline.
12. Written procedures for payroll notification of employee change of status should be developed.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



9.2 Attendance Accounting

Professional Standard

School sites maintain an accurate record of daily enrollment and attendance that is reconciled monthly. School sites maintain statewide student identifiers and reconcile data required for state and federal reporting.

Findings

1. Most of the school district's funding is determined based on average daily attendance; therefore, it is essential to establish operational policies and procedures for taking and recording student attendance each day and ensuring that these procedures are consistently followed by all school site personnel. Board policies, administrative procedures and desk manuals are valuable resources for staff members whose duties include accurately reporting this critical information, which is essential to maximize funding.

The district attendance practices vary from site to site. While many sites report similar practices in core daily attendance activities, FCMAT identified some inconsistencies in approaches to collecting, recording, reviewing and certifying attendance. While those interviewed indicated that teachers take attendance daily, there were inconsistencies in those teachers utilizing the Aeries Browser Interface (ABI) to record attendance for each day/period. At some sites, staff members reported that teachers take attendance on manual registers that are forwarded to the school office where the office staff member who handles attendance enters the data into the Aeries attendance system. While teachers have the technology necessary to utilize the automated attendance system, and they are expected to record attendance on both manual registers and ABI, some teachers record this information only on the manual registers.

2. School site attendance personnel reported inconsistencies ensuring that students who come to school late report to the school office before going to class. This ensures the attendance records are accurately updated and the purpose of their late arrival is accurately verified and recorded. Students who arrive at school after the teacher records attendance and forwards the registers to the school site office should be required to first check in at the school office. The school office staff member responsible for attendance accounting should then change the data from showing an absence to showing the proper attendance code reflecting the student's reason for being late. Updated attendance is certified by the teacher at the end of each week. Teachers also have a responsibility to ensure that any student leaving before the end of the school day with an authorized parent or guardian is instructed to report first to the school site attendance clerk.

School site attendance clerks should generate system reports to test the accuracy of data entry at the site level, unexcused absences, truant students, as well as other Aeries reports to confirm that data balances maintain continuity from one month to the next. The following are examples of system reports available to detect irregularities:

- Audit list – identifies students with missing codes for absences.
 - Attendance submitted early reports – lists teachers who submit attendance early.
 - Missing attendance reports – identifies missing attendance by teacher.
 - Period audit reports – prints a list of students who were not marked absent from a class on a specified date.
3. During interviews, attendance staff reported that teachers can modify the attendance in the student information system as long as they change the date. Staff indicated that the teacher is not required to recertify weekly registers if this occurs. School months are not closed, which would prevent teachers from altering attendance after it has been certified for the school month.
 4. School site attendance clerks should ensure that the weekly attendance certifications agree with the monthly certifications collected during each school month. School site attendance staff can produce a daily attendance report that identifies which teacher recorded or did not record attendance and the periods that it was not recorded. Teachers are required to take attendance in compliance with the California Code of Regulations (CCR), Title 5, Section 401, (b) – (d) which states the following:
 - (a) High school attendance (including junior high school) shall be kept on forms approved by the California Department of Education.
 - (b) In all high schools, except those listed in (d) of this section, each teacher shall be required to submit to the principal, at least once each school day, a report of attendance for each period of the day in which he conducts classes, listing the names of all pupils absent in any period.
 - (c) In all classes for adults, continuation schools, and classes and regional occupational centers and programs, attendance shall be reported to the supervising administrator at least once each school month.

The district should hold accountable any teacher who fails to complete an accurate record of attendance. All teachers should be reminded of the importance of reporting correct attendance, and site administrators should review signed attendance reports to verify the teachers' signature. The district should hold accountable any administrator who fails to follow up and correct a teacher's failure to prepare and complete an accurate record of attendance.

5. Weekly and monthly attendance certification reports are printed from the student information system at the end of the applicable period and are signed by the teachers and retained at the school sites. Interviews with school site staff indicate that the district office does not verify or review the signed registers.
6. Substitute teachers do not have access to the Aeries system and therefore use manual attendance rosters. The school site attendance clerk must subsequently enter the data from these rosters into Aeries. The district should review with the Aeries software provider how substitute teachers can access the Aeries system to enter the daily attendance for students as a guest user utilizing a password.

During FCMAT interviews with school site staff, it was indicated that some substitute teachers take attendance while others do not. When substitutes do not take attendance, some teachers complete an attendance report the next day. However, it was further stated that some teachers do not want substitutes to take attendance. In that case, upon the teacher's return, he or she takes attendance for the prior day when he or she was absent. However, if the teacher refuses, an attendance register is prepared indicating that all students were present that day.

7. Although district personnel report that they have access to the Eagle Aeries Attendance Software user manual, a standardized district attendance policies and procedures manual does not exist. This manual would provide the school with a reference source to perform their duties. A procedures manual will also provide district office attendance staff and administrators with the necessary guidelines to hold staff accountable for the proper recording and accounting of daily student attendance and the necessary tools to accurately report attendance through the entire reporting and certification process.
8. The district does not ensure that all site administrators and school site attendance staff attend mandatory attendance training. Although the district conducted attendance trainings for school site personnel, not all site administrators and school office personnel responsible for attendance were there. FCMAT interviews with school site administrators and attendance personnel indicate that some employees have never received training in attendance procedures. Since average daily attendance generates most of the district's funding, it is crucial for employees who are responsible for attendance reporting to receive annual training.

Mandatory training is essential to ensure that those responsible for recording and monitoring student attendance understand laws and regulations. Furthermore, training provides an opportunity for those staff members to share information on best practices, clarify procedures, and communicate with district office staff on areas that may need refinement or district intervention.

To be most effective, mandatory training should occur before the start of each school year. This training should also be provided for any new staff member responsible for recording the official attendance.

9. The district has hired a consultant to provide services and training to district staff in the Information Technology (IT) Department. Among the duties described by this consultant are managing and supporting the student information system, overseeing and directing the work of data technicians, and complying with CALPADs reporting requirements. The contract states that the consultant shall provide the following:
 - a. Statewide student identifiers
 - b. Language census (R30) – Reporting of EL, IF, RFEP students, teachers, teacher credentials

- c. Student national origin report (SNOR)
- d. CBEDS
- e. Training and problem solving for users of CSIS

The district should establish a cross-training schedule to ensure that essential functions can be maintained in the absence of the consultant. District administration should consider using the self-paced CALPADS training provided online by California School Information Services (CSIS).

While FCMAT interviews indicated that the consultant reports directly to the director of technology, the contract states that the consultant reports to the chief operations officer.

10. The district has historically experienced difficulty in properly collecting, recording, maintaining and reporting enrollment and attendance, which has resulted in audit findings related to attendance and numerous errors and anomalies in CALPADS reporting submissions. In the 2011-12 fiscal year, a breakdown of the attendance internal control and reporting system resulted in approximately 350 more students being identified in the attendance system than in the official enrollment. To address the overreporting of students in the 2011-12 and 2012-13 fiscal years, district management assigned approximately 15 staff to physically count students three times during the week that the error occurred in 2011-12, which is at the start of the school year. The results of the physical counts continued to determine that the student enrollment was overreported.

The district has engaged the services of an information technology/student information system retiree who focuses on overseeing the collection and maintenance of student data in the student information system and CALPADS reporting. This position oversees the work of 10 data technicians, seven of which are housed at and committed to a single school site, while the remaining three are housed in the Technology Department at the district office and manage student data for multiple sites. The data technicians housed at the district office also support the routine administrative duties of the Technology Department.

While data technicians are solely responsible for establishing, entering and maintaining student data in the student information system they do not enter or modify attendance; this is performed by school site personnel. School site attendance personnel collect and provide to data technicians information for new student enrollment and any other changes in student demographic data for existing and exiting students.

All school sites have access to the Aeries system; however, the district has three Technology Department data technician positions who visit 10 elementary schools each day to retrieve enrollment information and documentation for new and exiting students. Unlike the data technician positions supporting and housed at secondary school sites, these technicians create new student files and exit students who are leaving the district using the student information system at the district office. This requires transporting student enrollment documentation from the school site to the district office and back, which presents a risk for lost or misplaced documentation and a delay in entering information into the student information system.

11. Interviews with district staff indicated that the district has been responsive in submitting data to CALPADS, including correction of errors, and it is reconciling information between CALPADS and Aeries. CALPADS contains the official student record for transcripts and graduation eligibility; therefore, it is imperative to record the correct information in the student information system and ensure both systems are reconciled. Interviews with the consultant indicated that considerable progress has been made in addressing some of the weaknesses that historically contributed to errors in the data reported in CALPADS submissions. However, FCMAT was unable to verify this reported progress through secondary validations because of lack of documentation.
12. At the district office level, the accounting technician generates monthly system reports to verify the accuracy of the student attendance reported at the school level. A class-by-class count report that was manually prepared is compared to the Aeries student gains and losses by grade level to ensure that enrollment counts agree between the manual and system reports.
13. District office personnel interviewed by FCMAT during the last review period stated that the procedures for completing each reporting period (P-1, P-2 and annual) include a reconciliation and review of monthly reports generated by the school sites with the districtwide system reports prior to submission to the state. However, school site personnel indicate that changes to attendance can be made by instructional staff after certification, and the school site does not require teachers to recertify weekly/monthly reports when changes occur.
14. The district should ensure that all board policies and administrative regulations are current. The district's website shows that board policy and administrative regulation 5111.1 was last updated on October 24, 2012; however, the policy posted to the website includes a revision date of January 17, 1996.

Board policy and the accompanying administrative regulations 5115 - Attendance Records are more than 10 years old and should be updated to reflect current laws, regulations, as well as any other changes in the attendance procedures. A review of the related procedures (5115(a)), also dated December 11, 2002, contained significantly outdated procedures or references.

The following example of types of attendance-related board policies were not provided to FCMAT :

- BP 5116, School Attendance Boundaries
 - BP 6176(a), Weekend/Saturday Classes
 - BP 6183, Home and Hospital Instruction
 - BP 5030, Student Wellness
15. FCMAT reviewed monthly attendance summaries for four school sites, Highland Elementary, Parent Middle School, Monroe Middle School and Inglewood High School. The district participates in an attendance recovery program called Academic Attendance Recovery Coordinated (AARC), which gives students the opportunity to attend Saturday

school to make-up for past absences. However, during the month reviewed, only 26 days of apportionment were recaptured of 338 absences excluding suspensions, a recovery rate of 7.69%. FCMAT also noted an uncharacteristically high apportionment attendance rate of 98.39% for grades 9-12 overall. When the attendance recapture is removed from Saturday school, the total adjusted percentage remains unusually high when compared to statewide averages. This indicates that the recapture of attendance is not the primary contributor to a high percentage of attendance to enrollment. Instead, the high attendance rate is an indication that attendance may not be properly recorded, increasing the potential that the district overclaims apportionment attendance.

The 2012-13 statewide average ratio of ADA to enrollment was 94.81% for elementary, 94.08% for unified and 93.53% for high schools. FCMAT’s review of district attendance is summarized in the table below:

School Site	Grade Level	Attendance Month	% ADA to Enrollment	2012-13 Statewide Average School Rate/Unified Rate
Highland Elem.	K-6	4	94.21%	94.81/94.08%
Parent MS	6-8	6	96.94%	94.81/94.08%
Monroe MS	7-8I	6	95.84%	94.81/94.08%
Inglewood HS	9-12	6	98.36%	93.53/94.08%

FCMAT cannot confirm this concern because only one month of attendance was examined. However, the district should examine each month of school attendance, weekly and monthly registers certified by the teachers and verify daily and weekly attendance practices of the high school to ensure that attendance is being properly recorded.

Recommendations for Recovery

1. Standardized attendance procedures should be established and consistently followed by all school site personnel.
2. Teachers should ensure that any student leaving with an authorized parent or guardian before the end of the school day, or arriving after attendance has been completed, is instructed to report first to the school site attendance clerk.
3. The district office personnel responsible for reporting attendance should verify that the data in the student information system agrees with the certified monthly attendance registers.
4. All teachers should be reminded of their duty to complete accurate attendance records and be held accountable for Education Code and California Code of Regulations requirements.
5. School site administrators should review signed attendance reports to verify the signature of the teacher, follow up with the school site attendance clerk to determine teachers that do not prepare accurate attendance records, and hold accountable teachers who fail to prepare accurate records.

6. District office staff should ensure that signed registers are verified or reviewed.
7. The district and Aeries software provider should review access to Aeries as a guest or substitute teacher using a separate password to determine if substitute teachers can access the system. All substitute teachers should be required to take and certify attendance each morning either through a manual register or automated access.
8. The district should develop a comprehensive district office and school site attendance policies and procedures manual. This manual, also known as an attendance accounting handbook, should include step-by-step instructions that describe enrollment and attendance procedures from the first moment of a student's registration through the issuance of the final state attendance reports.

The handbook should include at a minimum:

- Legal requirements
- Education Code requirements
- Enrollment and disenrollment procedures
- Forms
- Attendance instructions
- Attendance system operations and codes

The handbook should be distributed at the beginning of each year to principals, assistant principals, school site clerical and support staff, attendance and information technology support staff, and any necessary district office staff.

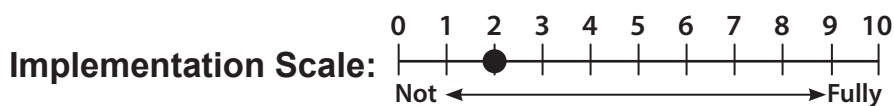
9. Mandatory annual student attendance and Aeries attendance software training should be provided before the start of each school year for district-level staff members, school site attendance personnel, school secretaries, principals, and the Assessment and Information Technology Department to ensure that proper procedures are followed consistently throughout the district. Training should cover written attendance policies and procedures, include any new laws or regulations related to attendance and record-keeping requirements. Site and district office staff should receive annual training in all new attendance accounting procedures, and the importance of completing accurate attendance records for apportionment and auditing purposes should be stressed.
10. All training should be documented by sign-in sheets that require the date and type of training; the name, signature, school site, and position of the attendee; and the location.
11. The district should make appropriate adjustments that provide for the creation and maintenance of student enrollment in the student information system at each school site. These duties should coincide with the duties of attendance and enrollment, which should be reviewed and monitored by those responsible for attendance and CALPADS reporting.
12. The district should ensure there is adequate cross-training for CALPADS reporting.

13. Staff should be required to use the online CALPADS training provided by CSIS.
14. School site attendance clerks should generate reports and review for accuracy the data entered by teachers and to identify unexcused absences and possible truant students.
15. District staff should continue to monitor enrollment and attendance and correct any irregularities.
16. The business office should review state attendance reports before they are forwarded to the state trustee for review and approval.
17. The district should develop additional student-attendance-related board policies on student wellness, and residency based on parent or guardian employment, school attendance boundaries, weekend/Saturday classes, and home and hospital instruction.
18. The board policies and administrative regulations available from the district’s website should be reviewed to ensure that they are the most current ones adopted.
19. Board Policy 5115, accompanying administrative regulations and procedures - Attendance Records – is more than 10 years old and should be updated to current attendance conditions, requirements and procedures, including those related to reconciling data in the student information system to CALPADS.
20. The district should examine each month of school attendance, weekly and monthly registers certified by teachers, and verify the daily and weekly attendance practices of the high school to ensure that attendance is properly recorded.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



9.3 Attendance Accounting

Professional Standard

Policies and regulations exist for independent study, charter school, home study, inter-/intra-LEA agreements, LEAs of choice, and ROC/P and adult education, and address fiscal impact.

Findings

1. Independent study programs are offered to students upon request when absences will exceed five or more school days in accordance with EC 51747. This type of independent study program is known as a short-term independent study contract. Parents may request that their student be placed on independent study by completing an application and agreeing to the terms of the agreement. State attendance regulations for independent study are stringent and require the school, parents, and teachers to follow each element of the agreement in a particular order. Failure to follow each element of the agreement will result in the state disallowing all independent study ADA credit for a student.

Board policy, administrative regulations and procedure 5115 addressing independent study for Inglewood Unified were last revised in December 2002. The procedures refer to attendance systems and practices that are greatly outdated, including reference to the Carter Pertain software formerly utilized to record student attendance as well as attendance codes that are no longer applicable.

2. The annual audit for the period ending June 30, 2012 issued an audit finding that identified several discrepancies with short-term independent study contracts, which subsequently disallowed 113 days of attendance credit for the district including the following:
 - The required signatures of the pupil, teacher, or administrator were missing.
 - Contracts were dated after commencement of the independent study contract.
 - The teacher evaluations of student work samples were missing.
 - Work samples were missing.

The district provided no documentation demonstrating that these independent study deficiencies were corrected or that the district has reviewed the content of the findings, and trained staff members responsible for duties attributable to independent study on established procedures.

3. The district does not have a written independent study policies and procedures manual.
4. The district does not report or demonstrate the establishment of a system to conduct internal audits to test the validity of the independent study attendance reported for apportionment purposes, or provides annual attendance training on independent study to the school site staff members responsible for this program.

5. No board policies for attendance were available regarding charter schools, ROP, and inter- and intra-district transfers, and school of choice.

During FCMATs last review, the district had authorized nine independent and one dependent charter high school, which had a significant impact on district enrollment. The district has since opened a second dependent charter school, La Tijera K-8 Academy of Excellence and reports the intent to potentially add others in the upcoming years.

FCMAT determined that most petitions in the prior review period had been approved without a complete analysis of the required Education Code elements contained in Section 47605 (A)-(P), and that staff did not provide an oversight function as the authorizer.

Staff members stated during interviews that a template was developed to evaluate the initial charter school petition. The district provided FCMAT with a copy of the Independent Charter School Petition Application Guide, dated March 3, 2014. This guide contains a single-page summarized flowchart outlining the process for submitting a charter school petition for review and approval by the Inglewood Unified School District.

The process is summarized in the flowchart as follows:

- Submission of letter of intent – 10 business days prior to petition submission
- Submission of petition – accepted from August-April each year
- Initiation of petition review process by coordinator of compliance
 - a. Convenes petition review committee
 - b. Identification and assignment of identified elements for review
- Petitioner notified of formal acceptance of petition and date of public hearing (to occur within 30 days of formal acceptance)
- Petitioner notified of date of board meeting for state administrator action (to occur within 30 days of formal acceptance)
- State trustee votes to approve or deny charter petition

The rest of the guide is composed of general overview training materials prepared by Atkinson, Andelson, Loya, Ruud & Romo, dated November 1, 2013, for a study session with the district governing board. The content of the seven-page document provides an overview of charter law intent; defines independent and dependent charter schools as well as hybrid schools; and defines key concepts concerning jurisdictional boundaries, school choice, right to attend and right of choice attendance or employment by students and employees.

The materials outline the 16 required elements that must be assessed during the governing board's review process, as defined in Education Code Section 47605, which include:

- Required Elements:
 - a. Description of the educational program
 - b. Measurable pupil outcomes

- c. Method for measuring pupil progress in meeting outcomes
- d. Governance structure
- e. Qualifications of employees
- f. Health and safety of pupils and staff
- g. Means of achieving racial and ethnic balance
- h. Admission requirements
- i. Independent, financial audits
- j. Procedures for suspension or expulsion of pupils
- k. Manner by which staff will be covered by STRS, PERS or federal Social Security
- l. Public school attendance alternatives
- m. Description of employee rights
- n. Dispute resolution procedures
- o. Declaration of whether or not the charter school shall be deemed the exclusive public school employer, for purposes of Educational Employment Relations Act.
- p. Procedures for closure

Additionally, the overview outlines conditions and prohibitions that must also be assessed by the governing board before approval as well as a generalized list of content oversight authorities should regularly obtain from the charter.

The contents of this guide are very generalized and lack specific performance criteria for district staff in reviewing a charter school petition. Oversight of charter schools is a critical function, and lack of effective oversight can leave the district vulnerable to the liabilities of the charter school should the charter school close. Interviews with district staff identify the executive director-school improvement as responsible for charter school oversight and compliance review. The executive director reported that new charter application screenings have been implemented to ensure petitioners are sound and this new tool was recently used to deny a petition. Staff reportedly do not participate in the day-to-day management duties of independent charter schools, and they have a charter school compliance officer position that monitors charter schools after approval.

Although the content included in the Independent Charter School Petition Application Guide is a reasonable overview of the requirements for charter school petition review by school district governing boards, it lacks detailed guidance of a procedure manual for each area of focus. Although district staff indicated that as recently as one week before FCMATs visit, a petition had been denied by the district, FCMAT was not provided with supporting documentation demonstrating the existence and application of operational policies and procedures in this area. FCMAT was not provided with any board-adopted policy, administrative regulation or procedures relevant to charter school authorization and/or oversight. A memorandum of understanding (MOU) should be cooperatively developed between the charter school and the district for each charter school approved

by the school district and should describe the responsibilities of the charter school for providing financial information to the district for review. The district should routinely evaluate and assess the fiscal condition of each charter school as part of its responsibilities for fiscal oversight of any charter they have approved.

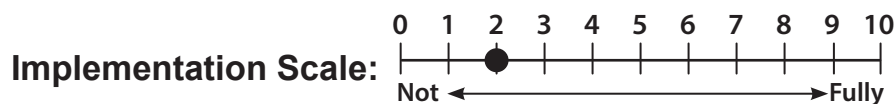
Recommendations for Recovery

1. The independent study Board Policy BP/AR 5115 included in attendance records is 10 years old and should be updated. The district should update board policies, administrative regulations and procedures related to independent study.
2. The district should review all audit findings with personnel responsible for tasks in the content areas where findings are identified, and guidance should be provided addressing the deficiencies in performance or application of procedures.
3. The district should adopt an independent study procedures manual to provide guidance to staff coupled with mandatory annual attendance training on independent study.
4. Periodic internal audits should be performed to test the validity of attendance reported for apportionment. The district should adopt an independent study procedures manual to provide guidance to staff.
5. The district should develop attendance board policies applicable to charter schools, ROP, and inter-and-intra district transfers, and school of choice.
6. The district should develop and adopt governing board policy, administrative regulation and procedures pertaining to charter school authorization.
7. A template and detailed written procedures should be established to guide and document the evaluation process for new charter schools. The template should include all elements cited in the Education Code 47605.
8. Detailed written procedures should be established and documented to guide and document fiscal oversight procedures.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



9.4 Attendance Accounting

Professional Standard

Students are enrolled and entered into the attendance system in an efficient, accurate and timely manner.

Findings

1. The district has had a history of findings related to attendance that result from improper attendance accounting procedures. It is critical for the district to have accurate attendance information to claim all revenue to which it is entitled. A major component of the district's fiscal solvency depends on ensuring that all staff responsible for attendance reporting and accounting are properly trained. It is imperative for the district to be diligent in its endeavors to make certain that procedures are established and followed by all staff members who ensure all enrollment and attendance are accurately created, maintained, accounted for, and reported in the student information system and state attendance and CALPADS reporting.
2. While the district indicated that trainings were conducted on the Aeries attendance system, staff continue to report that they have not received any training in several years, if at all. The district conducted training on core foundational school site attendance concepts; however, a review of supporting documentation indicates that not all positions that were required to attend actually did so.
3. It is critical for the district to have accurate information for all aspects of attendance including independent study, absences, tardies, truancies, new enrollments and disenrollments, etc. Attendance information is used to estimate and claim all the attendance and related revenue to which the district is entitled, and therefore, needs to be accurate. The district's financial crisis makes this function particularly important.
4. School sites do not immediately enroll students when they arrive at the school site. Depending on what time a student arrives at the school site, he or she may be enrolled the following day.
5. All school sites have access to the Aeries system; however, three data technicians are solely responsible for entering student information into the Aeries system when new students enroll. Depending on the workload and time of day that a new student arrives to enroll at an elementary school site, enrollment may not occur until the next day.

Recommendations for Recovery

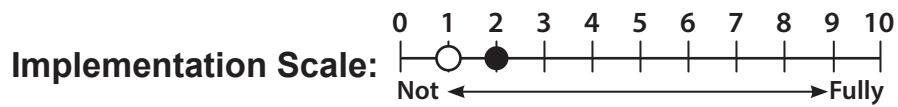
1. The district should provide mandatory annual training before the start of each school year for all staff responsible for recording and reporting attendance to ensure that all staff members are familiar with regulations and any new changes in the Aeries student information system.

2. Mandatory in-depth training should be provided to all employees who are new to student attendance accounting.
3. The district should require school sites to enroll students as soon as possible to maximize average daily attendance (ADA) by enrolling them on the same day they enter the school site.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 2



9.6 Attendance Accounting

Professional Standard

The LEA utilizes standardized and mandatory programs to improve the attendance rate of pupils. Absences are aggressively followed up by LEA staff.

Findings

1. The independent study Board Policy BP/AR 5115 included in attendance records is 10 years old and should be updated.

The district truancy specialist understands the procedures involved in processing and returning truant students to school. The district no longer contracts for specialized attendance services with Attention 2 Attendance (A2A) and the duties associated with truancy including the issuance of School Attendance Review Team (SART) letters have reverted to the principals. FCMAT was not provided with any documentation validating that procedures have been established and are followed by all school sites. Although board policy is established, the district does not have administrative regulations or procedures to guide principals through the appropriate procedures for addressing truanancies. FCMAT was also unable to assess if truancy letters and any communication with the parent or guardian are denoted in the student record in the Aeries system.

2. The Los Angeles County District Attorney's website regarding truancy states the following:

Chronic truancy and eventual involvement in crime go hand in hand...As a result, the District Attorney's Office – as the chief law enforcement agency in the county – has implemented powerful programs to address the truancy problem and help you stay in school.

The Los Angeles County Truancy Abatement Program enforces compliance with mandatory school attendance laws and regulations. The school district and the district attorney's office share a common goal of ensuring that students in Los Angeles County become responsible and productive individuals.

The Los Angeles County District Attorney's Office has a program entitled Abolish Chronic Truancy or ACT program that places District Attorney's Office personnel in elementary schools to work with administrators, teachers, parents and students to intervene at the very beginning of the truancy cycle. FCMAT was unable to verify the district's active involvement with the ACT program.

3. School site principals are responsible for preparing and sending official notification letters to the parent or guardian of a habitually truant student in an effort to enforce compliance and have the documentation required for court mediation if necessary:

First declaration of truancy - Issued after three absences or three tardies of more than 30 minutes on three days without a valid excuse.

Second declaration of truancy - Issued after three absences or three tardies of more than 30 minutes on three days without a valid excuse following the previous notice.

Declaration of Habitual Truancy – Referral to the District Attorney - Issued after three absences or three tardies of more than 30 minutes on three days without a valid excuse following the two previous notifications.

Interviews with school site principals acknowledge that they have assumed these responsibilities; however, FCMAT did not interview all principals and did not receive any documentation demonstrating the districts efforts in this area.

4. The district no longer utilizes School Innovations and Advocacy (SI&A) for managing parent notifications and tracking. FCMAT was not provided with a report identifying the number of SART meetings conducted by the district during the 2012-13 or current fiscal year. Review of the 2013-14 SARB Hearing list identified 45 SARB hearings scheduled between November 13, 2013 and March 27, 2014.

FCMAT reviewed the detailed registers for one full month of attendance for two school sites, Highland Elementary and Inglewood High School. According to the attendance code sheet provided by the district, the attendance code “F” is used to indicate that a student was truant (Unexcused Absence-Verified, Truant-Cut Class/Truant all day) in the student information system and is indicated on the attendance register as “TRU”. A review of the attendance records failed to identify any instances of truancy at either site, although in one instance, an attendance register noted “TR,” which is an undefined attendance code on the list provided. Additionally, detailed review of absences noted 363 unexcused absences for students attending Highland Elementary while only 48 unexcused absences were noted for Inglewood High School.

5. The district’s Academic Attendance Recovery Coordinated Program provides a calendar that identifies on which Saturday students may recover attendance credit. The district offers Saturday school, giving students the opportunity to make up unexcused absences and allowing the district to increase its apportionment.

Interviews with school site staff and review of supporting documentation indicated that attendance is taken for each Saturday school session, and registers indicate the date of absence the attendance recovery is applied. Registers are also certified by the teacher. Interviews and documentation also indicated that the attendance is adjusted in the student information system to reflect Saturday school for the date in which the recovery is applied by the AARC consultant, rather than a school site employee.

6. Each school site should run daily reports and notify parents of student absences. A consistent practice in this area should be developed districtwide. The district should review automatic notification systems for student absences. This type of system can also be utilized to immediately notify parents or guardians in case of a major school incident.

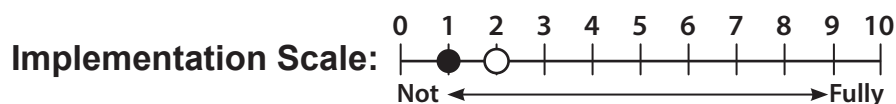
Recommendation for Recovery

1. Attendance policies and procedures regarding truancy are specialized. The district should develop and adopt administrative regulations and procedures outlining the responsibilities of school site personnel regarding truancy. Procedures should be incorporated into the district attendance manual and reviewed with school site principals annually.
2. District management should verify active participation in the Los Angeles County Truancy Abatement Program.
3. The district should continue working with students, parents and the county district attorney's office to enforce attendance policies.
4. All school sites should prepare and review attendance absence reports daily. The district should develop a consistent practice for all schools to notify parents and guardians when students are absent.
5. The district should review the attendance-recording practices of the Inglewood High School and ensure attendance is being properly recorded, including the proper recognition of unexcused absences and trancies.
6. All school sites should prepare and review attendance absence reports daily. The district should develop a consistent practice for all schools to notify parents and guardians when students are absent.
7. The district should make certain it has procedures to ensure that documented monthly attendance, as certified by the classroom teacher, accurately reflect attendance resulting from Saturday school attendance after modification. If adjustments are made to attendance, updated certifications may be necessary and should be documented.
8. The district should research automatic notification systems capable of reporting daily absences and immediate notification of a school incident.
9. The attendance clerks should continue to contact the district police department or campus security personnel to deliver the truancy letters to the students' parent or guardian and refrain from home visits.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



9.7 Attendance Accounting

Professional Standard

School site personnel receive periodic and timely training on the LEA's attendance procedures, system procedures and changes in laws and regulations.

Findings

1. In January 2013, the district engaged the services of an outside consulting firm to conduct a workshop on student attendance accounting for school site principals and office support staff responsible for overseeing and managing school site attendance. This workshop provided a generalized overview of attendance accounting practices, compliance requirements and internal controls. A review of the attendance login sheets found that although communications indicated that the trainings were mandatory, not all site personnel responsible for attendance duties attended.

In addition to attending the State Compliance & Audit Risk/California Attendance Accounting & Internal Control Requirements workshop in January, staff reported that data technicians received some training in the Aeries student information system and participated in CALPADS Web seminars last year; however, FCMAT could not verify participation.

2. The district has historically experienced difficulty in properly collecting, recording, maintaining and reporting enrollment and attendance, which has resulted in audit findings related to attendance and numerous errors and anomalies in CALPADS reporting submissions. The district has engaged the services of an IT/student information system retiree whose focus is on overseeing the collection and maintenance of student data in the student information system and CALPADS reporting. This position oversees the work of 10 data technicians, seven of which are physically housed at and committed to a single school site, while the remaining three are housed in the Technology Department at the district office and manage student data for multiple sites. The data technicians housed at the district office also support routine administrative duties of the technology department.

While data technicians are solely responsible for establishing, entering and maintaining student data in the student information system, they do not enter or modify attendance; this is done by school site personnel. School site attendance personnel collect and provide to data technicians information for new student enrollment and any other changes in student demographic data for existing and exiting students.

3. During interviews there were inconsistencies regarding the training received by school site personnel responsible for daily attendance. While some school site staff acknowledged attending recent trainings offered in January 2014, others reported that they had never received training. It is essential for the district to make certain that staff members responsible for student data management and attendance activities are sufficiently trained to ensure that student data is accurately collected, maintained and reported. Annual trainings should be conducted to ensure staff members are familiar with

all changes that take place as a matter of law, procedure, or functionality of the student information system, and all staff responsible for duties associated with attendance and enrollment should be required to attend.

4. School site principals and support staff reported that the district does not provide routine training to site staff in the Aeries attendance software. Some perceive that teachers know how to take attendance and therefore training is unnecessary.

An annual overview of the purpose and procedures for daily attendance ensures all staff members understand their roles and responsibilities in the attendance process as well as the importance of standardized procedures.

5. During review of documentation provided by the district, FCMAT became aware of a circumstance where two school sites had erroneously applied a “Pupil Free Day” on November 18, 2013, a regularly scheduled instructional day, which affected the instructional minutes and average daily attendance for those two school sites. The error was identified by the district and guidance was obtained from LACOE on how to rectify the situation to ensure compliance.
6. There is no indication that the district has engaged in a program that ensures staff members are cross-trained in attendance procedures. All school office personnel should be cross-trained in these procedures so they can provide coverage when another employee is absent.

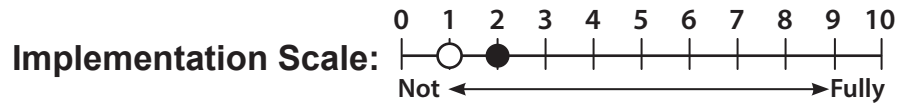
Recommendations for Recovery

1. Mandatory training sessions should be conducted for all attendance personnel before the start of each school year. District administration should follow up with any person absent from the mandatory training.
2. The district should continue to ensure that the district office and school site staff members responsible for student attendance accounting attend trainings.
3. The district should provide staff with access to online training programs for CALPADS provided by Eagle Software, the developer of the Aeries student information system. Online support for California secondary school users includes a free downloadable manual that has step-by-step instructions as well as several additional online resources. Employees responsible for CALPADS reporting should receive training using the Eagle Software manual.
4. School site administrators should receive annual training on the school calendar, instructional days and required instructional minutes. The district should ensure that all school site administrators fully understand the calendar and bell schedules as established for each fiscal year to ensure that instructional days and minutes are in compliance.
5. School office personnel should be cross-trained in attendance procedures.

6. Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 2



10.4 Accounting, Purchasing, and Warehousing

Professional Standard

The LEA timely and accurately records all financial activity for all programs. GAAP accounting work is properly supervised and reviewed to ensure that transactions are recorded timely and accurately, and allow the preparation of periodic financial statements. The accounting system has an appropriate level of controls to prevent and detect errors and irregularities.

Findings

1. The Business Services Division has had many changes since SB 533, Chapter 325, was approved by the governor on September 14, 2012 for the district's emergency state appropriation. The superintendent was released, and a state administrator was appointed. The state administrator released the chief operations officer and hired an assistant superintendent of business services. That state administrator was released, and the assistant superintendent of business services was promoted to the interim state administrator, serving in both capacities. The district promoted a person to the business and fiscal services coordinator position with limited experience in school districts, which served below the assistant superintendent, business services. A chief operations officer was hired and then an executive director/fiscal advisor was hired to serve as a layer between the assistant superintendent and the coordinator and, at the same time, a chief operations officer was hired. The positions were eliminated, and now the executive director/fiscal advisor reports to the chief operations officer regarding all business office matters.

Even with the personnel shifts, the district has tried to arrange duties so that controls exist to prevent and detect irregularities. These controls include the following:

- Dual approvals are required to process transactions.
- Journal entries require backup and second-party review.
- The PeopleSoft accounting software prohibits the posting of unbalanced journal entries.
- Cash is reviewed daily and reports prepared for the executive director/fiscal advisor on a weekly basis.
- Payroll procedures are designed to help prevent and detect employees who exist only on paper and over- or underpayments (see Standard 7.3).
- More than one person counts cash receipts.
- Receipt of goods or services is ensured prior to payment.
- The county office processes all warrants, and one of the dual signatures is required to be from that office.
- Fully signed warrants that are scheduled for mailing are not left unattended.

Deficiencies in controls were identified as follows:

- Failure to follow all payroll procedures led to some payroll overpayments (Standard 7.3).
 - Failure to remove positions from the HRS system allowed employees to receive benefits to which they were not entitled (Standard 7.3).
 - The online requisition system will allow purchases to occur without available funds (Standard 7.2).
 - Budget transfers do not include backup documentation and are not made as the overspending occurs but occur en masse at interim reporting periods (Standard 7.2).
 - The Accounts Payable (AP) Department is able to add and make changes to vendors (Standard 10.5).
 - Purchases are made without purchase orders. Board Policy 3325(a) states that “The district shall not be responsible for unauthorized purchases”; however other than perhaps an e-mail admonishing the practice, business office staff report that there are no consequences for unauthorized purchases.
 - Purchase orders dated after the invoice as noted in Finding 2012-2 from the June 30, 2012 audited financial statements and as noted in testing performed in Standard 10.5 below.
 - Late payments resulting in finance charges as noted in Finding 2012-2 from the June 30, 2012 audited financial statements and was also noted in the testing performed in Standard 10.5 below.
 - While cash is reviewed daily, there is no process that ensures that AP batches are processed without concurrence of upper-level management regarding the district’s plans for cash.
 - Warrants are returned to the same person who processed the transaction. Allowing the same person who processed the transaction to have custody of the warrant after processing violates the principle of segregation of duties.
 - Accounts payable balances at year-end were inaccurate and did not include all the goods and services received by the district during the fiscal year. (Finding 2012-12 of the June 30, 2012 audited financial statements)
 - Prior year accounts payable and accounts receivable balances had not been reconciled to zero at the time of FCMAT’s fieldwork, which was nine and a half months into the next fiscal year.
 - Cash with fiscal agent was not properly presented in the district’s financial statements. (Finding 2012-15 of the June 30, 2012 audited financial statements)
 - Federal time reporting was not conducted for a sample of employees, which can jeopardize current and future funding. (Finding 2012-16 of the June 30, 2012 audited financial statements)
2. The district did not meet one of the six financial reports or deadlines that were required in Standards 6.1-6.3 above, filed one late, and was on time for four. In addition, district staff reported they have no desk manuals for their positions and have not received cross-training in numerous areas, most notably in budget development.

3. Audited financial statements for the fiscal year ending June 30, 2010, June 30, 2011 and June 30, 2012 show an increasing number of adjustments. None were required for the June 30, 2010 statements, two were required for the June 30, 2011 statements and four for June 30, 2012. The two for the 2010-11 year included a correction to the SELPA payable in the general fund, which resulted in an increase to the audited fund balance and an adjustment because of Governmental Accounting Standards Board (GASB) Statement No. 54. This reduced the balances in the adult education and deferred maintenance funds to zero and transferred them to the general fund.

The four required in the 2011-12 fiscal year were as follows:

- The GASB 54 adjustment, zeroing out the balances in the adult education and deferred maintenance funds and transferring those balances to the general fund.
- An inventory adjustment that reduced the cafeteria fund's balance.
- An adjustment to accounts payable that reduced the building fund's balance.
- Inclusion of the cash with fiscal agent in the capital facilities fund.

This fourfold increase in adjustments from the 2009-10 fiscal year to the 2011-12 fiscal year is of concern, and these entries should be reviewed so that the district can correct the underlying cause.

At the time of FCMAT's fieldwork, the audited financial statements for the year ending June 30, 2013 had yet to be released, and it is unknown if they will continue to include audit adjustments.

4. Education Code Section 41020(h) requires the following:

Not later than December 15, a report of each local educational agency audit for the preceding fiscal year shall be filed with the county superintendent of schools of the county in which the local educational agency is located, the department, and the Controller.

A review of the district's audited financial statements indicates that the last days of the auditor's fieldwork for fiscal years 2009-10, 2010-11 and 2011-12 were December 10, 2010, December 9, 2011 and December 11, 2012, respectively. The last day of fieldwork is when the auditor completes testing and review of the client's books and not the date the financial statements were issued, which is typically one to two months later.

Education Code Section 41020.3 states, "By January 31 of each year, the governing body of each local education agency shall review, at a public meeting, the annual audit of the local education agency for the prior year..." The district complied with this code section by presenting the annual audit report to the board prior to the January 31 deadline. Board meeting minutes indicate that the 2009-10 audit report was submitted to the board on January 13, 2011; the 2010-11 audit report was presented on January 11, 2012; and the 2011-12 audit report was submitted on January 22, 2013.

Given that the January 15, 2014 deadline for presentation of the 2012-13 audited financial statements had passed at the time of FCMAT's fieldwork and the statements were still not ready for publication, the district will be unable to comply with Education Code section 41020.3.

5. External independent audit findings continue to identify internal control weaknesses as well as material weaknesses. Material weaknesses rise to a higher level of concern because they are significant deficiencies that result in a higher likelihood that the district's internal controls will not prevent or detect a material misstatement of financial statements. Audit findings rose from 11 in fiscal year 2008-09 to 20 in fiscal year 2011-12.

Many findings relate to lack of internal controls. The number of findings is increasing, and some of them have been repeated for four years, but more significant is the fact that the number of those reaching the level of material weakness rose by 600% from 2010-11 to 2011-12. These increases mean that the district did not address the finding or that its prior efforts were unsuccessful.

At the time of FCMAT's fieldwork, the audited financial statements for the year ending June 30, 2013 had yet to be released, and it is unknown if they will continue to include audit findings and to what magnitude they will rise.

6. The HRS system continues to be unable to readily encumber payroll. Under HRS's present configuration, encumbering payroll would require completing and entering a purchase order for each employee, with the appropriate account coding for salary and each of the various statutory benefits. At the end of each payroll cycle, the amount processed would need to be manually disencumbered. Because the probability of error from a manual system outweighs its benefits, the district cannot implement this internal control and budget monitoring mechanism.

Recommendations for Recovery

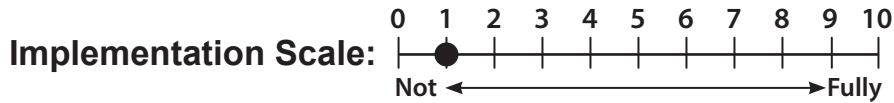
1. The district should revise its process as follows:
 - Draft board policy to address payroll overpayments to staff and measures to obtain repayment.
 - Diligently follow up with any overpaid employees to ensure repayment is made to the district.
 - Remove eliminated positions from the position control system.
 - Ensure all purchases are supported by a properly approved purchase order issued before the purchase was made, and hold all employees accountable for following this procedure.
 - Budget transfers should include backup documentation and are made as overspending occurs and not en masse at interim reporting periods.
 - Ensure vendors are paid timely to avoid finance charges.

- Cash has been reviewed with upper-level district management before AP batches are processed.
 - Return warrants to an AP person other than the employee that processed the transaction.
 - Review all open purchase orders in all funds at year end to determine if any goods or services were received or performed on or before June 30. If so, they should be posted into the district's records as year-end accounts payable.
 - Reconcile prior year accounts payable and accounts receivable balances to zero as early in the following year as possible.
 - Review all funds to determine if cash is held with another entity and, if applicable, include in the district's financial statements.
 - Perform federal time reporting for all employees in federally funded programs in compliance with OMB Circular A-87, Attachment B, Section 11(h).
 - Develop a desk manual for each position in the Business Department, and ensure that each employee includes in his or her desk manual step-by-step procedures for all assigned duties.
2. Review the adjustments made to fund balance in the audited financial statements and adjust processes to avoid repeating them for the audit of the 2013-14 fiscal year and beyond.
 3. Work with its independent auditors to ensure that their work can be completed in time to comply with the December 15 deadline required by Education Code Section 41020(h).
 4. Review and revise policies, procedures and internal control measures to address audit findings.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



10.5 Accounting, Purchasing, and Warehousing

Professional Standard

The LEA has adequate purchasing and warehousing procedures to ensure that: (1) only properly authorized purchases are made, (2) authorized purchases are made consistent with LEA policies and management direction, (3) inventories are safeguarded, and (4) purchases and inventories are timely and accurately recorded.

Findings

1. District Board Policy 3440 complies with Education Code Section 35168's requirement that the governing board establish and maintain an inventory of all equipment items with a current market value of more than \$500. When federal funds are used for a purchase of more than \$5,000, the district is required to include additional information in its inventory records, including the funding source, titleholder, and percent of federal participation (34 CFR 80.32 and 5 CCR 3946). In addition, at least once every two years, a physical inventory of equipment must be conducted and the results reconciled with the property records (34 CFR 80.32).

Governmental Accounting Standards Board (GASB) Statement No. 34 requires capital assets to be reported at historical cost. Capital assets are defined as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

A review of the June 30, 2012 American Appraisal Fixed Asset Accounting Report found that this report includes fixed assets with a historical cost of \$5,000 or more. This report also includes an inventory of machinery and equipment including approximately \$11.4 million of items with a value of between \$500 to \$4,999. However, these are items that were reported by district staff to the appraisal firm, but not independently verified by the appraisers. Warehouse staff reported that they had not historically inventoried/tagged equipment received by the Food Services, Maintenance and Operations or Transportation departments. Only within the past year has that started to occur with a few new stoves for the Food Services Department and tools and machinery in Maintenance and Operations tagged. As is discussed in more detail in Standards 15.8 and 16.1, the district's inventory is not collected in a dedicated inventory system, and there are gaps in the district's internal controls that can allow items to be received yet not tagged or included in the equipment inventory. No disposals or lost items between \$500 to \$4,999 have been reported to the appraisers. Disposals, shrinkage or theft under \$5,000 are not systematically tracked, and removed from the fixed asset inventory list.

The district's audited financial statements for fiscal year 2010-11 included audit finding 2012-3, which indicated that some assets were disposed of without board notification or approval in violation of its administrative regulation 3260(a).

Approximately two years ago, the district eliminated the stores warehouse, which had served as a central receiving facility, and allowed district office staff to inventory equipment and supplies for the entire district. Items are now shipped directly to the site or department. The Purchasing Department sends the warehouse clerk a copy of any purchase order that includes items to be inventoried. The clerk is responsible for tracking down the items to record them in the clerk's spreadsheet, noting the description, location, serial number, funding information and tag number of each item as well as applying the tag. Each tag includes the district name, the tag number, and a bar code.

2. The district began using an online purchase requisition system within the last two years, and staff reported being comfortable with it. The district provided a workshop on the requisition system on multiple dates in September 2013. Staff indicated that their questions are answered as they arise; however, the district should continue providing an annual in-service before the start of school, including training in the online requisition system and account coding. This information would reduce the number of questions site staff ask the Purchasing Department.
3. Staff reported that although purchase orders are required for all purchases, some purchases are made without one. This condition was noted in the district's audited financial statements. The purchasing process is as follows:
 - The originating site or department completes an online purchase requisition, a manager/department head authorizes it, and it is forwarded to the Budget Department in the business office.
 - The Budget Department checks the account coding and determines whether there is funding for the purchase; however, instead of preparing budget transfers with backup documentation as needed, budget transfers are completed en masse at interim reporting without backup documentation. Authorization of the collective budget transfers is provided by the chief operating officer or the executive director/fiscal advisor instead of the site administrator/department head responsible for the budget.
 - The requisition goes to the Purchasing Department, where it is converted into a purchase order.
 - The Purchasing Department is also responsible for determining whether a W-9 is needed for independent contractor reporting and whether a purchase requires bidding as well as setting up and making changes to vendors. The district's purchasing manual states that bids are required for any purchase in excess of \$70,000 to ensure that they stay under the bidding threshold. However, the manual references a December 2011 bid threshold. This number is updated annually and the manual should follow the most current bid threshold. Quotes are required for the purchase of materials, equipment and supplies. Quotes from two sources are required for purchases of computers, software/licensing, etc. Merchandise exceeding a \$500 purchase level is required to have multiple quotes. However, even with clear instruction in the purchasing manual, FCMAT's interviews found that there is confusion over who is responsible to perform the bidding duties.
 - The purchase order is issued with multiple copies that are distributed to the Accounting and Budget departments. If equipment is being purchased, one copy goes to the warehouse clerk.

- If a contract is involved, the Purchasing Department is responsible for ensuring that it is signed and has board approval before the purchase is made.
- The Purchasing Department makes the purchase, and the goods/services are provided to the site/department.
- Receiver documents are required to be provided to the AP Department before payment is made. If the invoice is received and no receiver document can be provided, the accounts payable clerk can contact the vendor for proof of delivery or have the department head approve the invoice. FCMAT's interviews found that AP Department personnel can set up and change vendor information. This is a function that should be performed by the Purchasing Department to adequately segregate duties and prevent theft.
- Purchase orders, invoices and receiver documents are matched and processed for payment in PeopleSoft. These items are placed in a folder and delivered to the accounting supervisor each evening. The next morning, the accounting supervisor checks the system for the previous day's work to review and approve online.
- The supervisor's approval in PeopleSoft triggers the process for issuance of warrants at the county office. This process happens daily, and the district's accounting supervisor is responsible to monitor cash daily and provide a weekly report to the executive director/fiscal advisor.
- Normal processing time for the county office is approximately one to two days; however, this period may be extended if there is an audit hold placed on the batch by the county office. Warrants are issued with one signature attached and delivered directly to the district's mail room. If the mailroom employee needs to leave the room while the district is awaiting warrant delivery, AP personnel are notified so that they can monitor the room. However, without a person present in the room at all times, the mail room may be unattended when the delivery occurs, leaving the warrants unguarded.
- The mail room employee either delivers the warrants to the Accounts Payable Department or an accounts payable clerk picks them up.
- Warrants are delivered to the person who processed the invoice. They are matched to the payment packet and taken to the accounting supervisor for a second signature. The interim state trustee and the business and fiscal services coordinator serve as alternate signatories if the accounting supervisor is absent.
- The fully signed warrants are returned to the clerk who stamps the invoices as "paid" and processes the warrants for mailing. Clerks are required to give the warrants directly to the mail room person and are not allowed to leave them unattended for mailing.

The system can allow the same person who prepared the batch to have custody of the warrants once they have been issued by the county office. Proper segregation of duties would require duties to be separated to ensure that warrants are not returned to the employee who processed them for payment.

4. The areas of travel and conference often encounter problems when requests and reimbursements are processed. The district's Board Policy 3350 states that out-of-state conferences or those that cost more than \$500 require board approval. The policy also states that the meal allowance is \$100 per day and is used for both partial and full-day conferences. District staff reported that the meal allowances have been changed to require detailed receipts for all meals with maximums of \$10 for breakfast, \$15 for lunch and \$30 for dinner; however, the policies posted online do not show that change.

The district's board policy needs to be revised to reflect current practices, and the district may also want to consider establishing specific times to qualify for breakfast and dinner. For example, a traveler must have a departure time of before 6:30 a.m. to qualify for the breakfast per-diem payment and a return time of after 6:30 p.m. to qualify for a dinner. The \$100 per day meal allowance is generous and requires the district to report most of this allowance as taxable income on the employee's W-2 according to the IRS regulations in Publication 1542.

District employees who travel on school business are considered eligible for state government rates and a waiver of hotel taxes. These items seem minor but can add up when several people travel or a single person takes multiple trips. District policy does not cover these issues or specify how an employee qualifies to be permitted an overnight stay. This is of particular concern when a conference is within the local area, but lasts several days because Education Code Section 44032 requires the district to pay for "actual and necessary" expenses. The expense would be "actual" for this type of conference because the person actually stays in the hotel, but may not be "necessary."

The district's travel policy is explicit on auto transportation. If two or more people attend a conference, they are required to share transportation, and only one is entitled to mileage reimbursement if two autos are used. However, district staff report that this policy was overridden in the past, with all conference participants allowed to drive and receive reimbursement and also requesting to receive reimbursement for the rental of luxury autos.

5. Credit cards are typically issued to employees so they can purchase from vendors who may not accept purchase orders, or to expedite purchases such as conference registration fees. The best practice is to provide a purchase order (for encumbrance) with all credit card purchases and seek prior approval. Credit card use should be closely monitored to ensure conformity to policies and procedures, and requiring staff with district credit cards to read and sign a credit card user agreement can help prevent misuse. An effective agreement will require the individual to acknowledge receipt of the card and agree to the district's terms for use and reimbursement procedures.

The district has issued credit cards to three administrators; the state trustee, chief operations officer and the former interim state administrator. These cards are regular business credit cards, allowing all purchases with a limit of \$5,000.

6. FCMAI requested 20 samples of the district's accounts payable purchases for testing for the fiscal years of 2012-13 and 2013-14. None were provided.

Recommendations for Recovery

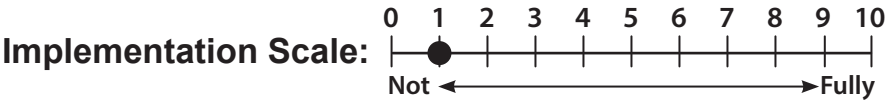
1. The district should immediately conduct an inventory of all items with a current market value of \$500 or more and ensure that this inventory is continually updated and repeated every two years to conform with Education Code Section 35168.
2. A list of any district assets determined to be unusable, obsolete or no longer needed should be submitted to the board for their action and approval to be disposed of or sold, with inventory records adjusted accordingly.
3. The district should revise receiving procedures to require each site and department to forward information regarding any item with an individual cost of more than \$500 to the warehouse clerk for inventory and tagging before the item is put to use.
4. The inventory list should be annually reconciled to the accounting records of items purchased using object 4400.
5. The district should provide all employees who use the online requisition system with an annual in-service that focuses on how to use the purchasing module and the proper account coding of requisitions.
6. Revisions to procedures for budget transfers should be made so that transfers are immediately performed when a budget is overdrawn with the authorizer being the site administrator/department head responsible for that budget.
7. The district's purchasing manual should be reviewed and revised annually for changes in the bidding laws.
8. The district needs to determine who is responsible for purchases requiring bidding and provide that person with appropriate training.
9. A purchase order should be issued and properly approved for each purchasing transaction before the purchase is made.
10. Setting up or making changes to vendor information should be performed by the Purchasing Department and not the AP Department to adequately segregate duties and prevent theft.
11. The district should ensure that cash concerns have been addressed before an accounts payable batch is processed.
12. A district employee should be present to accept delivery of warrants from the county office.
13. Warrants should be returned to an accounts payable person other than the employee who processed the transaction.
14. The district should revise its travel and conference policies as follows:

- Change its board policy regarding meal allowance to match its current practice.
 - Require departure and return times to qualify for breakfast and dinner meal reimbursements.
 - Require employees to utilize state-government rates and ask for a waiver of hotel taxes when lodging is requested.
 - Establish a mileage requirement to qualify for an overnight stay.
15. The board policy regarding auto travel and the requirement to share vehicles should be enforced.
 16. The district should reduce the limits on each district credit card to a more reasonable amount such as \$2,000.
 17. Employees should be required to have an approved purchase order before using district credit cards.
 18. The district should require employees who have a district credit card to read and sign a user agreement.
 19. Additional care should be exercised in reviewing accounts payable packets before authorizing issuance of payment.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



11.1 Student Body Funds

Legal Standard

The board adopts board policies, regulations and procedures to establish parameters on how student body organizations will be established and how they will be operated, audited and managed. These policies and regulations are clearly developed and written to ensure compliance regarding how student body organizations deposit, invest, spend, and raise funds. (EC 48930- 48938)

Findings

1. The district's ASB board policies have not been updated since November 6, 2002, yet many ASB-related laws and regulations focus on areas of fraud prevention, fraud awareness, cash-handling procedures, fundraising and internal controls have changed since then. For example, the board policy states that fundraising activities can include funds raised through charging dues. This would be a violation of the California Constitution, which provides for a free education and Title 5 of the California Code of Regulations, section 350 specifically states that "[a] pupil enrolled in a school shall not be required to pay any fee, or other charge not specifically authorized by law." Students may not be charged fees for participation in either curricular or extracurricular activities; therefore, ASBs are not allowed to impose dues. The ASB board policies should be updated to reflect these changes as well as the best practices identified in the FCMAT ASB Accounting Manual, Fraud Prevention Guide, and Desk Reference. This manual can be downloaded from the FCMAT website free of charge.
2. No district authored ASB handbooks or desk manuals are available to employees. Some district employees interviewed were aware of the FCMAT ASB Accounting Manual, Fraud Prevention Guide and Desk Reference, others had no idea it existed, and others were using handbooks from previous districts. Because of a lack of ASB training, each school site has developed its own ASB policies and procedures. The district should ensure that all school sites have the FCMAT ASB accounting manual available for reference and develop districtwide policies and procedures.
3. In addition to the FCMAT ASB accounting manual, the district should develop districtwide forms that are specific to the cash control, fundraising, and deposit internal control system. These forms should be prenumbered and consistently used at each school site in duplicate format.
4. AR 3452 states that there is to be district computerized software related to the preparation of the site's monthly financial documentation to the district accountant. Interviews of district staff revealed that each school site uses its own methods for recording ASB transactions. Most were reported as having manual systems; however, the district had engaged a consultant during this reporting period to convert all the manual systems to QuickBooks. The district had purchased the software, but the district cancelled the contract with the consultant and hired a new one. While the new consultants had provided a half-day workshop (see Standard 11.3), there was no information provided on how they were planning to move forward regarding a districtwide standard for ASB accounting.

5. Each individual school site is responsible for collecting IRS Form W-9 for independent contractors and for issuing annual IRS Form 1099. However, with one exception, school sites reported that they did not collect the W-9s, were not aware that this was a requirement and had never issued 1099s in the past. The exception was a site where the ASB advisor had extensive experience from a prior district. ASBs are part of the district and use the district's tax identification number for all of their transactions. Therefore, the district is ultimately responsible for the ASB's failure to collect W-9s and issue 1099s as required by IRS regulations. The entire independent subcontractor process should be centralized through the district office, and training provided to the school sites.
6. As with other aspects of ASB accounting, each site having an ASB reported differing levels of methods to safeguard ASB funds. Some had cash boxes and others reported a safe with one site also reporting that the safe was the personal property of the administrator. AR 3452 requires that "[a]ll cash will be deposited, in tact, daily." However, because there has been little to no training in the area of ASB, sites are not aware of this policy and there is no follow up by the district office to ensure all monies are deposited before a weekend or holiday closure.

As an alternative, the district could set a deposit threshold. This would mean that when the ASB office has accumulated more than a specified amount, deposit in the ASB bank account is required. An additional threshold policy could be that all deposits must be deposited in the ASB bank account any time a deposit has not been made after two days and every Friday. No funds should be held in the classrooms or in any ASB representative's personal possession at home or in a car or over the weekend. However, any of these alternatives would require the revision of the district's board policy and administrative regulation.

7. The district office is responsible for ASB oversight, internal audit, and ASB training, but lacks written procedures. These procedures should provide direction to staff; ensure effective administrative oversight; and clearly define the roles and responsibilities of personnel involved in managing student body activities and funds. The district should ensure that internal policies and procedures are developed and distributed to all ASB personnel.

The school sites and district office personnel have a general lack of training and understanding on the district office's role in districtwide ASB oversight, and as a result, there are no monthly documentation reviews. Both district office and site staff reported that the district office had not been involved in visiting sites or reviewing ASB reporting for many years.

When the district office receives school site ASB bank statements, bank reconciliations, and financial documents, district office staff either simply file the documents or quickly scan them. The district office personnel are not aware of their oversight responsibility or the level of review that ASB documents should receive to verify their accuracy. The district should work with its consultants to review and modify its current administrative regulations to strengthen its internal controls over ASB funds.

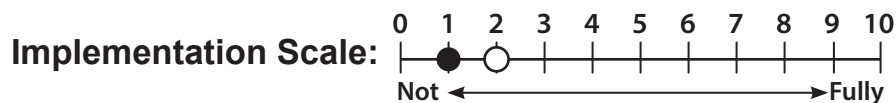
Recommendations for Recovery

1. ASB board policies should be updated to reflect the changes and best practices included in the FCMAT ASB Accounting Manual, Fraud Prevention Guide, and Desk Reference.
2. The district should develop a districtwide ASB handbook that includes supplemental board ASB policies and procedures.
3. The district should provide each ASB school site with duplicate formats of certain ASB forms such as the ASB deposit, fundraising, cash count, purchase order, ticket control, and revenue potential. The duplicate copy forms should be used consistently at each school site.
4. The district office should purchase electronic accounting software for each ASB school site, provide a standardized ASB accounting software chart of accounts, ASB training before the start of each school year and accounting support throughout the school year.
5. A centralized process for reporting payments to independent contractors should be developed through the district office to ensure the proper issuance of 1099s, and training provided to the school sites.
6. The district should ensure that each ASB office has a large and secure safe to keep checks and currency until deposit, deposits are made daily, and all monies are deposited before the weekend or holiday closure. The district could take additional steps to protect sites with ASB funds such as installing public signs of notice and security camera systems that include battery backup and a hardened equipment case.
7. The district should work with its consultants to review and modify its current administrative regulations to strengthen its internal controls over ASB funds.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 1



11.3 Student Body Funds

Legal Standard

The LEA provides annual training and ongoing guidance to site and LEA personnel on the policies and procedures governing Associated Student Body accounts. Internal controls are part of the training and guidance, ensuring that any findings in the internal audits or independent annual audits are discussed and addressed so they do not recur.

Findings

1. AR 3452 requires an annual meeting between director and ASB advisors, clerks and site administrators to “review accounting procedures, internal controls, audit recommendations, and other operating procedures for the year.” However, this has not occurred.

The district’s annual audited financial statements have included audit findings for each of the last four years and, in each year, training is recommended. The district’s new consultants provided a half-day ASB Accounting for Non-Dummies workshop on April 10, 2014. District staff reported that there was no training before this workshop. While this was a good start, the district should invest in a comprehensive one-day training for all employees responsible for its ASB funds as well as mandatory, annual training. This should include district office personnel, site administrators, site clerical staff and ASB advisors.

2. FCMAT’s interviews with district office staff, site administrators and staff showed that audit findings have not been shared with them. The best practice is to share audit findings with the sites where they originated and assign the site administrator to prepare a plan to correct the finding. Those plans are then reviewed by the responsible district office staff to ensure that they comply with established policies, procedures, rules and regulations. The district office should then follow up with miniaudits to test compliance of sites with audit findings and all sites that have ASB funds.

Internal ASB audits have not been conducted for many years, and the district office staff has not been trained in the methods to conduct them. Business office management should receive basic and advanced ASB training in generally accepted policies, procedures, and best practices.

Recommendations for Recovery

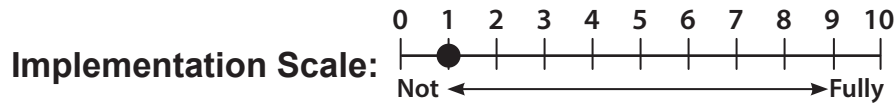
1. The district should ensure that district office staff, site administrators, ASB advisors, and ASB clerical staff have a current copy of the FCMAT ASB Manual, which is available online at no charge.
2. Additional training should be provided for all district employees who are responsible for ASB funds.

3. Audit findings should be shared with the site(s) where they originated. The site administrator should be assigned to develop a plan to correct the finding. The district office should review the finding and provide compliance testing after implementation.
4. The district should provide district office staff with training on conducting internal ASB audits.
5. Internal ASB audits should be conducted at least once each school year after district office staff has received the related training.
6. Procedures should be developed for the district office on the oversight, management, and internal audits necessary to protect the district.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



12.1 Multiyear Financial Projections

Legal Standard

The LEA provides a multiyear financial projection for at least the general fund at a minimum, consistent with the policy of the county office. Projections are done for the general fund at the time of budget adoption and all interim reports. Projected fund balance reserves are disclosed and assumptions used in developing multiyear projections that are based on the most accurate information available. The assumptions for revenues and expenditures are reasonable and supported by documentation. (EC 42131)

Findings

1. A review of the district's adopted 2013-14 budget and first interim financial reports includes a multiyear projection for the general fund in accordance with AB 1200 and AB 2756 requirements for the current and subsequent two fiscal years. The accompanying list of assumptions for the 2013-14 adopted budget includes the cost-of-living adjustments, but failed to recognize, federal sequestration reductions, and reductions in staffing, increases in employee benefits along with unusual increases or decreases in categories without explanation. Interviews with business staff members indicate that the district did not file a 45-day revision to the budget. In addition, the distribution of carryover of restricted funds and analysis of balance sheet items from the 2012-13 closing were not distributed and reviewed until the 2013-14 second interim. These items form a critical base to the foundation of an effective MYFP.

The 2013-14 second interim report included a detailed current-year assumption narrative, and detailed analysis of modifications made to current-year federal and state revenue. The information provided is insufficient to determine what impact, if any, the \$4.3 million reduction in prior year revenue limit apportionment will have on the 2013-14 fiscal year. Also included in the 2013-14 second interim report assumption narrative was a detailed analysis of changes to current-year expenditures. FCMAT's interviews with business services staff, along with the volume of changes in both revenues and expenditures, found that a great deal of effort went into revising the estimates used in the district's 2013-14 first interim report.

2. The MYFP was included as part of the official SACS 2013-14 second interim report and includes an assumptions narrative that discusses variances in revenues and expenditures from the district's first interim report, 2013-14 cash-flow projection, deficit spending and fiscal recovery plan as well as a table outlining the assumptions used in the LCFF calculation for all three years in the MYFP. While this document is more than has been developed in the past, its focus remains on the current year; no detailed document describes all the assumptions used to develop the district's general fund MYFP for all years presented.

The narrative and assumptions are an integral part of the budget and MYFP presentation; therefore, at each reporting period, staff should develop a detailed list of assumptions and a narrative that describes each major object category for each year being presented.

3. The district was unable to provide FCMAT with a verifiable calculation of average daily attendance, a component that is expected to generate 96.6% of the districts' 2014-15 unrestricted general fund revenue. Communications between the district and the county office indicated that there were several problems with the P-1 attendance report, and P-2 was not provided to FCMAT. While upper-level business services staff members express relative confidence in the 2013 CALPADS figures, one elementary school reported an increase in enrollment as of 2013-14 P-1 of approximately 10% over that in the CALPADS report.
4. LCFF was signed into law on July 1, 2013 and became effective immediately. This was the largest change to California's school finance model in almost 40 years. More than \$42 billion from state revenues and local property tax revenues have been applied to the LCFF in 2013-14. Of that amount, \$2.1 billion was appropriated by the state legislature to begin a planned eight-year transition to the new formula with the goal that at the end of that period school districts would be fully funded. The formulas to calculate district entitlements are extraordinarily complex during the implementation, with a number of changes to be implemented in the 2013-14 and subsequent fiscal years.

LCFF is based on a formula that provides additional funding to an unduplicated group of students comprised of the district's English language learners, and those who participate in the free and reduced meal program or are foster youth. The new funding comes in three components; base, supplemental and concentration grants. All students generate the funds from base grants; however, supplemental and concentration grant funds are generated from the unduplicated pupils. Districts are responsible for ensuring that the supplemental and concentration funds are utilized on this group. Title 5 of the California Code of Regulations defines the requirements necessary for districts to demonstrate these increased or improved services for unduplicated pupils in proportion to the increase in funds appropriated for supplemental and concentration grants. This calculation requires the district to estimate the amount of LCFF funds expended by the district on services for unduplicated pupils in the prior year, that is, in addition to what was expended on services provided for all pupils. A district that has an enrollment of unduplicated pupils in excess of 55% of the district's total enrollment, like Inglewood Unified, may spend the funds on a districtwide basis. This allowance does not relieve districts from demonstrating that it will increase or improve services for unduplicated pupils.

The fiscal recovery plan presented to the board and community by the district on April 16, 2014 relied heavily on the increased funding under LCFF over the next three years to balance the district's budget. The district's fiscal recovery plan discussed the need for reductions in services, while minimizing the impact on the educational programs and direct instruction of students. The fiscal plan narrative implicitly acknowledged the difficulty in meeting the needs of targeted student populations, investing or reinvesting in the educational programs and services to students, while reducing expenses.

At the time of FCMAT's fieldwork, no assumptions related to the expenditure of these targeted funds related to the LCAP were identified. For example, there were no discussions of reduced class size, increased services or supplies to targeted students. In the letter from LACOE that reviewed the 2013-14 second interim report, the county office observed that no set aside, assignment or restriction in the ending fund balance related to the LCFF income was made in the MYFP.

5. A review of the MYFP percentages from the 2013-14 second interim report shows that the assumptions include some items of concern as shown in the following observations:
- a. LCFF: The district second interim assumptions show an estimated 4.1% decline in funded student ADA to be used in budgeting 2014-15 revenues. Since fiscal year 2003-04, the district declined 22% in enrollment, with an 8% decline since 2010-11. However, as is discussed in standard 5.3, historical annual averages over the last 17 years have been less than 2%. Consequently, without a historical analysis of the district's census date enrollment to P-2 ADA, there is insufficient information to determine if this estimate is supportable. It should also be noted that the assumption narrative sites Education Code section 42338.053 as its basis for the funded ADA. This Education Code section does not exist.
 - b. Special Education Encroachment: During the current fiscal year, the district budgeted excess cost billing is estimated to increase by \$740,973 or 14%, and the cost of the program does not appear to be decreasing based on the increase in the contributions from the unrestricted general fund reflected in the MYFP. In FCMAT's interviews with district and SELPA staff, they talked about a plan to address the restructure of the program provided by the county; however, the plan has not been publicly addressed by the SELPA with its member units or their leaders. With the exit of the San Gabriel Valley SELPAs from the LACOE Administrative Unit, overhead expenses are expected to increase. Yet the MYFP shows a slight decrease of 1.81% in 2014-15 and a 0% increase for 2015-16.
 - c. Certificated Salaries: The district increased unrestricted general fund certificated salaries in the current year by \$2.4 million over 2013-14 unaudited actual expenses and is forecasting a decrease of \$2.4 million in 2014-15 as of second interim, related to the recovery plan. FCMAT's interviews of district staff revealed that human resources was not involved in the planning of the prior year layoff, and the district reinstated more K-6 teachers than required to reverse combination classes and start the 2013-14 school year. Those same interviews also indicate that the Human Resources Department was yet again not involved in the certificated staffing needs assessment for the 2014-15 year. In the two months subsequent to the district's March 2014 notifications, several new positions have been added, a declaration of need adopted for 30 other positions, and over 10% of the positions eliminated at the March 12, 2014 board meeting have been reinstated and/or rehired. Consequently, there does not appear to be a nexus between a reduction in expenditure and the district's actions regarding certificated employees.
 - d. Classified Management Salaries: Two new, highly paid positions were added in the Business Department in the last year – the chief operations officer and the executive director/fiscal advisor. The district has also been flattening its administrative structure. Several administrators/managers who had held positions under the old structure are no longer at the district and are being paid their salaries/benefits through the end of the 2013-14 fiscal year. Despite this increase in paid positions, the 2013-14 budget is relatively unchanged from the 2012-13 actual expenses with only a \$63,000 increase. FCMAT's interviews included many consultants in this area, though no corresponding increase occurred in the 2013-14 second interim's unrestricted services expenditures.

- e. **Employee Benefits:** Due to the change in the district's insurance carrier for employee health benefits and the switch in workers' compensation administration/servicing, there is little trend information on which to base forecasts. As a result, there is insufficient information available to evaluate an assumption of decreasing employee benefits in the MYFP; however, in light of the recent increases in CalSTRS employer rates for 2014-15 and subsequent years, decreases in this area are unlikely.
- f. **Services and Other Operating Expenditures:** As stated above, at the time of FCMAT's fieldwork many of the administrative and management services were being performed by consultants. Despite this, there is no corresponding increase in unrestricted general fund budgeted expenditure objects associated with consultants when comparing the 2012-13 unaudited actuals to the 2013-14 second interim report. In reviewing the 2013-14 second interim MYFP, however, the district projects increase of 40% for this category in 2014-15, and 0% in 2015-16, without explanation.

Recognizing and analyzing year-to-year trends is an essential component of managing the district's budget and ensuring it reports the most accurate financial information to the users of financial statements. Continuity of data that reflects the actions being taken by the district is of critical importance as the recovery plan and LCAP are implemented. Only with good, clearly communicated underlying assumptions can management effectively implement both plans simultaneously and hold all members of the management team accountable to the commitments made in the LCAP and recovery plans. It is extremely important that the MYFP utilize the most current and accurate information, garnered from all divisions and that the district prepare financial projections that properly reflect its financial position so that informed decisions regarding budget adjustments are made based on historical trends coupled with the most up-to-date information available.

- 6. The district has drawn \$29 million of the \$55 million emergency appropriation between November 2012 and February 2013. The fiscal recovery plan indicates that the district will not need any further emergency apportionments; however, as recently as the district's 2013-14 first interim report, draws were included in budget projections.

The district has reinstated many of the positions reduced last year, added additional administrative positions and consultants while also paying the salaries and benefits of many administrators no longer at the district. The district's 2013-14 second interim report reflects \$10.7 million in deficit spending for 2013-14. LCFF revenues increase in 2014-15 and also project multimillion dollar salary decreases to alleviate some of the deficit spending. However, more detailed plans regarding these savings need to be developed so that the district can be assured of a reduction in its structural deficit, while increasing or improving services for unduplicated pupils as is the requirement in the receipt of LCFF funding and those plans detailed in its LCAP. All of the district's administrators and staff should be held accountable and have a commitment to the districts' long range plan. Consequently, it is imperative that the budget, MYFP, recovery plan and LCAP accurately reflect detailed projections of revenues and expenditures and that all four documents reflect the same assumptions and priorities.

7. With the changes in funding formulas and the extra complexities of also addressing a fiscal recovery plan and LCAP, district staff is encouraged to seek training and guidance on budget development, budget assumptions and trend analysis to ensure that the budget and MYFP for the current and two subsequent fiscal years is reasonable and accurately presented.

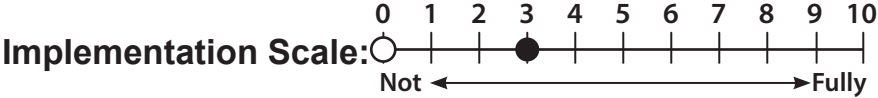
Recommendations for Recovery

1. Updates to the district budget should occur within 45 days of the passage of the state budget.
2. The carryover of unspent income and analysis of open balance sheet items should both be done in the fall, prior to the first interim. Only by adjusting these baselines can the district achieve effective resource management and long-term accuracy.
3. A comprehensive detailed list of MYP assumptions should be included in the budget, interim reports, recovery plan and LCAP that includes not only the current year but a detailed list for each subsequent year.
4. The district should ensure that district staff receives the training necessary to accurately report enrollment and average daily attendance in a timely manner. Data should be reviewed for reasonableness. Any unexplained variances should be investigated.
5. The district should examine its MYFP in conjunction with its LCAP to ensure that they are in compliance with requirements of receipt of LCFF funding. Careful attention should be placed upon making set asides and assignments or restrictions in the ending fund balance related to the LCFF income as recommended by LACOE and ensuring that supplemental and concentration grant revenue is associated with increased student services.
6. Extra time and attention should be devoted to preparing financial projections that are detailed, clearly communicated and properly reflect the district's financial position. The assumptions contained in the budget, MYFP, fiscal recovery plan and LCAP should mirror one another.
7. District staff should be encouraged to seek training and guidance on budget development, budget assumptions and trend analysis to ensure that the budget and MYFP for the current and two subsequent fiscal years is reasonable and accurately presented.

Standard Partially Implemented

July 2013 Rating: 0

July 2014 Rating: 3



12.2 Multiyear Financial Projections

Legal Standard

The board ensures that any guideline developed for collective bargaining fiscally aligns with the LEA's multiyear instructional and fiscal goals. Multiyear financial projections are prepared for use in decision-making, especially whenever a significant multiyear expenditure commitment is contemplated, including salary or employee benefit enhancements negotiated through the collective bargaining process. (EC 42142)

Findings

1. A review of the district's 2013-14 second interim financial reports includes a multiyear projection for the general fund in accordance with AB 1200 and AB 2756 requirements for the current and two subsequent fiscal years, but fails to include detailed assumptions that integrate the budget, the recovery plan and the LCAP into the MYFP. Reliance on these documents for negotiations would not be advisable until information to support a fully integrated, detailed multiyear plan and its revenue assumptions as well as expenditures are verified.
2. FCMAT observed that prior-year assumptions regarding employee layoffs were not realistic as evidenced by the volume of reinstatements in the current fiscal year. With little to no identifiable increase in expenditures to support student learning outcomes, staffing reductions and the new LCFF revenue associated with the LCAP are cornerstones in the fiscal recovery plan. Because of the change in insurance carrier for employee health benefits and the change in companies administering/servicing workers' compensation, there is little trend information on which to base forecasts. Without clear documentation supporting budget reductions, accountability by the management team to achieve measurable fiscal goals and commitment to an inclusive MYFP plan, the multiyear projections are unreliable and should not be utilized for accurately projecting costs for negotiations.

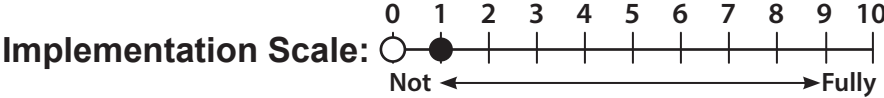
Recommendations for Recovery

1. The district should include a detailed listing of assumptions and a detailed narrative in the MYFP for each year presented, at each reporting period. These should integrate the budget, fiscal recovery plan and the LCAP into the MYFP.
2. The district should carefully review staffing projections prior to including them in budgeting documents to ensure that they accurately reflect the district's actions and needs.
3. Clear, detailed assumptions should be integrated in the recovery plan, LCAP and MYFP.
4. The district should verify that multiyear projections are adequately supported. The district should not rely on these calculations until a full and complete list of assumptions and supporting documentation is reviewed that aligns with projected revenues and expenditures.

Standard Partially Implemented

July 2013 Rating: 0

July 2014 Rating: 1



14.1 Impact of Collective Bargaining

Legal Standard

Public disclosure requirements are met, including the costs associated with a tentative collective bargaining agreement before it becomes binding on the LEA or county office of education. (GC 3547.5 (b))

Findings

1. The district's employees are represented by the following three separate bargaining units:
 - The Inglewood Teachers Association represents teachers, special project coordinators, librarians, counselors and nurses.
 - The Inglewood Teachers Federation represents adult education teachers.
 - California Professional Employees represents classified employees.

The Inglewood Teachers Association contract expired on June 30, 2013, the Inglewood Teachers Federation contract expires June 30, 2014, and the California Professional Employees contract expired on June 30, 2007. There was no collective bargaining activity for any unit during the review period.

2. On April 26, 2012, union and district representatives discussed the Inglewood Teachers Association proposal and district counterproposals. In accordance with the memorandum of understanding dated September 3, 2010, the district had the right to reopen negotiations for the 2012-13 certificated work year, triggered by a reduction from the base revenue limit of more than \$16 per average daily attendance. The district's proposal included a reduction of five additional workdays and a corresponding reduction in annual base pay.

A summary of the April 26, 2012 negotiations provided that the Inglewood Teachers Association's position was not to negotiate the "Proposal 2012-2013 Re-openers – Certificated Work Year and Proposal 2011-12 Re-openers – School Year," maintaining the position that the work-year memorandum of understanding allows adjustments only in the workdays and not a commensurate reduction in salary. The meeting was formally adjourned following a declaration of impasse by district negotiators.

3. Senate Bill 533 was subsequently signed into law by Governor Brown on September 14, 2012 providing for an emergency state appropriation and state takeover of the Inglewood Unified School District, and a state administrator was appointed.
4. On November 4, 2012, the initial state administrator approved, without consent from the superintendent of public instruction, a tentative collective bargaining agreement. This tentative agreement remains the subject of outstanding litigation with the focus on whether the state administrator had actual or apparent authority to enter into an agreement without the consent of the superintendent of public instruction. No resolution of the litigation had been reached at the time of FCMAT's fieldwork.

5. A review of board minutes in November and December 2012 provided no financial impact statement for this proposal in accordance with the requirements of Government Code (GC) Section 3547.5(a)-(b). Instead, the minutes included only a brief reference to a conference with labor negotiators during a closed board session.

Before a public school employer enters into a written agreement with an exclusive representative, GC 3547.5 (a) requires the major provisions, including costs for the current and subsequent years, to be disclosed at a public meeting in a format prescribed by the superintendent of public instruction. GC 3547.5 (b) requires the superintendent (in this case the state administrator/trustee) and chief business official to certify in writing that the cost incurred under the proposed tentative agreement can be supported financially. This certification must be prepared in accordance with Education Code Sections 42130 and 42131, which itemize the budget revision necessary to support the costs of the agreement in each year of its term. The district could not provide any documentation to support that the requirements of the Government and Education code sections were met.

The tentative agreement summary dated December 4, 2012 between the state administrator and the Inglewood Teachers Association stated that: “The parties agree to close bargaining for the 2012-2013 school year. Accordingly, there shall be no changes to the 2010-2013 ITA-IUSD collective bargaining agreement and all provisions of the collective bargaining agreement shall remain in full force and effect.”

The signed tentative agreement between the teachers association and district for July 1, 2013 through June 30, 2015 included two furlough days in 2013-14, with an additional four furlough days in 2014-15, no change in health care benefits, and dismissal of the pending grievance filed with the Public Employees Relations Board (PERB) against the district alleging a unilateral change in health care benefits in the 2012-13 school year.

FCMAT reviewed board minutes and supplemental documents supplied by district staff and administration and found no documentation to support that a public disclosure or related cost impact required under AB1200 was presented. However, interviews with administration and union leadership indicated that discussions on the status of the implementation of this tentative agreement were scheduled to begin in May 2014.

6. Aside from the possibility of implementation of the tentative agreement, district staff stated that there had been no collective bargaining activity during the period covered under this review. The district’s board agendas showed that no status of negotiations information was agendaized at board meetings, and the criteria and standards contained in the district’s 2013-14 interim reports indicate that collective bargaining negotiations have not been settled.

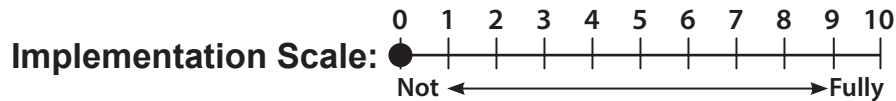
Recommendations for Recovery

1. Once a school district loses local control, the Department of Education is the oversight agency. The state trustee's role and responsibilities are subject to the discretion of the superintendent of public instruction, including the authorization to enter into binding agreements. The parameters of these roles and responsibilities should be clearly communicated with those charged with day-to-day district business.
2. The district should ensure that all new collective bargaining agreements subject to public disclosure requirements articulated in GC 3547.5(a)-(b) and Education Code 42130-42131 are fulfilled.
3. The district should prepare public disclosures, including MYFPs, for any agreements reached with employee bargaining units if there is a significant financial impact. Should any tenants of the December 4, 2012 tentative agreement with ITA be implemented, full public disclosure rules would apply.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



14.2 Impact of Collective Bargaining

Legal Standard

Bargaining proposals and negotiated settlements are “sunshined” in accordance with the law to allow public input and understanding of employee cost implications and, most importantly, the effects on the LEA’s students. (Government Code 3547, 3547.5)

Findings

1. On November 4, 2012, the initial state administrator approved a tentative collective bargaining agreement with Inglewood Teachers Association without consent from the superintendent of public instruction. A review of board minutes for November and December 2012 provided no financial impact statement for this proposal in accordance with the requirements of GC Section 3547.5. FCMAT found a single brief reference regarding a conference with labor negotiators from a closed board session on November 14, 2012.
2. GC 3547(a) requires all initial proposals representing the exclusive representatives of the school district to be presented at a public meeting. Additionally, 3547(b) states that meetings and negotiations shall not take place until a “reasonable time has elapsed after the submission of the proposal to enable the public to become informed and the public has the opportunity to express itself regarding the proposal at a meeting of the public school employer.” This section of the Government Code stipulates that initial proposals must be “adopted” by the public employer after the public has had the opportunity to express itself, and any new subjects arising from negotiations after the initial proposals are required to be made public within 24 hours.
3. The district continues to be unable to provide documentation to support that the requirements of both Government Code sections were met.
4. The district’s contracts with its bargaining units provide for the district to “sunshine” articles to reopen an existing agreement or on a successor proposal, on or before, April 1 of each year, particularly as they relate to compensation and fringe benefits. It should be noted that while the legal dispute continues between the certificated unit and the district regarding the November 4, 2012 collective bargaining agreement, what actually needs to be sunshined for the certificated unit would be in question. Both association presidents interviewed indicated their awareness that the district had missed this contractual obligation. FCMAT’s review of the district’s board agendas confirmed that neither side had sunshined their proposals during this review period.

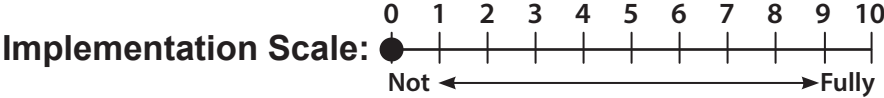
Recommendation for Recovery

1. The district should ensure that all collective bargaining agreements subject to public disclosure requirements articulated in GC 3547, 3547.5 and Education Code 42130-42131 are fulfilled.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



14.3 Impact of Collective Bargaining

Professional Standard

The LEA has developed parameters and guidelines for collective bargaining that ensure that the collective bargaining agreement does not impede the efficiency of LEA operations. Management analyzes the collective bargaining agreements to identify any characteristics that impede effective delivery of LEA services. The LEA identifies those issues for consideration by the board. The board, in developing its guidelines for collective bargaining, considers the impact on LEA operations of current collective bargaining language, and proposes amendments to LEA language as appropriate to ensure effective and efficient service delivery. Board parameters are provided in a confidential environment, reflective of the obligations of a closed executive board session.

Findings

1. To strive for organizational effectiveness and efficient service delivery, it is important to consider the impact of current collective bargaining language on district operations and propose amendments to the language as appropriate. Effective administrations engage supervising staff in discussions regarding potential contract modifications. In FCMAT's interviews with district directors, managers and principals, they stated that they provided no input on recommended modifications to the collective bargaining agreements. Only one cabinet member indicated that they provided input.

Additionally, the district's agreements with its bargaining units require the establishment of a health insurance committee to provide advice regarding issues related to employee benefits. The district changed health insurance carriers, effective January 2014; however, it did not comply with its obligation to establish an insurance committee. No documentation was provided to FCMAT that identified this decision's fiscal impact on the district.

2. The district's bargaining team consists of the state trustee, chief operations officer and the district's legal counsel. The district should consider augmenting this team with another person from its Business Department. Inclusion of another finance person during all collective bargaining sessions increases the likelihood that the financial impact of an agreed-upon decision will be considered before committing to that decision. To provide fiscal, employee management and program support, an effective bargaining team has members representing various perspectives and disciplines who are aware of characteristics in existing contracts that impede effective delivery of LEA services. This team approach allows multiple perspectives and differing opinions as it relates to how to modify agreements to best meet district goals and objectives.
3. There was no collective bargaining activity during this review period. Consequently, FCMAT was unable to review proposals to determine if they discussed academic achievement for students, fiscal impact and/or fiscal responsibility, long-term stability for the district's recovery, or accountability by the employees to ensure the fiscal health of the district.

4. Last year, several requests by the district interim state administrator and the Department of Education to continue negotiations with Inglewood Teachers Association were not successful. The primary concern expressed by the teachers association was the status of the placement of a permanent state trustee, and the status of the purported tentative bargaining agreement signed by the initial state administrator on November 4, 2012.

A permanent state trustee was appointed to the district by the State Department of Education on July 2, 2014. There has been no collective bargaining activity during this review period.

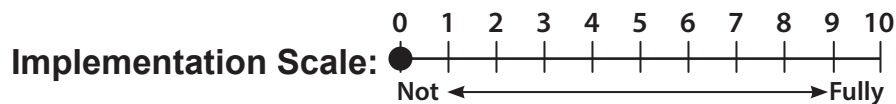
Recommendation for Recovery

1. Develop and implement an inclusive process to identify characteristics in current contract language that impede effective delivery of LEA services.
2. Evaluate decisions and their impact on collective bargaining agreements.
3. Expand the district's negotiation team to include an additional Business Department person.
4. Guidelines and parameters should be developed to evaluate the following:
 - The effects that any tentative collective bargaining agreement may have on the educational opportunities for students.
 - The impact and quality of support services.
 - The effect on the district's ability to provide effective and efficient services.
 - The district's fiscal solvency.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



15.2 Management Information Systems

Professional Standard

Management information systems support users with information that is relevant, timely and accurate. Assessments are performed to ensure that users are involved in defining needs, developing specifications, and selecting appropriate systems. LEA standards are imposed to ensure the maintainability, compatibility, and supportability of the various systems. The LEA ensures that all systems are SACS-compliant, and are compatible with county systems with which they must interface.

Findings

1. The district continues to select and implement various new information system projects without comprehensive planning and collaboration with all those affected. A new student assessment system (Illuminate) was introduced into the district this past year. Only a small percentage of principals were involved in the selection process although the district plans to eventually implement this at all sites. The Information Technology (IT) Department was not involved in the selection or implementation planning. This type of decision-making often requires the technology and other division staff to rapidly shift priorities and try to implement systems that may or may not work with the existing infrastructure or technical skills of the department.

The district does not have a technology committee where these types of discussions should occur. This lack of communication between all those affected in the district increases the risk of failure in implementing and supporting new and existing information systems.

The IT Department has a single programming position that has remained vacant; however, a .625 FTE consultant was hired in December 2013 to provide limited programming support. The duties and responsibilities of this programming position include helping integrate data between disparate data systems such as the student information system Aeries, CALPADS, Data Director, and many others. Many tasks that should be automated are still completed manually, including integrating systems to update and transfer human resource information from HRS to Aeries for CALPADS reporting.

Student data from Aeries continues not to be regularly updated and transferred to the Data Director. The lack of automated integration and the resulting manual processes used for data integration increase the risk of corrupting data and inaccurately reporting this information to internal and external users. The district should hire a qualified full-time programmer to help automate critical systems.

2. The district uses financial management software provided by the Los Angeles County Office of Education that complies with SACS for uniform statewide financial reporting.

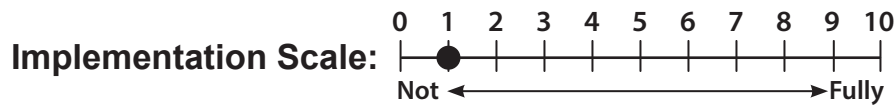
Recommendations for Recovery

1. The district should take a more collaborative approach to systems selection, implementation and support to ensure the systems selected meet district needs, function with the existing or budgeted technology infrastructure, can be implemented in a timely manner, and are accounted for in the Information Technology project planning calendar.
2. A district technology committee should be formed to address the use of technology throughout the district. Members of the committee should include qualified representatives from each division and/or department and the school sites. The committee members should be familiar with the needs of their respective departments, divisions, or sites. The committee should meet no less than every other month to ensure that all those affected have an opportunity to share technology plans and needs. The Information Technology Department should present current and proposed projects to the committee. Meeting agendas, minutes, and other materials should be documented and made available to all committee members before and after each meeting. The committee should be chaired by the director of the Information Technology Department.
3. The district should fill the vacant programmer position to improve the quality of data integration and reporting.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



15.3 Management Information Systems

Professional Standard

Automated systems are used to improve accuracy, timeliness, and efficiency of financial and reporting systems. Needs assessments are performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the need, and whether or not the LEA would benefit. Automated financial systems provide accurate, timely, and relevant information that conform to all accounting standards. The systems are designed to serve all of the various users inside and outside the LEA. Employees receive appropriate training and supervision in system operation. Appropriate internal controls are instituted and reviewed periodically.

Findings

1. As part of mandated CALPADS reporting, certain data elements in Aeries related to staffing must have current and accurate data. This is to ensure accurate staff reporting when that data is extracted from Aeries and posted to CALPADS. The main source of this staffing data is the HRS human resource system.

The staffing information in Aeries is manually updated in a task previously performed by the IT director but now performed by the IT consultant. Several times a year, the consultant receives a paper report from the Human Resources Department containing the data extracted and reported from the HRS system and manually enters the data into Aeries. When the data is submitted to CALPADS from Aeries, error reports provide IT with a list of missing fields, but the IT consultant cannot readily determine the source of the error. Possibilities include inaccurate data reports provided by the Human Resources Department, errors in extracting and reporting from HRS, and/or a data entry error by the IT consultant during manual updating. This lack of automation between HRS and Aeries creates potential errors in reporting CALPADS data and is not an efficient use of the IT director's time. The district should consider options to automate data submission from Aeries to CALPADS.

2. The district lacks a comprehensive professional development plan for many of its information systems. The district's technology plan for 2013-2016 includes results from technology proficiency surveys of administrators, teachers and support staff. The plan presents an analysis of these surveys and calls for relevant professional development to address the training needs of these groups. It also addresses the need to develop and distribute a calendar of training activities. These steps have not occurred, and there is no comprehensive, districtwide technology professional development training.

The Data Director student assessment system implementation was initiated approximately two years ago. The new Illuminate student assessment system was implemented at some schools approximately one year ago. The district has two systems that can perform the same functions, but there is no plan to phase out Data Director. As a result, the district spends time and funding on two systems; however, ongoing staff training on the efficient use of either system is extremely limited. Data Director and Illuminate are still not fully implemented throughout the district.

School site principals can easily access their budgets in real time at their sites through the PeopleSoft financial system. However, not all principals fully understand SACS, resulting in some confusion on how to interpret the reports. FCMAT's interviews with site principals found that one of the three interviewed requested assistance with reading the coding on budget reports, but none was provided. Some site administrators have reported that they now receive one-on-one training from district budget staff when requested on how to select reports that give them the needed information.

3. The position control data in the HRS system continues to contain many errors, including duplication of many staff. The district is unable to produce accurate classified seniority lists because of errors in calculations involving extra assignment hours. Position control data has been incorrect for a number of years, and the former business and fiscal services coordinator worked to correct this data before leaving the district. The district now plans to begin work with LACOE staff to correct this data and the associated calculations.

The lack of an effective position control system leaves the district at great risk for over- or understating salary and/or benefits and data-driven decision making.

4. The county office provides a software package known as Labels, Lists, and Letters (LLL). LLL is a database reporting system that utilizes data extracted from the HRS system. This system must be consistently updated from data contained in the HRS system to ensure accurate reporting. If a staff member changes data in HRS, and an LLL list is created without running the update, the list will not contain any new or changed information. During the prior year's review, HR staff reported that data reported from the LLL system does not accurately reflect data existing in the HRS system. As a result, the district had to request that the county office staff create documents such as seniority lists, mailing labels, credential status reports and others, and the county office charges a fee for this service.

County office staff reported that the inconsistency in the accuracy of data reporting from LLL occurred because the staff did not update the LLL database from data in the HRS system before running the report. During this reporting period, the district has provided staff with training to properly update the HRS system before running reports from the LLL system, and interviews with district staff indicated that the prior year's issues did not continue.

5. The Aeries system has data fields for tracking various student expulsion and discipline information. During the prior reporting period, many school site administrators reported that they did not have user rights to various Aeries screens that contained this student information. The district has now provided site administrators with the appropriate system rights.

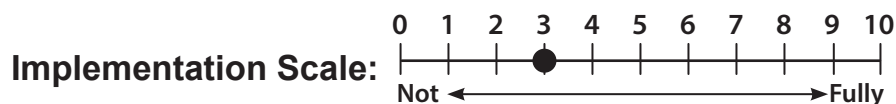
Recommendations for Recovery

1. The district should automate the integration of appropriate data from HRS to Aeries to provide accurate CALPADS data.
2. The district should develop a plan with an associated timeline to select either the Illuminate or Data Director student assessment system for districtwide use. The standardization on a single system will potentially reduce licensing costs, focus needed professional development, and facilitate data integration between systems.
3. School site principals should be provided with ongoing training in PeopleSoft to access their budgets in real time and training to understand SACS coding on the reports produced.
4. Although a large portion of a professional development needs assessment was completed to prepare to issue the district's technology plan, a complete assessment of staff should be performed to better use the information systems utilized by the district. The district should assign district staff, coordinate with the county office, and/or arrange for qualified consultants to regularly provide this professional development. The schedule and location of trainings should be posted on the district website. Sign-in sheets for employees who have attended the trainings should be used and maintained.
5. Resources in the business office should be focused on correcting errors in position control to ensure accurate and efficient payroll generation and budgetary data. This will require a high level of coordination between Human Resources and the business office. It is imperative that the district devote sufficient staff time, resources, and possibly the external assistance necessary to fully correct this data and implement an accurate position control system.
6. The district should continue to provide appropriate staff members with training from the county office on using the LLL system with a focus on updating of data from the HRS system.
7. The district should continue to provide site administrators with access to various Aeries screens.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



15.7 Management Information Systems

Professional Standard

Hardware and software purchases conform to existing technology standards. Standards for network equipment, servers, computers, copiers, printers, fax machines, and all other technology assets are defined and enforced to increase standardization and decrease support costs.

Requisitions that contain hardware or software items are forwarded to the technology department for approval before being converted to purchase orders. Requisitions for nonstandard technology items are approved by the information management and technology department(s) unless the user is informed that LEA support for nonstandard items will not be available.

Findings

1. Until approximately four years ago, the district had a technology committee that established hardware and software standards districtwide. Now the district's IT director establishes standards for PC desktop and laptop computers as well as software applications for the district's Hewlett Packard (HP) computers. The director of technology also sets the standards for software configuration for these computers, but these software standards are not published. Standards for computer hardware are reviewed only when the existing standardized computer is no longer available from the manufacturer, or special pricing is no longer available.

As in the past, the same standards are applied to student, teacher, and administrative computers. These standards, which are designed for administrative computer use, lead to increased expense for some computers because not all school site users need the same hardware configuration.

In previous years, hardware computer standards were published on the district's website. This is no longer the case. The IT director has written standards for new computer purchases, but not all staff know about them.

The use of the PeopleSoft financial system for routing technology purchase requisitions for approval has allowed the IT director to review most technology purchases to ensure conformity; however, enforcing the existing computer standards is more difficult because of the lack of administrative regulations, published policies, or procedures. There is no formal method for a user who is purchasing nonstandard equipment to request an exception to the standards, and purchasing non-standardized equipment can lead to the following:

- Increased acquisition costs
- Unfamiliarity of nonstandardized equipment
- Increased amount of time for technical support
- Equipment that is not compatible with the network configuration

2. Published standards do not exist for network equipment, servers, copiers, printers, or fax machines.

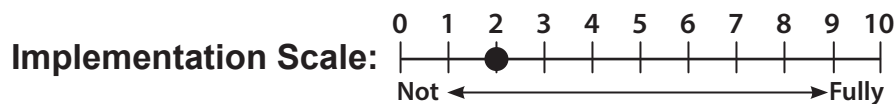
Recommendations for Recovery

1. After forming a technology committee, the district should establish a subcommittee of its technology committee to set and review hardware and software standards. This committee should be led by the Technology Department and should meet quarterly at a minimum. When standards are changed, they should be posted on the district's website, and appropriate staff should be contacted and made aware of the changes.
2. The standards set by the committee should be enforced, and coordination with the Purchasing Department should be improved to ensure any nonstandard technology acquisitions are routed to the Technology Department for its review and to ensure the equipment is compatible with the district's network configuration.
3. The district should develop a formal process for staff to use when requesting equipment that is an exception to standardized technology items. This process should be documented, and the information posted on the district's website, and all those affected should be informed. Administrative regulations that document the acquisition of all technology purchases should be developed.
4. The district should consider adding to the standards different computer configurations for student, teacher, and administrative systems. In many cases, systems used by students may not require the same storage capacity, memory, or monitor size as those used by staff. Cost savings may be realized depending on the number of computers purchased.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



15.8 Management Information Systems

Professional Standard

An updated inventory includes item specification for use in establishing standards for an equipment replacement cycle and rotating out obsolete equipment. Computers and peripheral hardware are replaced based on a schedule. Hardware specifications are evaluated yearly. Corroborating data from work order or help desk system logs is used when this data is available to determine what equipment is most costly to own based on support issues. The total cost of ownership is considered in purchasing decisions.

Findings

1. The district still lacks a formalized board-approved life-cycle replacement plan for any of its technology equipment. This lack of planning will create unplanned expenses and outages when systems cease to function. Technology assets eventually fail, and their replacement schedules should be monitored so the associated expenses can be properly budgeted.
2. The Technology Department has a Web-based help desk system from Numara that can track users' hardware and software configurations. Requests for services are submitted online and assigned to the technicians by the IT Department's director. However, as in the prior review period, not all requests are submitted through the help desk system; approximately 70% of the requests for service are received through phone calls or e-mails to the IT Department's repair technicians. Because such a small percentage of actual requests for service are placed through the help desk, the district cannot accurately capture information about trends in hardware or software problems, the total of service requests, common problems, average turnaround time, and individual staff workloads.
3. Total cost of ownership is not considered when making purchasing decisions except for the purchase of technology which meets the standards set by the IT Department. While there has been a reduction in the amount of nonstandardized hardware being purchased over the past year which lowers the total cost of ownership of this technology, it is uncertain if the reduction is related to less purchasing occurring due to lack of funds or if it is due to the director of IT reviewing purchases.
4. The district's physical inventory of items with a cost exceeding \$5,000 is scheduled to be performed each year by a third-party vendor, however the last supplied asset inventory report is dated June 30, 2012. The scope of engagement states that the company will inventory assets with a cost of \$5,000 or greater and completed the last physical inspection and inventory of the district's assets in 2009. The scope of work contains the following:

We compiled the fixed asset accounting ledger based on information provided by Inglewood Unified School District for the fiscal year ended June 30, 2012. We did not inventory Inglewood Unified School District's fixed assets nor verify the existence or ownership of the assets as of June 30, 2012. We completed our last inspection and inventory of Inglewood Unified School District's fixed assets in 2009.

The reports that have been generated between 2009 and 2012 have been prepared using the appraiser's 2009 physical inventory and updating that document based on the information received from the district regarding additions/deletions.

5. The warehouse clerk receives technology equipment shipped to the district's warehouse. This clerk tags the equipment and enters the appropriate information into an Excel spreadsheet. At the end of the fiscal year, this spreadsheet is given to the district's accounting supervisor, who forwards it to the third-party vendor performing the physical inventory compilation.

Not all technology equipment is received by the warehouse clerk since some shipments are delivered directly to the school sites. When the warehouse clerk is informed of this, the clerk travels to the site, tags the items and enters the information into the Excel spreadsheet. Computer purchases from IntelliTech, however, include the vendor applying inventory tags, shipping the computers directly to the sites and supplying the district with a periodic report containing the model, serial number and asset tag number. This, in coordination with the efforts of the warehouse clerk, is helping to track assets. With the exception of assets that fall into the IntelliTech contract where they apply the asset tags, the district should have a policy that requires all technology equipment and any other fixed assets to be delivered directly to the district's warehouse.

6. Education Code Section 35168 states that districts are required to do the following:

...establish and maintain a historical inventory, or an audit trace inventory system, or any other inventory system authorized by the State Board of Education, which shall contain the description, name, identification numbers, and original cost of all items of equipment acquired by it whose current market value exceeds five hundred dollars (\$500) per item, the date of acquisition, the location of use, and the time and mode of disposal. A reasonable estimate of the original cost may be used if the actual original cost is unknown.

The district consultant performs a physical inventory of equipment with a value of \$5,000 or more; however, the district does not properly track items greater than \$500 but less than \$5,000 in accordance with this Education Code provision, and the items may have moved from one location to another. The district does not have a reconciliation process to determine if equipment with a value of between \$500 and \$4,999 is still located in the district. A discussion of this issue is also contained in Standard 16.1 below.

Recommendations for Recovery

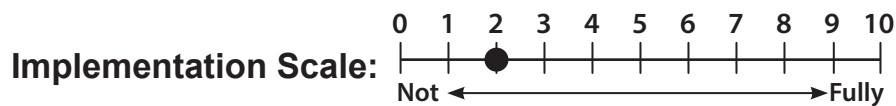
1. The district should create a formalized life-cycle replacement plan for any of its technology equipment.
2. The district should establish and enforce a process for ensuring that all requests for assistance from the IT Department, including requests for noncomputer-related technical support, are entered into the Numara help desk system. This will allow the quantification of services and provide information to the IT Department's management on how best to allocate resources and justify staffing to provide acceptable service levels.

3. Standards should continue to be met when purchasing technology items, and any nonstandard items requested for purchase should be reviewed and considered by the IT Department before acquisition.
4. Information on all fixed assets should be entered into a centralized database that can be accessed by appropriate staff throughout the district. Any issues regarding the reporting of assets by the third-party vendor should be resolved, and assets should be accurately reported for insurance and depreciation purposes.
5. The district should have a policy that requires all technology equipment and any other fixed assets to be delivered directly to the district's warehouse to ensure that all fixed assets are properly received and tagged for inventory purposes.
6. The district should ensure that its assets are properly reported. Education Code Section 35168, states that local educational agencies shall track and maintain a historical inventory that contains the description, name, identification numbers, and original cost for all items exceeding \$500.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



15.10 Management Information Systems

Professional Standard

In order to meet the requirements of both online learning and online student performance assessments, the district has documentation that provides adequate technology to support these needs. Documentation should include sufficient bandwidth to each school site, internal local network infrastructure capacity, electronic devices which meet the published minimum standards for online student assessments, and an adequate number of devices to allow testing of all students within the prescribed amount of time.

Findings

1. The district performed an assessment of existing testing devices and infrastructure to determine quantities and type of equipment to order for the Smarter Balance Assessment Consortium or Common Core testing. Chromebooks were chosen as the new standard testing device based on research with other districts that had successfully used them in prior practice tests. To ensure adequate connectivity and devices for testing, the district recently purchased a significant number of Google Chromebook carts with dedicated wireless access points.
2. The district bandwidth of 1 GB to each school site, provided by fiber connectivity, is sufficient.
3. The impact of assessment testing on the district's bandwidth to the Internet is minimal with a 1 GB Internet connection provided by the county office.
4. Communication was greatly improved between the IT and Curriculum departments regarding the technology needed to support the upcoming student assessments related to implementing the new Common Core State Standards. The district has brought additional staff to the district office to help plan and develop Smarter Balance Assessment Consortium testing. Professional development in the testing methodology and curriculum was delivered to the school sites. Working collaboratively with the IT Department, the district was able to deploy additional equipment and networking infrastructure to adequately support the testing. However, the late arrival of the equipment did not allow sufficient time for all students to participate in practice testing prior to the beginning of the actual testing period.

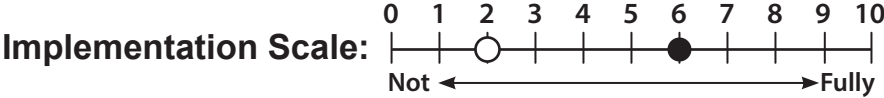
Recommendations for Recovery

1. Staff from business, IT, curriculum, and school sites should continue to meet regularly to discuss the site needs for online student assessments related to the Common Core State Standards.
2. The district should develop and publish a testing calendar with adequate time to allow preparation for student testing, including adequate practice time for all students.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 6



15.11 Management Information Systems

Professional Standard

The LEA optimizes funding of various types of technology throughout the organization by effective utilization of available Federal E-rate discounts, the California Teleconnect fund, and other available discount programs and funding sources to reduce costs for various technology expenditures.

Findings

1. As part of the Microsoft Education Technology K-12 Voucher Program, the district has a balance of \$277,060.57 in general purpose vouchers and \$350,602.29 in software vouchers, totaling \$627,662.86. This information was found on the Microsoft Education Technology Voucher Program website located at www.edtechk12vp.com, and the deadline for making purchases for voucher redemption is September 25, 2015. This is an increase of \$425,042.57 over last year. In April 2014, the district submitted invoices, requesting reimbursement for a total of \$267,721.48, which marks the first time since September, 2011 that the district has successfully redeemed any vouchers.
2. Planning for E-Rate discounts over the past several years continues to be difficult as a result of changes in key leadership positions in the business office and Technology Department. Although the district has developed a technology plan, the lack of a clear strategic plan to address future infrastructure needs has not allowed the district to adequately budget and fund a scheduled replacement of aging network infrastructure.

Beginning in the 2009-10 fiscal year, the district has used an independent consultant to provide E-Rate consulting services and prepare district claims. This practice has continued into this reporting period.

3. The district does not hold annual E-Rate planning meetings representing key departments such as Business, Technology, Facilities, Food Services and Curriculum. The purpose of these meetings should be to assess the district's needs and budgeting for equipment and services that may be partially funded through the E-Rate process. The lack of coordination has resulted in past E-Rate applications that are not always funded even though the district is eligible for the discounts. One example from the past reporting period was when the district prepared an application for E-rate funding to replace a considerable amount of networking equipment. The application for E-Rate discounts was successful, but because of lack of coordination and planning between departments, no budget was created to fund the remaining nondiscounted amount. As a result, the district was unable to replace the aging networking equipment.
4. The district continues to receive California Teleconnect Fund discounts for some or all of the eligible telecommunication services.

5. The district provides only invoice summary information from its telecommunications providers to the district's E-Rate consulting company. This makes it extremely difficult for the consultant to ensure that all California Teleconnect Fund and E-Rate discounts available to the district are properly included in the E-Rate application. At a minimum, quarterly detailed statements should be provided to the consultant.
6. During the current reporting period, the district's application for approximately \$215,000 worth of services for its telephone and data networks was denied because of lack of available funds in the E-Rate program. Prior invoices for this vendor had generally been provided at a 90% discount through the E-Rate program. The funding reduction is not a result of the district's lack of coordination but a general reduction in funding nationwide; however, without the funding through the E-Rate program, the district will no longer receive external funding for this vendor's services and will instead have to fund these services through other means. As a result the district should analyze the specific types of services that Vector Resources has provided over the past two years to determine if it would be more cost effective to continue having the vendor provide those services or hire a qualified technician to perform them in-house.
7. The number of errors in the district's direct certification process have been significantly reduced, and the district's free and reduced price meal numbers are now at 89 percent. Direct certification is a process where the local education agency can electronically match its student data with data provided by state or county agencies. The data provided by these government agencies includes information regarding residents in the school attendance boundaries who receive nutritional assistance. The purpose of the match is to identify students who are eligible for free and reduced-price meals.
8. A significant number of errors had been generated in the prior reporting period when attempts were made to match student data from the district's eTrition school nutrition system with the data provided by the Los Angeles County Department of Public Social Services. These errors could result in incorrect numbers of eligible free and reduced-price meal counts reported for the School Breakfast Program, National School Lunch Program (NSLP) and other federal programs such as Title I as well as for E-Rate application purposes. Incorrect information reported to these programs can then result in large losses in funding.
9. Because E-Rate discounts are often awarded well into a fiscal year, vendor invoices from telecommunication companies in the first part of the year do not necessarily reflect the E-Rate discounts that will be applied subsequent to application approval.

When the discounts are approved, a credit is placed on the invoice. From that credit amount, the district pays invoices, slowly working down the remaining credit balance. This credit balance can easily be more than \$100,000. The prior review recommended that the district obtain a payment instead of the issuance of a credit because of the large sums of credits on the district's accounts. The district now receives payments from a number of the vendors where credit balances are significant.

Recommendations for Recovery

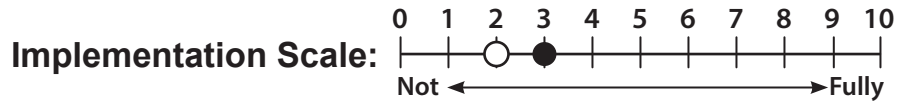
1. The district should immediately establish a task force to meet and plan the expenditure or reimbursement of eligible expenses for the remaining Microsoft Education Technology K-12 Voucher Program funds to ensure that eligible purchases before the September 25, 2015 deadline are included in the application.
2. The district should formalize its strategic vision and planning for the use of the networking infrastructure to adequately fund present and future equipment upgrades.
3. The district should continue to utilize an outside consultant to provide E-Rate consulting services and prepare district claims
4. A committee should be formed to meet each year in the late summer/early fall to discuss the upcoming E-Rate timeline, potential funding opportunities, and to review existing E-rate discounts to determine if they will be reapplied for again the following year.
5. During the year, key individuals such as those from the Business, Information Technology, and Curriculum divisions should meet regularly to better understand the availability of E-Rate discounts and possible funding levels. The district's eligibility for free and reduced-price meal percentage are near threshold levels of E-Rate funding. The district should have contingency plans for the funding and nonfunding of the E-Rate applications.
6. Ensure that quarterly detailed statements are provided to the district's E-Rate consulting company so that all California Teleconnect Fund and E-Rate discounts available to the district are properly included in the E-Rate application
7. District staff should adequately monitor the vendor invoices and the expected E-rate and California Teleconnect Fund discounts for eligible services. If a district staff member is unavailable to adequately perform this function, the district's E-Rate consulting firm could review the invoices. The district should contact the consultant to determine the fee, if any, for this type of service.
8. The district should provide detailed invoice information to its E-Rate consulting company to ensure that the independent consultant can maximize the California Teleconnect Fund and E-Rate discounts on the E-Rate application.
9. The district should perform an analysis of the specific types of services that Vector Resources has provided over the past two years to determine if it would be more cost-effective to continue having the vendor provide those services or to hire a qualified technician to perform them in-house.
10. The district should continue to review direct certifications in detail to ensure that all eligible free and reduced-price meal counts are accurate to maximize eligibility for programs funded based on these statistics.

11. The district should continue to request a check from the vendor in cases where E-Rate discounts generate significant credits that cannot be used within the fiscal year.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 3



16.1 Maintenance and Operations Fiscal Controls

Legal Standard

Capital equipment and furniture is tagged as LEA-owned property and inventoried at least annually.

Findings

1. Lack of effective internal controls over inventory and disposal of fixed assets can leave the district with an increased risk of fraudulent activities and the misappropriation of assets. Governmental Accounting Standards Board (GASB) 34, issued in June 1999, requires fixed asset records to be maintained in a complete, accurate and detailed manner. Public entities must report all capital assets owned in the government-wide statement of net assets, including a report of depreciation in the statement of activities at year end. This allows public entities to report the change in net assets during the fiscal year.

Capital assets include but are not limited to the following:

- Infrastructure: Buildings, building improvements and lighting systems
- Equipment
- Land
- Machinery
- Vehicles

The reporting requirement for GASB 34 attempts to appropriately value district assets and specifies that fixed asset records include acquisition date, historical cost, depreciation and useful life of the asset in accordance with generally accepted useful lives for the type and class of asset.

Similar requirements exist in Education Code Section 35168 which states “The governing board of each school district, shall establish and maintain a historical inventory, or an audit trace inventory system, or any other inventory system authorized by the State Board of Education, which shall contain the description, name, identification numbers, and original cost of all items of equipment acquired by it whose current market value exceeds five hundred dollars (\$500) per item, the date of acquisition, the location of use, and the time and mode of disposal.”

The district has engaged the services of an independent appraisal firm to annually update the fixed asset reports for financial statement reporting purposes. In September 2009, the appraisal firm conducted a physical inventory and inspection that generated a report meeting the requirements of GASB 34. Subsequent reports are produced each year and include new acquisitions, and selected disposals based on information provided to the Accounting Department from the three departments that primarily handle disposals, the Transportation/Maintenance and Operations, Warehouse and Purchasing departments.

The district is also required to have a system to track equipment classified as assets and valued between \$500 and \$4,999. Assets totaling approximately \$11.4 million have been recorded in the appraiser's annual report representing assets valued between \$500 and \$4,999 as of June 30, 2012. There is no fixed asset inventory list, but there is a compilation of the prior fixed asset report and additions for the 2011-12 fiscal year. Additions to these assets were reported by district staff to the appraisal firm, but not independently verified by the appraisers. The asset information is not collected in a dedicated inventory system. No disposals or lost items between \$500 and \$4,999 have been reported to the appraisers. Disposals, shrinkage or theft under \$5,000 are not systematically tracked, and removed from the fixed asset inventory list. This lack of coordination between the district and its appraiser causes the appraisal firm to produce an annual fixed asset report, which is the basis of the independent audit report, to be overstated.

At the time of this review, neither the local auditor nor the State Controller's office had yet completed their audit of the district's books for the year ending June 30, 2013. Consequently, using the latest independent audit available with the addition of construction in progress from the last available audited financial statements, provides the following information for capital assets that exceed \$5,000:

*Capital Assets - Fixed Asset Inventory – Items in Excess of \$5,000 Financial Audit Report
For the Year Ended June 30, 2012*

Asset Classification	Historical Cost	Accumulated Depreciation	Net Book Value
Land	\$23,997,152	\$0	\$23,997,152
Land Improvements	3,084,899	1,596,017	1,488,882
Construction in Progress	21,839,569	0	21,839,569
Buildings	202,708,259	39,577,597	163,130,662
Machinery and Equipment	14,881,681	12,046,046	2,835,635
Total	\$266,511,560	\$53,219,660	\$213,291,900

According to staff interviews and the independent appraisal report, the district has not conducted a physical inventory of all fixed assets since September 2009. The district should conduct a complete physical inventory every two years.

It is unclear if the district has established sufficient receiving procedures and protocols when physical inventory and/or textbooks items are shipped directly to school sites.

2. Findings included in the annual audit reported material weaknesses specifically related to inventory and fixed assets. Audit findings from the June 30, 2011 audit appear unresolved in the June 30, 2012 audit and show that the recommendation by the audit team has not been implemented. These findings are summarized as follows:
 - 2011-10: Inventory and Fixed Assets – During the internal control interviews, the auditors discovered that the district had eliminated the stores warehouse where equipment and supplies were delivered without establishing appropriate internal controls to standardize receiving procedures and secure assets to ensure that theft of items is minimized at the school sites.

- 2012-3: Asset Disposal – Not all assets were properly disposed of in accordance with Board Policy 3260(a), which requires notification and approval by the district’s governing board. This was the citation noted in the auditor’s report; however, the district is utilizing Board Policy 3270 both in its online listing of policies and in its resolutions on the subject. However, FCMAT was unable to view the policy online, and the district did not provide a hard copy.
- 2012-10: Inventory and Fixed Assets – A lack of internal controls over inventory and fixed assets caused a major misstatement of the cafeteria fund inventory. The auditors also noted a lack of security over goods delivered to sites as in last years’ audit.

The Purchasing Department has created forms for salvage/equipment items and for pickup of discarded books/materials that school sites may use to document obsolete inventory. These forms provide areas to report the item number; manufacturer/model; serial number; asset tag number; funding source; quantity and purchase value or the number of boxes of books. Forms submitted to FCMAT show that school sites sometimes use the form, but it is generally not fully completed. Additionally, the information is not used to support surplus items taken to board, or to update the fixed asset list. Of the forms reviewed, most were missing serial numbers and/or fixed asset tag numbers, and they were not signed by the site administrator in the space provided.

3. Once purchases are added to the fixed-asset log, no evidence was provided that the items are tracked as to their physical location or disposition. During the last review period, two of the district’s campuses physically changed locations. However, district staff were unable to produce lists of assets moved, unaccounted for, and disposed of as a result of these moves.

If an item is lost, or stolen, a record should be maintained, using the salvage/equipment items inventory form. An analysis of the circumstances of the loss is typically required, as is a certification that the designated administrative officer has reviewed the loss. After the analysis and certification, and the removal of the item from the fixed asset inventory log it can be presented at a board meeting for approval.

4. The sale of surplus property is governed by IUSD Policy 3270 as well as Education Code Sections 35168, 17540-17542, and 17545-17555, which establish safeguards to account for and protect district owned property. These Education Code regulations require a specific detailed process for the disposal of surplus assets and the use of those sale proceeds. The district approved Resolution No. 04/2013-14 authorizing the disposal of surplus property for the 2013-14 fiscal year on July 24, 2013. This resolution authorizes the wholesale disposal of any surplus property necessary in the 2013-14 school year and does not require a specific listing of the items to be surplus. This does not support the reporting requirements under Education Code 35168, requiring inventory to be tracked as to the time and mode of disposal. Nor does it provide proper internal control possibly allowing items that have value to the district to be disposed of without proper review.
5. The state trustee approved the renewal of an agreement with The Liquidation Company on July 24, 2013 to conduct an “unreserved auction for the sale of all surplus property”; however, this is not the only firm used by the district. At the time of FCMAT fieldwork, 10 checks for surplus sales had been received from two companies other than The Liquidation Company over an eight-month period, totaling \$5,946.62. Of the three vendors providing

payment for surplus sales, FCMAT found only one contract that was approved by the state trustee. District staff reported that no checks had been received by the Accounting Department in the prior year as a result of the sale of surplus items, and that cash received from disposal firms in prior years was used for department social functions. FCMAT's inquiries of district staff associated with the disposition of district surplus items showed that they had limited knowledge of board-adopted policies, the California Education Code, and best practices related to chain of custody regarding salvage policies and procedures.

FCMAT's review of the district's general ledger showed that money received from the sale of surplus items had not been credited to the fund from which the original expenditure was made. Instead, these funds were placed into the general revenue accounts. This is true across all categories including the purchase of the instructional materials (see below) and cafeteria assets (see also standard 17.1).

As a result of the passage of Measure GG, increased facility construction and modernization program activity are anticipated to generate increasing amounts of nonferrous metal recycling materials. The Business and Professions Code 21600-21609 requires recyclers to provide and record certain information as it relates to copper, copper alloys (brass), stainless steel and aluminum. The district has insufficient procedures to inhibit theft of the funds generated from recycling/salvaging. District management stated that the current process is to transport various undocumented surplus materials by district employees using district vehicles to local recyclers. District employees are instructed to accept only checks and return them to the district's Accounting Department. With no internal controls monitoring the documentation of what is being taken to salvage, it is almost impossible to determine if the payment returned to the district includes all items taken for salvage. Salvage companies sometimes provide for free pick up of materials, and this vendor-provided service offers an important chain-of-custody service to protect district assets.

6. District administrators reported that eight campuses have an inventory system for textbooks, eight campuses do not have a textbook inventory system and two campuses have been closed. The campuses that closed should have generated excess fixed assets and instructional materials available for distribution to other campuses or disposal; however, the district was unable to provide an inventory of excess assets/instructional materials or notices to other campuses that these items were available. Education Code Sections 60500 through 60530 establish safeguards to account for and protect district instructional materials and their funding, which require a specific detailed process for the disposal and the use of the proceeds. FCMAT's review of the district's general ledger showed that funding from the sale of instructional materials had not been used to replenish the instructional materials account.

Recommendations for Recovery

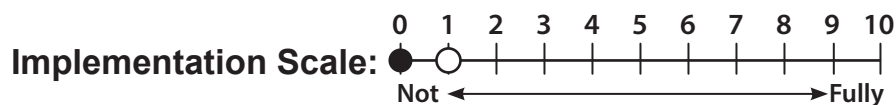
1. The district should conduct a physical inventory every two years and ensure that all capital assets valued at more than \$5,000 and other assets between \$500 and \$4,999 are fully accounted for in the inventory ledger.
2. The independent appraisal company should be provided with a list of disposals and lost/stolen items.

3. The auditor recommendations for compliance with internal controls for inventory, fixed assets and disposal of assets should be implemented.
4. Receiving protocols and policies should be developed for textbooks and physical inventory items that are shipped directly to school sites.
5. School sites should utilize the salvage/equipment items form to document obsolete inventory as well as lost or stolen items to the district office. This form should be dated and signed by the site administrator in the space provided. These items should be recorded as to the time and mode of disposal in the cumulative fixed asset inventory log.
6. Board Policy 3270 and district salvage procedures should be updated to provide staff with comprehensive guidance regarding surplus assets and instructional materials.
7. District management and staff associated with the disposition of district surplus items should be trained in the execution of Board Policy 3270, California Education Code and best practices as it relates to chain of custody regarding salvage policies and procedures.
8. The processing of disposal of surplus assets and instructional materials should be centralized into one or two departments. All district-approved disposal firms should have their agreement and terms approved by the state trustee.
9. Salvage procedures should include the preparation of an inventory of the items to be salvaged, utilizing salvage companies' free pick up of materials service, employees forwarding the recycler's receipt documentation, along with the check, to the district office for processing, requiring employees not to accept cash and to only accept checks made payable to the Inglewood Unified School District
10. A textbook inventory system should be installed at all campuses. Additional safeguards related to the disposal of surplus or undistributed obsolete instructional materials, should be implemented.
11. Money received from the sale of surplus items should be credited to the fund from which the original expenditure was made in accordance with Education Code regulations.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



17.1 Food Service Fiscal Controls

Professional Standard

To accurately record transactions and ensure the accuracy of financial statements for the cafeteria fund in accordance with GAAP, the LEA has purchasing and warehousing procedures to ensure that these requirements are met.

Findings

1. During a State Department compliance visit in the first review reporting period, state representatives observed competitive food sales at three school sites. Based on this violation of the School Breakfast and National School Lunch programs, all funding from April 2012 was withheld pending full compliance.

Subsequent district visits in May 2012, April 2012 and January 2013 indicated that competitive food sales continued. Based on the visit in January 2013, district employees were notified in writing that further competitive food sales would lead to disciplinary action.

In early February 2013, the State Department released \$3,316,661 in back payments from March 2012 through December 2012 based on assurance that the district was in compliance.

The district's cafeteria management reported that vending machines, providing competitive food sales were installed on campus this year and the district provided FCMAT with a copy of the one-year contract approved at its August 15, 2013 board meeting. The contract provides for food product types such as snacks, candy and cold drinks to be dispensed from the machines and does not provide that timers are to be installed on them to prevent competitive food sales. Cafeteria management reported to FCMAT that the district intends to have the vending machines removed within the next 90 days.

2. Unaudited actuals for the 2012-13 fiscal year show that the estimated ending balance in the cafeteria fund was \$902,957, requiring no contribution from the unrestricted general fund to support the program. The fund balance for the cafeteria fund has increased dramatically in the last fiscal year as well as each of the last two fiscal years as demonstrated in the chart below:

Cafeteria Fund -- Unaudited Actuals

2010-11 through 2012-13

Unaudited Actuals	2010-11	2011-12	2012-13
Beginning Balance	\$259,235	\$516,293	\$549,821
Audit Adjustments	\$(47,617)	\$(2,499)	\$(49,287)
Adjusted Beginning Balance	\$211,618	\$513,794	\$500,534
Revenues	\$4,406,790	\$4,204,407	\$4,927,753
Expenditures	\$(4,102,115)	\$(4,168,380)	\$(4,525,331)
Ending Balance	\$516,293	\$549,821	\$902,956

3. After a new food service director was hired in December 2012, the cafeteria fund's accounts receivable and accounts payable balances experienced major increases while the ending fund balance also continued to show substantial growth. Accrued liabilities were \$641,746 as of June 2011, but increased to \$1,021,032 by June 2013. Accounts receivable were \$1,032,217 as of June 2011, and had increased to \$1,519,912 by June 2013.

The Food Service Department's food service director and junior accountant from last year both left the district, and a food service director who retired in 2012 was brought in to help the district restructure the department. Concerns over the accounting in the cafeteria fund have prompted the district to hire consultants to perform a forensic audit of the department and the CDE's Nutrition Services Division will return to perform a review.

4. Last year, a new program, Breakfast in the Classroom, was implemented at three school sites. The district did not qualify for universal feeding for this program; therefore, the new program was funded based on plate counts that yielded state and federal funding. Students who qualify for reduced price meals and those that would normally pay full price were not required to pay for breakfast. Before this program was expanded to other sites, FCMAT's prior-year report recommended that the district perform an analysis to determine whether this program was cost-effective. No evaluation was performed, and a consultant was hired to help expand the program in the 2013-14 school year. The program is now present at all district school sites except two where concerns were raised about the cleanliness of students eating in classrooms. Since FCMAT's last review, the district applied for and received approval to implement a universal feeding program. This places Inglewood Unified as a provision II district, but raises a question about whether specific schools can be excluded from the program while still allowing the district to be in the provision II category. As of the writing of this report, the CDE's Child Nutrition Division was unable to provide an answer to that question.
5. The district has 10 elementary school sites served from one central production site. Last year it was reported that the district was experiencing on-time delivery issues related to the timing of food production and volume. Drivers had long wait times, and the lunch was sometimes served late at the school sites. Depending on the size and equipment, central kitchens have the capacity to serve multiple school sites. The district was advised in last year's FCMAT report to perform a full evaluation to determine the maximum capacity of the desired production and adjust accordingly. No evaluation was performed during this review period and cafeteria management reported to FCMAT that there was no evidence of production or delivery problems from the central kitchen.
6. The district stores commodities and other food items in an off-site warehouse storage facility in Pomona. Last year, the cost of food storage equated to \$1.25 per case and FCMAT recommended that the district investigate the possibility of local storage space to reduce food storage costs. While food service management personnel reported that fewer trips were made to the storage facility, FCMAT was not provided with documentation of a plan to combine the food storage warehouse with the district warehouse or any other measures to reduce food storage costs.

7. Interviews of district administrators indicated that for the last two years, the district did not actively try to obtain the best food prices. The district was unable to provide FCMAT with any documentation that it issued requests for proposals (RFPs), was a member of a food service purchasing cooperative, or issued documents to competitively bid vendors. The board agenda for April 16, 2014 shows that the district awarded bids originated by other districts, in which the district may participate (known as piggyback bidding) for such items as bread, frozen foods and paper products for use in the child nutrition program for 2013-14.
8. At the time of the review, the food service administrators were unable to provide any financial documentation about the program such as a monthly profit/loss statement, cost per meal versus income per meal type (i.e. breakfast, lunch, dinner, etc.) or meals per labor hour. When hired, the new food service director will need training in financial management to properly analyze the financial aspects of the food service program, calculate meals per labor hour and other statistical measurements necessary to analyze profitability and identify areas of concern.
9. FCMAT's prior review shows that in 2012-13, the Food Service bank account was reconciled by a junior accountant who was subsequently laid off. FCMAT's review of the May 2013, September 2013 and February 2014 reconciliations of the Food Service bank account show that those bank reconciliations did not occur. All three bank reconciliations were undated and show the same three deposits in transit totaling \$152.30 with dates of December 20, 2012, January 16, 2013, and February 28, 2013. The best practice is to reconcile accounts monthly, dating the work to support that it is done timely and items such as stale checks, lingering deposits or other variances should be investigated and cleared from the books in a timely manner.
10. The district's audited financial statements for the year ending June 30, 2011 reported a material weakness specifically related to the food service cash receipts process as follows:

2011-11: Cash Receipts – During the testing of cafeteria cash receipts, the auditor found that at one school the deposit did not match the actual bank deposit by a significant amount compared to the deposit total. Staff was unable to explain how the difference occurred but remarked that similar variances had happened in the past. They noted that there was lack of follow up on significant discrepancies to prevent repeated problems.

The audited financial statements for the year ending June 30, 2012 report that the auditor's recommendation had been implemented. However, during FCMAT's interviews, the food service consultant indicated that she does not reconcile cash received from campuses to reported sales or deposits and believes that cash controls are best when the bank counts the deposit and notifies the district of any discrepancies.

11. In 2012-13 the food service program annually certified students that qualify for free and/or reduced-price meals within 30 days of the start of each school year. In the 2013-14 school year the district electronically transferred eligibility information for students of families on assistance programs including the Supplemental Nutrition Assistance

Program (SNAP), Temporary Assistance for Needy Families (TANF) and Food Distribution Program on Indian Reservations (FDPIR).

This process, referred to as “direct certification,” allowed the district to upload eligibility information that automatically qualifies these students without manually processing the National School Lunch Program and School Breakfast Program eligibility forms. Direct certification greatly reduces the time staff must spend manually processing forms each year. Food service staff indicated this function occurred in the current year. In accordance with federal regulations beginning in the 2011-12 school year, the district must conduct direct certification with SNAP at least three times each school year but can run the direct certification anytime during the fiscal year. However, the food services consultant was unable to provide evidence of whether the direct certifications had thus far occurred during the current fiscal year.

Many federal grant and entitlement programs, E-Rate and the new Local Control Funding Formula (LCFF) are partly calculated by using free and/or reduced-price meal eligibility counts. It will be imperative for the new food service manager to be fully trained on the new requirements and understand the importance of maximizing student eligibility.

Recommendations for Recovery

1. The district should terminate any competitive food sales on campus. It should also ensure that all school sites comply with the School Breakfast and National School Lunch programs’ requirements regarding competitive food sales.
2. The district should ensure that new programs are cost-effective before implementation, and procedures are established for the program to follow all guidelines.
3. As part of the financial closing process, a reasonableness review should be performed at the district level, with any unusual balances investigated.
4. The district should perform a full evaluation to determine the maximum capacity of the desired production and determine whether there are production problems.
5. The district should continue to investigate the possibility of using local storage space or combining storage in the district warehouse to reduce food storage costs.
6. Procedures should be established to issue requests for proposals annually for food and supplies for the child nutrition program.
7. The new food service director should be trained in financial management to properly analyze the financial aspects of the food service program and perform the basic calculations necessary to analyze profitability and identify areas of concern.
8. The auditor’s recommendations for compliance with internal controls for cash controls should be implemented. Cash should be counted before deposit so that discrepancies are determined quickly and can be followed up on in a timely manner.

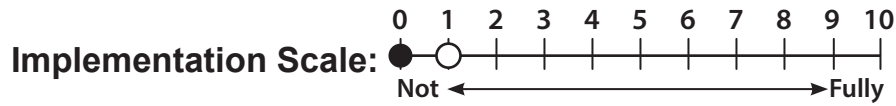
9. Bank accounts should be reconciled, and the work dated, reviewed, and signed off by a district office supervisor monthly. Variances, stale checks or lingering deposits in transit should be investigated in a timely manner.

10. The new food service manager should be fully trained in the requirements for direct certification and have an understanding of the importance of maximizing student eligibility for free and/or reduced-price meals.

Standard Not Implemented

July 2013 Rating: 1

July 2014 Rating: 0



20.1 Special Education

Professional Standard

The LEA actively takes measures to contain the cost of special education services while providing an appropriate level of quality instructional and pupil services to special education students. The LEA meets the criteria for the maintenance of effort requirement.

Findings

1. During the first six months of the 2013-14 fiscal year, the district had budgeted an increase in the LACOE excess cost of \$1,563,164 (32%) over that budgeted in fiscal year 2012-13. At the time of the 2013-14 first interim report, excess cost estimates were reduced by \$537,139. This estimate was then increased by \$190,593 at the 2013-14 second interim report, based on LACOE estimates. District staff interviewed were not aware of the large increase in excess costs or any reason given by LACOE for the increase in program costs. Budgeted excess cost billings for 2013-14 were not compared to the 2012-13 final billing, and a variance analysis was not performed.

During 2012-13, the district was advised at the SELPA superintendent's council meetings to anticipate increases in LACOE excess costs for the 2013-14 fiscal year caused by a redistribution of county-office-related overhead cost as a direct result of the expected departure of San Gabriel Valley from the administrative unit. In FCMAT's interviews, district staff stated that they were unaware of the status, timing, and financial impact of this program transfer, but believed that a general, countywide meeting was planned on the subject.

Based on FCMAT's interviews and the documentation provided by both the SELPA and the district, it is unknown if the impact of the program modification was the cause of the large 2013-14 increase in LACOE excess costs, or if additional charges should be anticipated in 2014-15.

2. In the fall of 2013, district staff filed for reimbursement related to extraordinary cost pool students for the 2012-13 school year. FCMAT's interviews with district business staff and the SELPA director indicate they were aware of and participated in the 2012-13 filing. The special education director was not aware of the fall 2013 filing and did not believe that any of the 2012-13 students met the reporting threshold. Communication between the Special Education and Business Services departments should be established so that an appropriate amount for the 2013-14 year-end closing can be established for accounts receivable. The Business Services Department can then be assigned to follow up until the funds have been received and deposited.

While the population of residentially placed students (RTC) appears to be stable, the RTC reimbursable costs reported by the district to SELPA for reimbursement from the mental health allocation has dropped. In 2013-14 \$273,179 was reported, but only \$114,394 has been paid to date. In 2013-14, only \$56,089.48 in expenses have been reported, with no payments made. There is no evidence of a reconciliation of dollars owed from SELPA to payments made, and it appears that a year-to-year reasonableness review has not been performed.

To maximize mental health funding received from the SELPA, it is imperative that all mental health expenditures be identified, documented and reported to the SELPA. Documentation provided by the SELPA showed one individual student in a nonpublic school (NPS) approved for up to \$40,560 worth of mental health service in the 2013-14 school year. It is imperative that the billings from the NPS show mental health charges separately, so that the district can properly document current expenditures for reimbursement and receive full expenditure reimbursement.

3. County office and NPS placements absorb a disproportional amount of the district special education budget. FCMAT's interviews with SELPA administrators indicate that the SELPA supports the district in providing negotiated countywide rates for NPS special education placements. The special education director works with the SELPA and assists with negotiations to implement countywide NPS rates.

NPS students, while representing an increasing population, are not tracked or recorded in the enrollment software, and their transportation expenditures are not reviewed. Transportation staff is seldom invited to attend IEPs and student attendance is reported from vendor billings. NPS and county office placements should be reviewed continuously for cost containment throughout the fiscal year.

4. Despite repeated requests, the district could not provide estimated 2013-14 SELPA funding documents or the most recent 2012-13 SELPA funding documents. The business office should work with the Special Education Department to review the SELPA funding projections to ensure the accuracy of all funding figures. FCMAT's interviews with district special education and business office staff indicated that neither division has taken responsibility for this function. The student services figures which generate SELPA income, including RTC placements, Foster Families (FFH), and Licensed Care Institutions (LCI) expenditures must be fully reported and income generation maximized.

As an example, funding is provided from SELPA related to FFHs and LCIs as it relates to individual student expenses incurred. At the time of FCMAT's first review, two students generating approximately \$83,720.23 per year in expenses qualified for SELPA funding. Current student placement lists for 2013-14 show four students now qualify. Neither the 2012-13 "pre-final" nor the 2013-14 P-1 SELPA funding documents provided by SELPA show these actual or estimated expenditures for reimbursement. By reviewing the SELPA funding documents the district can ensure that full funding is generated. Unusual costs or reductions in funding should be investigated and resolved and budgets adjusted.

5. FCMAT's initial review determined that the SELPA continued to reduce the district's NPS/LCI income estimate by \$100,000 for county-office-provided compliance support. Because of several changes in the directorship of the district's special education program, staff was unaware of the continuance of this reduction subsequent to hiring personnel to perform the compliance support function in 2011-12.

FCMAT's discussions with the SELPA leadership indicated that the NPS/LCI reductions would discontinue in exchange for district staffing that ensures program compliance. The "2012-13 pre-final" documentation provided from SELPA is approximately the same as

the prior year. No determination can be made as to the elimination of this income offset until the 2012-13 SELPA apportionment is final.

6. Communication between the county office, SELPA and the district is critical to proper receipt, budgeting and monitoring of special education income and expenses. While the state trustee, chief operations officer and special education director attend SELPA meetings, and a schedule of the meetings is published, the budget technician who is responsible for the special education budget does not attend. FCMAT's interviews with district administrators and Special Education Department staff indicated that no one knew what specific funding was to be received, how it was generated, or who was responsible to track and adjust it.
7. In 2013-14, the district was offered an opportunity to reduce excess costs by making excess facilities available to house students receiving services from the county office. The district is in the process of making excess facilities available for LACOE's use, and has been told that facilities credits will be on the excess cost billings from LACOE beginning in 2013-14. These credits are not reflected in the 2013-14 excess cost estimates provided by LACOE as of the date of FCMAT's fieldwork.
8. The district expends up to \$2,600 per month for each student who receives county office special education transportation. This equates to up to four times the estimated amount the district spends on a per-student basis for transportation services provided by the district's Transportation Department. The district should explore alternative transportation options for these students. (This is discussed more thoroughly in Standard 21.1.)
9. FCMAT's review of the Special Education maintenance-of-effort report contained in the 2012-13 unaudited actuals shows that the cost per pupil for services between 2012-13 and 2013-14 is anticipated to increase from \$13,101 to approximately \$14,845 or by 13%.

Recommendations for Recovery

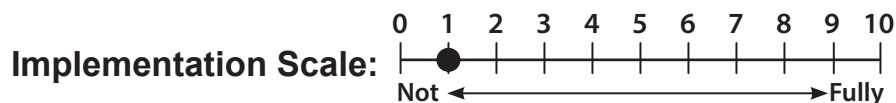
1. The budget for LACOE excess cost should be evaluated based on prior year actual expenditures and current year estimates. A reasonableness analysis should be performed and major variances should be investigated.
2. Special education extraordinary cost pool requests for reimbursements should continue to be submitted in a timely manner. The director of special education should review and approve the filing.
3. Communication between the Special Education and Business Services departments should be established so that an appropriate amount for the 2013-14 year-end closing can be established for accounts receivable. The Business Services Department can then be assigned to follow up until the funds have been received and deposited.
4. The business office should review SELPA funding projections to ensure that all funding sources and expenditures have been budgeted. Unusual costs or reductions in funding should be investigated and resolved.

5. The district should ensure it captures and reports all reimbursable mental health expenses incurred before developing additional services that appropriately expend local mental health dollars.
6. The district should regularly review county office and NPS billings to determine where expenses can be reduced.
7. Student data used to support SELPA funding projections, including the student placement and expenditure data, should be reviewed for accuracy. SELPA funding estimates should be reconciled to final student expenditures and final SELPA funding received.
8. The 2013-14 SELPA final apportionment should be reviewed to determine if it has been reduced by the \$100,000 for county office-provided compliance support. If so, the district should discuss with the SELPA the changes necessary for the district's staffing to comply with program requirements for return of the funding. District administration should ensure special education laws as well as program compliance are enforced in the current and subsequent fiscal years.
9. The person in the business office responsible for the special education budget should regularly attend SELPA business meetings.
10. The district should continue to explore opportunities to reduce excess cost by providing facilities for county office programs.
11. The district should explore alternative transportation options for NPS students to reduce costs.
12. A reasonableness review and analysis of variances should be performed before the submission of any special education maintenance-of-effort reports. Large increases reported in the per-pupil expenditures should be investigated before finalizing the report.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



21.1 Transportation

Professional Standard

The LEA actively takes measures to control the cost of transportation services and limit the contribution from the general fund while providing safe and reliable transportation to the students.

Findings

1. District staff reported that they provide nearly all the district's special education student transportation services. Information supplied by district transportation staff in the spring of 2013 showed that 245 students were transported on district buses; approximately 72 were transported to nonpublic schools by the district, parent/guardian, or taxi cabs; and two were transported by the county office. In addition, the district provided services to approximately 42 LACOE students for a total of 361 students transported.

The Annual Report of Pupil Transportation (TRAN) filed with the state for the 2012-13 fiscal year reported that 461 severely disabled/orthopedically impaired students were transported that year along with 93 students on IEPs who were provided home-to-school transportation. The district was also invoiced by the county office for the transportation of NPS and parent/guardian or taxicabs. This report indicates that a total of 554 students were transported.

It is imperative for the information provided to be consistent and reliable to adequately control the cost of student transportation. The range of the total reported number of pupils transported to school in the 2012-13 school year fluctuated between 361 to 554 students, a variance that makes it impossible to compare the cost of the district transporting a student to allowing an NPS, LACOE or a van service to transport them.

2. Despite severe staffing shortages that began in June 2012, the district eliminated the positions of 29 bus drivers and one dispatcher on June, 19 2013 and June 26, 2013 respectively. Board minutes indicate that the Transportation Department was to be restructured. The dispatcher position and 18 of the eliminated positions were reinstated on August 21, 2014 and August 27, 2014, respectively, with no modification to job hours or duties, to open the 2013-14 school year. This action indicates a lack of planning, which exacerbates the ongoing staffing shortage, and limits the ability to thoughtfully reduce transportation expenses.
3. The district continues to operate three special education routes with passenger vans (non-school bus) at a cost of approximately \$6,000 per student. Alternatively, the county office charges from \$14,500 to \$31,193 per student, and the district contracts with an outside transportation service at an average annualized rate of \$9,600 per student. The district should make every attempt to transport these students utilizing the most cost-effective mode of transportation.

4. In 2013, the district's Transportation Department student list showed 365 special education students, but transportation routes showed 245. FCMAT recommended that the district ensure that student information contained on various student lists remain consistent with the actual number of SD/OI students transported and be verified against student individual education plans accordingly. The district's transportation supervisor has now reconciled the LACOE transportation invoice to the district's routing software, and the special education staff has begun reconciling student names to students enrolled.
5. The district provided one general home-to-school transportation route during the last review period, which ensures that it continues to receive the revenue from that program from the state. However, the district received state funding totaling \$12,823 for home-to-school transportation in the 2012-13 fiscal year and has reported a relatively large district contribution of \$806,429 for a rather small program.

In the 2013-14 school year, the district continues to provide the one general home-to-school transportation route, again ensuring that it continues to receive the state revenue from that program. FCMAT's interviews with district transportation staff indicate that the route includes students enrolled in the dependent charter high school, City Honors, along with several other schools, and qualifying students who participate in the alternative school of choice program. These students may not be properly reported in the state TRAN report because all students reported in the 2012-13 TRAN for home-to-school services were reported as having transportation in their IEP. All students being provided home-to-school services should be included and properly reported in the TRAN report.

The 2012-13 fiscal year encroachment for SD/OI is \$1,045,343. State funding accounts for 48% of actual expenditures, which exceeds the statewide average.

6. The district's official annual report of pupil transportation for 2010-11 through 2012-13 shows the average number of students transported; number of routes; number of miles; cost per mile; and cost per student for severely disabled/orthopedically impaired (SD/OI) and home-to-school in the table below:

TRAN Actual Data

Home-to-School and SD/OI 2010-11 through 2012-13

TRAN Actual Data Reported	Home-To School			SD/OI		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Average Number of Students Transported	135	184	93	362	377	461
Number of Buses Used	2	5	U *	42	37	46
Number of Miles	73,325	89,616	57,294	476,299	458,222	313,716
Cost Per Mile	\$11.87	\$8.97	\$10.42	\$4.82	\$4.44	\$5.88
Cost Per Student	\$6,449	\$4,367	\$6,421	\$6,343	\$5,395	\$4,002
Other Services	\$25,399	\$29,808	\$39,760	\$1,025,986	\$901,425	\$678,777

*This is the actual data reported in the district's 2012-13 TRAN. It is unknown whether this is a typo or an abbreviation.

The TRAN report shows a 22% increase in ridership for SD/OI between 2011-12 and 2012-13, with a 49% decrease in the home-to-school ridership during the same period. While the number of students served decreased by 49% in the home-to-school category, the costs per mile and per student increased by 16% and 47%, respectively. The costs associated with the SD/OI category increased by 32% per mile and decreased by 25% per student while the number of students increased and number of miles decreased. The 2011-12 and 2012-13 TRAN reports list a relatively large decrease in services and operating expenditures for both categories between these two years. District staff believes that this is the result of the district training staff to code transportation expenditures correctly and a reduction in expenses based on fewer open purchase orders.

The interprogram/interfund transfer offset to home-to-school expenses has decreased from \$154,640 in 2011-12 to \$54,803 in 2012-13. The interprogram/interfund transfer is typically used to remove such items as field trips or athletic trips from home-to-school expenditures.

The following table illustrates the revenues for both programs and levels of encroachment:

*TRAN Actual Data
Home to School and SD/OI
Revenue and Encroachment 2010-11 through 2012-13*

	Home-To School			SD/OI		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
State Revenue	\$12,631	\$12,753	\$12,823	\$935,096	\$944,121	\$949,321
Encroachment	\$857,947	\$790,840	\$806,429	\$1,361,197	\$1,089,946	\$1,045,343

Encroachment has decreased for the SD/OI programs and would have decreased substantially for the home-to-school program if the interprogram/interfund transfer offset remained relatively constant between 2011-12 and 2012-13, while state revenues have increased marginally.

- The district uses the SC Fuels Fleet Card system, allowing drivers access to unattended automated commercial fueling stations 24 hours a day through a card lock system. The system provides detailed logs that include the date and time of purchase; individual driver and bus number; as well as the type of fuel and the number of gallons pumped. However, the district does not receive detailed log information that is provided with the SC Fuels Fleet Card system.

Fuel can also be purchased at several retail locations. When fuel is purchased at retail locations, the district pays federal and state excise tax on diesel even though it should be exempt from federal excise tax and most of the state excise tax. Under Revenue and Taxation Code Section 60039 (5), and according to information provided by the State Board of Equalization, school districts are exempt from paying nine of the 10 cents per gallon for the state excise tax for any diesel fuel that is used in the operation of home-to-school and student activity transportation. To access this exemption the school district must acquire an exempt bus operations permit from the State Board of

Equalization. District staff reported that a letter requesting the reduction in fuel taxes was sent in January 2014 and that the fuel costs should be reduced beginning in the 2013-14 school year; however, FCMAT was not provided with a copy of the January 2014 correspondence.

The failure of all fuel purchases to flow through the SC Fuel Fleet Card program requires the district to pay taxes to which it is exempt and also circumvents the district's ability to increase accountability for managing fuel consumption and employee time through independent third-party logs.

8. A separate transportation report was developed by FCMAT during the last review period. However, district management did not provide the transportation supervisor with the separate report or the comprehensive review. Realizing that FCMAT would return to assess the department's progress, the transportation supervisor took the initiative to access the report on the Internet to focus on the action items in the current year. To effectively address the report recommendations, it is important to share the results with departmental staff, develop an implementation plan, and assign responsibilities.
9. The transportation report, which included a fiscal analysis, found that the amount charged to the transportation supply and other contract services expenditures was excessive and abnormal. Analysis of the district's general ledger identified items that had been miscoded and an abnormal number of open purchase orders and charges to those purchase orders. FCMAT's inquiries with Transportation Department staff indicated that financial controls on those open purchase orders were insufficient. In response to those concerns, the transportation supervisor reduced the number of open purchase orders in an effort to reduce expenditures charged to the program.

Recommendations for Recovery

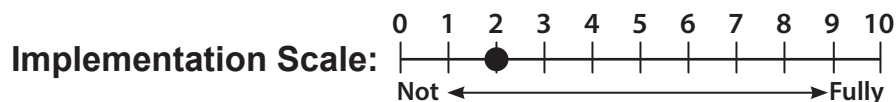
1. The district should develop processes and procedures to ensure that information regarding the number of students transported is consistent and reliable.
2. The district should develop a plan and/or closely follow a plan for consistency in the transportation program and to provide the ability to reduce transportation expenses.
3. The costs for transportation services provided by the county office, NPS and transportation service companies should be evaluated to determine if the district can provide more cost-effective services.
4. The district should continue the efforts of the Transportation Department's reconciliation of the LACOE bill as it moves through the Special Education Department to ensure that all district data is consistent with the actual number of SD/OI students transported.
5. All students being provided with home-to-school transportation should be included in the TRAN report and properly identified to prevent a loss of funding.

6. The district should continue efforts to train staff to code transportation expenditures consistently and correctly.
7. The interprogram/interfund transfer offset to home-to-school expenses should be evaluated to determine if a more consistent methodology is available.
8. The district should request that detailed log information from its fuel vendors be forwarded to the business office and Transportation Department monthly. Information received from the third-party logs should be regularly analyzed and reviewed with anomalies investigated.
9. Fuel should be required to be purchased through the SC Fuel Fleet Card program to avoid paying excise taxes and increase accountability for managing fuel consumption and employee time through independent third-party logs.
10. The district should provide a copy of the FCMAT findings and recommendations to the departments and employees involved so that they can develop an implementation plan and assign tasks and duties.
11. Open purchase orders for goods and services should continue to be discouraged whenever possible.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



22.1 Risk Management – Other Post-Employment Benefits

Legal Standard

LEAs that provide health and welfare benefits for employees upon their retirement, and those benefits will continue past the age of 65, shall provide the board an annual report of actual accrued but unfunded costs of those benefits. An actuarial report should be performed every three years. (EC 42140)

Findings

1. The district provides health and welfare benefits to retired members of its bargaining units as follows:

Benefit Plan Provisions

	Certificated	Classified	Management
Benefit Types Provided	Medical Only	Medical Only	Medical, Dental, Vision and Life
Duration of Benefits	To age 65	To age 65	To age 65
Required Service	20 Years	20 Years	20 Years
Minimum Age	55	55	55
Dependent Coverage	Yes	Yes	Yes
District Contribution %	100%	100%	100%
District Cap	Highest family HMO offered	Highest family HMO offered	Composite medical rate

These benefits are considered other post-employment benefits (OPEB) and, as a state government employer, the district is subject to the measurement and reporting standards determined by the Governmental Accounting Standards Board (GASB), specifically through GASB Statement 45. GASB 45 became effective in three phases based on a district's total revenues in the 1998-99 fiscal year and the district's implementation began with the 2007-08 fiscal year.

GASB 45 requires a significant number of actuarial calculations upon which districts base accounting entries and disclosures. Districts with fewer than 100 employees may use an alternative measurement method that does not require the services of an actuary, but those with more than 100 employees are required to use an actuary. The actuary's report is also required to be updated on a two-year or three-year cycle depending on the number of district employees. Employers with less than 200 employees update their actuarial reports every three years while those with more update every two years.

2. The district's most current actuarial study for post-employment benefits, dated September 12, 2012, was prepared by Demsey Filliger & Associates. It estimated that an annual contribution of \$2,871,402 will be required at July 1, 2012 for 66 retirees and 955 active employees who may become eligible to retire and receive benefits in the future.

The annual required contribution is an estimate of normal costs plus the annual unfunded actuarial accrued liability and may be higher than the annual pay-as-you-go cost depending on a number of criteria. The annual required contribution is used to determine the amount necessary for the district to fully fund the annual projected cost of post-employment benefits given certain assumptions over a 30-year period. The primary consideration is the balance of the amortized unfunded liabilities for active and retired employees.

Each year, the district is required to recognize in its governmentwide financial statements the net OPEB obligation. This is composed of the prior-year OPEB obligation and the annual required contribution for the current year and the interest accrued on the prior-year net OPEB obligation, less any amortization adjustment to the annual required contribution and any employer contributions.

The following represents the net OPEB obligation at June 30, 2011 and 2012 and the 2012-13 estimated annual OPEB cost according to the September 12, 2012 actuarial report:

Net OPEB Obligation

Amount	
Net OPEB Obligation 6-30-10	\$4,120,010
ARC for 2010-11	\$3,105,956
Interest on Net OPEB Obligation	\$206,001
Amortization adjustment to ARC	\$(268,013)
Employer contributions	\$(965,770)
Net OPEB Obligation 6-30-11	\$6,198,184
ARC for 2011-12	\$3,105,956
Interest on Net OPEB Obligation	\$309,909
Amortization adjustment to ARC	\$(403,202)
Employer contributions (est.)	\$(1,173,068)
Net OPEB Obligation 6-30-12 (est.)	\$8,037,779
ARC for 2012-13	\$2,871,402
Interest on Net OPEB Obligation	\$401,889
Amortization adjustment to ARC	\$522,871)
Employer contributions (est.)	Unknown
Annual OPEB Cost 2012-13 (est.)	\$2,750,420

Each year, the district records the employer contributions as a current year expenditure and the net OPEB obligation is recognized as a liability in its government-wide financial statements.

The report also provides four alternative schedules for funding the retiree healthcare benefits as follows:

- Pay-as-you-go
- Level contribution for 20 years

- Level percentage of unfunded accrued liability
- Constant three percent increase for the next 20 years

Given its financial condition, the district chose the pay-as-you-go method, which would provide for 100% funding of its OPEB obligation at year 2050. This means the district will continue to pay the actual health-care premiums for its retirees and not pay additional amounts to prefund or save towards future retiree healthcare payments. Although this method is acceptable, alternative ones should be considered to fully fund retiree healthcare benefits.

3. The district is relying on the OPEB actuarial report prepared as of July 1, 2012, which complies with the requirements of GASB 45. However, the district was unable to provide FCMAI with evidence that the board received information on the annual but unfunded costs of retiree healthcare benefits.

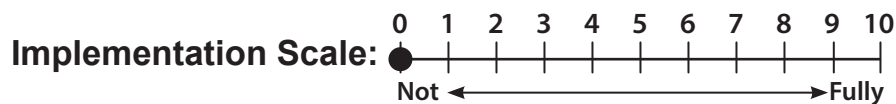
Recommendations for Recovery

1. The district should continue to obtain periodic actuarial studies for other post-employment benefits as required by GASB and review them for changes in the number of employees and retirees eligible for post-employment benefits.
2. The board should annually be provided with a presentation on the annual but unfunded costs of retiree healthcare benefits.
3. The district should consider methods that will fully fund the retiree healthcare benefits in its fiscal solvency plan.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



22.2 Risk Management – Other Post-Employment Benefits

Professional Standard

The LEA has a comprehensive risk-management program that monitors the various aspects of risk management including workers' compensation, property and liability insurance, and maintains the financial well being of the LEA. In response to GASB requirements, the LEA has completed recent actuarial reports for workers' compensation and property and liability. The actuarial assumptions properly track to the LEA's budget assumptions and include the benefits being provided under existing plans.

Findings

1. The district remains self-insured for its workers' compensation program, meaning that instead of purchasing insurance coverage from another entity (such as a licensed insurance company), the district insures itself and pays workers' compensation claims. The district has changed companies that administer and service claims from Benefit & Liability Programs of California to Keenan & Associates effective July 1, 2013.

Each year, Benefit & Liability Programs of California commissions an actuarial study to provide specific information on the district's workers' compensation program. The objectives of the actuarial study are to estimate outstanding losses, project the financial position of the program as of June 30, 2013, project ultimate limited losses, project losses paid, and recommend funding for the program for the 2013-14 fiscal year. This information serves as the basis for the district to disclose and record its unpaid claims liability or the incurred but not reported liability in the governmentwide statements within its annual financial statements.

The incurred but not reported liability is estimated in the actuarial study, and a confidence level, or the statistical certainty that an actuary believes funding will be sufficient, is applied to that amount. GASB 10 requires public entities to use the expected amounts as liabilities in financial statements. This equates to a confidence level of approximately 55%. While confidence levels above this are prudent, they should be considered as equity, not a liability.

FCMAT's review of the May 1, 2013 Aon Risk Solutions workers' compensation actuarial study found that the present value of the incurred but not reported liability at the expected confidence level is \$11,135,000. This amount should be reported in the note regarding risk management of the district's audited financial statement for the year ending June 30, 2013 when it is issued, dividing it between its current (due in the next 12 months) and long-term portions. The incurred but not reported liability should also be reported in the note regarding long-term debt, which carries to the statement of net assets. A review of the amounts budgeted for workers' compensation expenditures in the district's 2013-14 second interim report show a total budget of \$4,396,394 for workers' compensation benefits. The district's actuarial study recommends a funding level of \$3,290,964 based on the expected confidence level. The district's budgeted expenditures are higher than the actuarial study's recommended funding level, indicating that an appropriate amount has been incorporated into the general fund budget.

The former interim state administrator planned to move the district to a traditional system in which the district pays a premium to a licensed insurance carrier and allow the carrier to process claims, etc, but this did not occur. FCMAT's prior period review recommended that if the district continued with the current system, Education Code Section 17566 should be considered, which would allow the district to establish a self-insurance fund. The district's 2013-14 second interim report indicated that the district used a self-insurance fund (Fund 67); however, that activity is related to health and welfare benefits. The district should work with its auditors to determine if a self-insurance fund is more appropriate for the district's workers' compensation activities.

A review of the district's current claim log summary that includes open workers' compensation claims as of April 16, 2014 showed that the district has reduced the number of open claims from 50 in 2012-13 to 22 in 2013-14. Extrapolating the 2013-14 number for a full fiscal year results in an anticipated total of 28 open claims for the 2013-14 year. Further review of the open claims report shows that of the 72 total open claims, 29 (or 40.3%) are for claimants with two or more claims. One individual has five open claims. The district reports that two sessions of training have been provided by Keenan to the district's administrators during this review period.

2. The district also participates in joint power agreements (JPAs) with Schools Excess Liability Fund (SELF) and Alliance of Schools for Cooperative Insurance Programs (ASCIP) for its excess cost for bodily injury, property damage, errors and omissions and personal injury coverage. The district is an individual member of the SELF JPA and is also a member of the ASCIP. The two entities work in conjunction with one another to provide excess liability insurance to the district for a coverage limit of \$25 million per ultimate net loss per occurrence. The first \$5 million is with SELF and the remaining \$20 million is with ASCIP. Under these JPAs, SELF bills ASCIP for its portion of the excess liability insurance contribution, and ASCIP bills the district for both the SELF and ASCIP contributions/premiums. The district pays ASCIP for the excess insurance coverage. As a member of a large JPA, the JPA determines the liability that is required to be recognized in its financial statements and adjusts the contribution/premium for the experience of the JPA member. This calculation establishes the JPAs' contributions/premiums for each of its members. The district's contribution/premium therefore covers its risk in the areas of property and liability coverage.

The ASCIP portion of the excess insurance coverage has a \$50,000 deductible for each property, auto or general liability claim and requires the district to maintain an advance funding deposit account totaling \$500,000 at the beginning of the fiscal year. ASCIP reconciles the account at the end of the year and notifies the district of the amount that will be needed to bring the account balance to \$500,000. As claims are paid, the portion attributable to the deductible is removed from the account. If the account nears a zero balance, ASCIP will request an additional deposit from the district. As of May 31, 2014, the advance deposit balance was \$168,650.12, which represents a reduction in the amount of claims paid over prior year. However, based on the district's history of claims payments shown in the chart below, this may be an anomaly.

*ASCIP Claims Payment
History*

Fiscal Year	Amount
2007-08	\$110,450
2008-09	\$297,760
2009-10	\$426,338
2010-11	\$401,338
2011-12	\$310,963
2012-13	\$475,018
2013-14*	\$356,332
<i>*Through May 31, 2014</i>	

The audited financial statements for the year ending June 30, 2012 included finding 2012-5, noting that many general liability claims related to a lack of control of the district's termination procedures and recommended that the district send key managerial employees to training provided by ASCIP at no cost. This training may help the district reduce its claims and the deductibles paid on those claims. ASCIP reported to FCMAT that seven district employees were trained CPR/First Aid/AED on November 13, 2013 and one employee viewed a Web seminar regarding hazard communication and introduction to Globally Harmonized System on September 17, 2013. However, these trainings did not involve managers/administrators or efforts to reduce general liability claims.

Recommendations for Recovery

1. The district should consider accounting for its workers' compensation activities in a self-insurance fund.
2. Employees should receive additional, annual safety training in an effort to reduce workers' compensation claims.
3. District managers/administrators/principals should attend annual trainings from the district's third-party provider to assist in reducing its claims.
4. The district should monitor the ASCIP advance funding deposit account to determine if an additional deposit is necessary and budget accordingly.
5. Department heads, district managers, and administrators should attend ASCIP's employment practices liability training.

Standard Partially Implemented

July 2013 Rating: 4

July 2014 Rating: 4

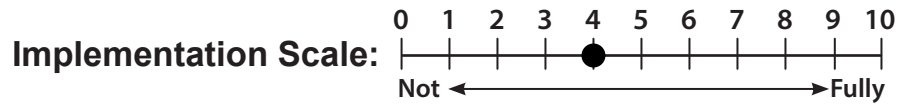


Table of Financial Management Ratings

Financial Management Standards		July 2013 Rating	July 2014 Rating
1.1	<p>PROFESSIONAL STANDARD – INTERNAL CONTROL ENVIRONMENT All board members and management personnel set the tone and establish the environment, exhibiting high integrity and ethical values in carrying out their responsibilities and directing the work of others. Appropriate measures are implemented to discourage and detect fraud. (State Audit Standard (SAS) 55, SAS 78, SAS 82: Treadway Commission)</p>	0	0
1.3	<p>PROFESSIONAL STANDARD – INTERNAL CONTROL ENVIRONMENT The organizational structure clearly identifies key areas of authority and responsibility. Reporting lines in each area are clearly identified and logical. (SAS55, SAS78)</p>	1	0
2.1	<p>PROFESSIONAL STANDARD – INTER- AND INTRADEPARTMENTAL COMMUNICATIONS The Business and Operational departments communicate regularly with internal staff and all user departments on their responsibilities for accounting procedures and internal controls. Communications are written when they affect many staff or user groups, are issues of importance, and/or reflect a change in procedures. Procedures manuals are developed. The business and operational departments are responsive to user department needs.</p>	1	1
2.3	<p>PROFESSIONAL STANDARD – INTER- AND INTRADEPARTMENTAL COMMUNICATIONS The board is engaged in understanding the fiscal status of the LEA, for the current and two subsequent fiscal years. The board prioritizes LEA fiscal issues, and expects reports to align the LEA's financial performance with its goals and objectives. Agenda items associated with business and fiscal issues are discussed at board meetings, with questions asked until understanding is reached prior to any action.</p>	0	0
3.1	<p>PROFESSIONAL STANDARD – STAFF PROFESSIONAL DEVELOPMENT The LEA has developed and uses a professional development plan for training business staff. The plan includes the input of business office supervisors and managers, and identifies appropriate training programs. Each staff member and management employee has a plan designed to meet their individual professional development needs.</p>	0	0

Financial Management Standards		July 2013 Rating	July 2014 Rating
3.2	<p>PROFESSIONAL STANDARD – STAFF PROFESSIONAL DEVELOPMENT The LEA develops and uses a professional development plan for the in-service training of school site/department staff by business staff on relevant business procedures and internal controls. The plan includes a process to seek input from the business office and the school sites/departments and is updated annually.</p>	0	0
4.2	<p>PROFESSIONAL STANDARD – INTERNAL AUDIT Internal audit findings are reported on a timely basis to the audit committee, board and administration, as appropriate. Management then takes timely action to follow up and resolve audit findings.</p>	0	0
5.1	<p>PROFESSIONAL STANDARD – BUDGET DEVELOPMENT PROCESS The board focuses on expenditure standards and formulas that meet the goals and maintain the LEA's financial solvency for the current and two subsequent fiscal years. The board avoids specific line-item focus, but directs staff to design an entire expenditure plan focusing on student and LEA needs.</p>	1	0
5.2	<p>PROFESSIONAL STANDARD – BUDGET DEVELOPMENT PROCESS The budget development process includes input from staff, administrators, board and community as well as a budget advisory committee.</p>	1	0
5.3	<p>PROFESSIONAL STANDARD – BUDGET DEVELOPMENT PROCESS The LEA has clear policies and processes to analyze resources and allocations to ensure that they align with strategic planning objectives and that the budget reflects the LEA's priorities. The budget office has a technical process to build the preliminary budget that includes revenue and expenditure projections, the identification of carryovers and accruals, and any plans for expenditure reductions. The LEA utilizes formulas for allocating funds to school sites and departments. This may include staffing ratios, supply allocations, etc. Standardized budget worksheets are used to communicate budget requests, budget allocations, formulas applied and guidelines. A budget calendar contains statutory due dates and major budget development milestones.</p>	0	1

Financial Management Standards		July 2013 Rating	July 2014 Rating
6.1	<p>LEGAL STANDARD – BUDGET ADOPTION, REPORTING, AND AUDITS The LEA adopts its annual budget within the statutory timelines established by EC 42103, which requires that on or before July 1, the board shall hold a public hearing on the budget to be adopted for the subsequent fiscal year. Not later than five days after that adoption or by July 1, whichever occurs first, the board shall file that budget with the county superintendent of schools. (EC 42127(a))</p>	7	8
6.2	<p>LEGAL STANDARD – BUDGET ADOPTION, REPORTING, AND AUDITS Revisions to expenditures based on the state budget are considered and adopted by the governing board. Not later than 45 days after the governor signs the annual Budget Act, the LEA shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect funding available by that Budget Act. (EC 42127(2) and 42127(i)(4))</p>	0	0
6.3	<p>LEGAL STANDARD – BUDGET ADOPTION, REPORTING, AND AUDITS The LEA completes and files its interim budget reports within the statutory deadlines established by EC 42130, et. seq. All reports are in a format or on forms prescribed by the superintendent of public instruction and are based on standards and criteria for fiscal stability.</p>	2	2
7.2	<p>PROFESSIONAL STANDARD – BUDGET MONITORING The LEA implements budget monitoring controls, such as periodic budget reports, to alert department and site managers of the potential for overexpenditure of budgeted amounts. Revenue and expenditures are forecast and verified monthly. The LEA ensures that appropriate expenditures are charged against programs within the spending limitations authorized by the board.</p>	1	0
7.3	<p>PROFESSIONAL STANDARD – BUDGET MONITORING The LEA uses an effective position control system that tracks personnel allocations and expenditures. The position control system establishes checks and balances between personnel decisions and budgeted appropriations.</p>	1	0

Financial Management Standards		July 2013 Rating	July 2014 Rating
8.1	<p>PROFESSIONAL STANDARD – ACCOUNTING The LEA forecasts its cash receipts and disbursements and verifies those projections monthly to adequately manage its cash. The LEA reconciles its cash to bank statements and reports from the county treasurer monthly.</p>	1	3
8.2	<p>PROFESSIONAL STANDARD – ACCOUNTING The LEA's payroll procedures comply with the requirements established by the county office of education, unless the LEA is fiscally independent. (EC 42646) Per standard accounting practice, the LEA implements procedures to ensure timely and accurate payroll processing.</p>	1	1
9.2	<p>PROFESSIONAL STANDARD – ATTENDANCE ACCOUNTING School sites maintain an accurate record of daily enrollment and attendance that is reconciled monthly. School sites maintain statewide student identifiers and reconcile data required for state and federal reporting.</p>	2	2
9.3	<p>PROFESSIONAL STANDARD – ATTENDANCE ACCOUNTING Policies and regulations exist for independent study, charter school, home study, inter-/intra-LEA agreements, LEAs of choice, and ROC/P and adult education, and address fiscal impact.</p>	2	2
9.4	<p>PROFESSIONAL STANDARD – ATTENDANCE ACCOUNTING Students are enrolled and entered into the attendance system in an efficient, accurate and timely manner.</p>	1	2
9.6	<p>PROFESSIONAL STANDARD – ATTENDANCE ACCOUNTING The LEA utilizes standardized and mandatory programs to improve the attendance rate of pupils. Absences are aggressively followed up by LEA staff.</p>	2	1
9.7	<p>PROFESSIONAL STANDARD – ATTENDANCE ACCOUNTING School site personnel receive periodic and timely training on the LEA's attendance procedures, system procedures and changes in laws and regulations.</p>	1	2

Financial Management Standards		July 2013 Rating	July 2014 Rating
10.4	<p>PROFESSIONAL STANDARD – ACCOUNTING, PURCHASING, AND WAREHOUSING The LEA timely and accurately records all financial activity for all programs. GAAP accounting work is properly supervised and reviewed to ensure that transactions are recorded timely and accurately, and allow the preparation of periodic financial statements. The accounting system has an appropriate level of controls to prevent and detect errors and irregularities.</p>	1	1
10.5	<p>PROFESSIONAL STANDARD – ACCOUNTING, PURCHASING, AND WAREHOUSING The LEA has adequate purchasing and warehousing procedures to ensure that: (1) only properly authorized purchases are made, (2) authorized purchases are made consistent with LEA policies and management direction, (3) inventories are safeguarded, and (4) purchases and inventories are timely and accurately recorded.</p>	1	1
11.1	<p>LEGAL STANDARD – STUDENT BODY FUNDS The board adopts board policies, regulations and procedures to establish parameters on how student body organizations will be established, and how they will be operated, audited and managed. These policies and regulations are clearly developed and written to ensure compliance regarding how student body organizations deposit, invest, spend, and raise funds. (EC 48930-48938)</p>	2	1
11.3	<p>LEGAL STANDARD – STUDENT BODY FUNDS The LEA provides annual training and ongoing guidance to site and LEA personnel on the policies and procedures governing Associated Student Body accounts. Internal controls are part of the training and guidance, ensuring that any findings in the internal audits or independent annual audits are discussed and addressed so they do not recur.</p>	1	1
12.1	<p>LEGAL STANDARD – MULTIYEAR FINANCIAL PROJECTIONS The LEA provides a multiyear financial projection for at least the general fund at a minimum, consistent with the policy of the county office. Projections are done for the general fund at the time of budget adoption and all interim reports. Projected fund balance reserves are disclosed and assumptions used in developing multiyear projections that are based on the most accurate information available. The assumptions for revenues and expenditures are reasonable and supported by documentation. (EC 42131)</p>	0	3

Financial Management Standards		July 2013 Rating	July 2014 Rating
12.2	<p>LEGAL STANDARD – MULTIYEAR FINANCIAL PROJECTIONS The Governing Board ensures that any guideline developed for collective bargaining fiscally aligns with the LEA's multiyear instructional and fiscal goals. Multiyear financial projections are prepared for use in decision-making, especially whenever a significant multiyear expenditure commitment is contemplated, including salary or employee benefit enhancements negotiated through the collective bargaining process. (EC 42142)</p>	0	1
14.1	<p>LEGAL STANDARD – IMPACT OF COLLECTIVE BARGAINING Public disclosure requirements are met, including the costs associated with a tentative collective bargaining agreement before it becomes binding on the LEA or county office of education. (GC 3547.5 (b)).</p>	0	0
14.2	<p>LEGAL STANDARD – IMPACT OF COLLECTIVE BARGAINING Bargaining proposals and negotiated settlements are “sunshined” in accordance with the law to allow public input and understanding of employee cost implications and, most importantly, the effects on the LEA's students. (Government Code 3547, 3547.5)</p>	0	0
14.3	<p>PROFESSIONAL STANDARD – IMPACT OF COLLECTIVE BARGAINING The LEA has developed parameters and guidelines for collective bargaining that ensure that the collective bargaining agreement does not impede the efficiency of LEA operations. Management analyzes the collective bargaining agreements to identify any characteristics that impede effective delivery of LEA services. The LEA identifies those issues for consideration by the Governing Board. The Governing Board, in developing its guidelines for collective bargaining, considers the impact on LEA operations of current collective bargaining language, and proposes amendments to LEA language as appropriate to ensure effective and efficient service delivery. Governing Board parameters are provided in a confidential environment, reflective of the obligations of a closed executive board session.</p>	0	0

Financial Management Standards		July 2013 Rating	July 2014 Rating
15.2	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS</p> <p>Management information systems support users with information that is relevant, timely, and accurate. Assessments are performed to ensure that users are involved in defining needs, developing specifications, and selecting appropriate systems. LEA standards are imposed to ensure the maintainability, compatibility, and supportability of the various systems. The LEA ensures that all systems are SACS-compliant, and are compatible with county systems with which they must interface.</p>	1	1
15.3	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS</p> <p>Automated systems are used to improve accuracy, timeliness, and efficiency of financial and reporting systems. Needs assessments are performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the need, and whether or not the LEA would benefit. Automated financial systems provide accurate, timely, relevant information and conform to all accounting standards. The systems are designed to serve all of the various users inside and outside the LEA. Employees receive appropriate training and supervision in system operation. Appropriate internal controls are instituted and reviewed periodically.</p>	3	3
15.7	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS</p> <p>Hardware and software purchases conform to existing technology standards. Standards for network equipment, servers, computers, copiers, printers, fax machines, and all other technology assets are defined and enforced to increase standardization and decrease support costs. Requisitions that contain hardware or software items are forwarded to the technology department for approval before being converted to purchase orders. Requisitions for nonstandard technology items are approved by the information management and technology department(s) unless the user is informed that LEA support for nonstandard items will not be available.</p>	2	2

Financial Management Standards		July 2013 Rating	July 2014 Rating
15.8	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS An updated inventory includes item specification for use in establishing standards for an equipment replacement cycle and rotating out obsolete equipment. Computers and peripheral hardware are replaced based on a schedule. Hardware specifications are evaluated yearly. Corroborating data from work order or help desk system logs is used when this data is available to determine what equipment is most costly to own based on support issues. The total cost of ownership is considered in purchasing decisions.</p>	2	2
15.10	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS In order to meet the requirements of both online learning and online student performance assessments, the District has documentation that provides adequate technology to support these needs. Documentation should include sufficient bandwidth to each school site, internal local network infrastructure capacity, electronic devices which meet the published minimum standards for online student assessments, and an adequate number of devices to allow testing of all students within the prescribed amount of time.</p>	2	6
15.11	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS The LEA optimizes funding of various types of technology throughout the organization by effective utilization of available Federal E-rate discounts, the California Teleconnect fund, and other available discount programs and funding sources to reduce costs for various technology expenditures.</p>	2	3
16.1	<p>LEGAL STANDARD – MAINTENANCE AND OPERATIONS FISCAL CONTROLS Capital equipment and furniture is tagged as LEA-owned property and inventoried at least annually.</p>	1	0
17.1	<p>PROFESSIONAL STANDARD – FOOD SERVICE FISCAL CONTROLS To accurately record transactions and ensure the accuracy of financial statements for the cafeteria fund in accordance with GAAP, the LEA has purchasing and warehousing procedures to ensure that these requirements are met.</p>	1	0

Financial Management Standards		July 2013 Rating	July 2014 Rating
20.1	<p>PROFESSIONAL STANDARD – SPECIAL EDUCATION The LEA actively takes measures to contain the cost of special education services while providing an appropriate level of quality instructional and pupil services to special education students. The LEA meets the criteria for the maintenance of effort requirement.</p>	1	1
21.1	<p>PROFESSIONAL STANDARD – TRANSPORTATION The LEA actively takes measures to control the cost of transportation services and limit the contribution from the general fund while providing safe and reliable transportation to the students.</p>	2	2
22.1	<p>LEGAL STANDARD – RISK MANAGEMENT – OTHER POST-EMPLOYMENT BENEFITS LEAs that provide health and welfare benefits for employees upon their retirement, and those benefits will continue past the age of 65, shall provide the board an annual report of actual accrued but unfunded costs of those benefits. An actuarial report should be performed every three years. (EC 41240)</p>	0	0
22.2	<p>PROFESSIONAL STANDARD – RISK MANAGEMENT – OTHER POST EMPLOYMENT BENEFITS The LEA has a comprehensive risk-management program that monitors the various aspects of risk management including workers' compensation, property and liability insurance, and maintains the financial well being of the LEA. In response to GASB requirements, the LEA has completed recent actuarial reports for workers' compensation and property and liability. The actuarial assumptions properly track to the LEA's budget assumptions and include the benefits being provided under existing plans.</p>	4	4
Collective Average Rating		1.19	1.33

Sources and Documentation

Interviews with district staff, advisory board members, and outside entities as appropriate

Documents

2011-12 District Cash Flow Projection

2012-13 Annual Notice to Parents/Guardians

2012-13 District Cash Flow Projection, Actuals through January 2013

2012-13 P-1, P-2 and Annual Attendance Reports, IUSD, City Honors Charter

2013-14 Adopted Budget

2013-14 District Cash Flow Projection, Actuals through January 2014, dated April 25, 2014

2013-14 Estimated Categorical Budget Allocation Worksheets

2013-14 Form CAT, January 31, 2014

2013-14 P-1 Attendance Report, IUSD, City Honors Charter and La Tijera Charter

2013-14 SARB Hearings List, Thru March 27, 2014

2013-14 Second Interim Assumption Narrative

2013-14 Student Notification School Attendance Review Board (SARB) (warning list) summary report by school site

ABC Channel 7 Eyewitness News online, September 6, 2013

Absence Verification forms

Academic Attendance Recovery Coordinated Program (AARC) calendar, 2013-2014

Academic Attendance Recovery Coordinated Program (AARC) sample attendance logs

Academic Attendance Recovery Coordinated Program (AARC) Saturday school parent notification letters

Accounting Department Manual, undated

Actuarial study of retiree health liabilities as of July 1, 2012

Aeries Attendance Software Sample Reports

Attendance Audit Listing

Attendance Class Roster, Frank D Parent Middle School (2/3/14-2/28/14)

Gain and Loss Report

Monthly Attendance Report

Monthly Attendance Summary

Monthly Attendance Summary Totals

Weekly Attendance Report

Aeries Attendance Training - Parent Module Training, sign-in sheets, January 15, 2014

Aeries Attendance training, communications and training materials, November 5, 2013

Aeries Student Attendance Procedures Manual, undated

Agendas of principals' meetings

Albert Monroe Magnet Middle School 2012-13 organizational chart

Annual appraisal report dated June 30, 2012

Annual audit reports for the fiscal years ending June 30, 2012 and June 30, 2011

Aon Risk Solutions workers' compensation actuarial study as of December 31, 2012 and extrapolated to June 30, 2013, dated May 1, 2013

April 26, 2012 ITA negotiation agenda

April 26, 2012 ITA negotiations summary and bargaining proposal

ASB Account Authorized Signers, undated

ASB Accounting for Non-Dummies, training materials, April 10, 2014

ASCIP Advance Fund and Claims Payment Reconciliation, June 18, 2014

Attendance Codes, August 23, 2011

Attendance, Enrollment, Grading Procedures Manual for Aeries Student Information System, undated

Bank reconciliations for the food service bank account for the months of May 2013, September 2013 and February 2014

Bank Reconciliations for the Clearing Account, May 2013, September 2013, December 2013, January 2014 and February 2014

Bank Reconciliations for the Food Services Account, May 2013, September 2013, January 2014, February 2014 and March 2014

Bank Reconciliations for the Revolving Account, December 2013, January 2014 and February 2014

Board Agendas

March 20, 2013

June 26, 2013

July 24, 2013

August 15, 2013

August 21, 2013

August 28, 2013
September 18, 2013
September 20, 2013
October 16, 2013
October 31, 2013
November 6, 2013
November 20, 2013
December 11, 2013
December 19, 2013
January 22, 2014
February 19, 2014
March 5, 2014
March 12, 2014
March 14, 2014
March 26, 2014
April 16, 2014
April 26, 2014
May 9, 2014
May 28, 2014
Board Minutes:
November 14, 2012
November 27, 2012
December 12, 2012
March 20, 2013
June 19, 2013
June 26, 2013
August 15, 2013
August 21, 2013
August 27, 2013
October 16, 2013
October 31, 2013
November 6, 2013

November 20, 2013
December 11, 2013
December 19, 2013
January 22, 2014
February 19, 2014
March 5, 2014
March 12, 2014
March 14, 2014
March 26, 2014
April 16, 2014

Board Policies and Administrative Regulations

BP/AR 3100, Budget, Revised March 9, 2011

BP/AR 3350, Conferences and Conventions, Revised September 10, 2003, October 13, 2004 and August 29, 2007

BP/AR 3440, Inventories, Revised May 1, 2001 and September 23, 2009

BP/AR 3452, Administration of Student Body Funds, Revised November 6, 2002 (Legal Reference Updated August 21, 2007)

BP/AR 3570, District Records, Revised February 10, 2010

BP 4310, Personnel: Staff Development: Classified Personnel , Adopted May 9, 2007

BP 4331, Management, Supervisory and Confidential Personnel: Staff Development: Administrator Training Program, Revised February 22, 2006

BP/AR 3570, District Records, Revised February 10, 2010

BP/AR 4128, Responsibilities of Teachers & Professional Code of Ethics, Reissued March 10, 2004 and August 31, 2004

BP/AR 4350.1, Vacations - Management/Confidential Personnel, Revised September 23, 1998 (Procedure Revised August 1, 2007)

BP/AR 5111, Admission, Revised October 24, 2012

BP/AR 5111.1, Criteria for Residency, Revised January 17, 1996

BP/AR 5112.1, Exemptions From Attendance, Reissued December 12, 2012

BP/AR 5112.2, Exclusions From Attendance, Revised December 12, 2012

BP/AR 5113, Absences and Excuses, Revised October 24, 2012

BP/AR 5113.3 , Truancy, Adopted November 21, 2000

BP/AR 5114.1, Suspension and Expulsion/Due Process, Revised May 12, 2010

BP/AR 5115, Attendance Records, Revised December 11, 2002”

BP/AR 5116.1, Intra-District Open Enrollment, Adopted December 12, 2012

BP/AR 5117, Inter-District Attendance, Revised December 12, 2012

BP/AR 5118, Open Enrollment Transfers Act, Revised and Renamed December 12, 2012

BP/AR 5123, Promotion/Acceleration/Retention (K-12), Revised February 23, 2004 (Legal Reference Updated May 14, 2008)

BP/AR 6158, Independent Study, Revised September 28, 2005

BP 6178.2, Regional Occupational Center, Adopted February 25, 2009

BP/AR 6200, Adult Education, Revised March 13, 2002 (Legal Reference Updated September 21, 2005)

BP 9270, Conflict of Interest, Revised September 25, 2002 (Exhibit “A” Revised November 10, 2004 and Exhibit “B” Revised January 10, 2007)

Budget Calendar, Fiscal Year 2013-14 for Fiscal Year 2013-14 Budget

Budget Department Manual, undated

Business Services Division Procedures Manual and Organization Chart, 2011-12

California Department of Education and School Enrollment by Grade, June 18, 2014

California Department of Education Funding Documents

2012-13 Apportionment Schedules for Transportation Funding

2013-14 Advanced Apportionment Schedule

2013-14 First Principal Apportionment Monthly Payment Schedule Summary

2013-14 First Principal Apportionment Summary

2013-14 P-2 Tax Report

Principal Apportionment Payment Schedule, updated March 7, 2014

Report of School District Attendance, P-1, 2013-14

California Department of Education fact sheet for local control funding formula

California Professional Employees IUPAT, AFL-CIO Agreement, July 1, 2004 - June 30, 2007

California Teleconnect Fund (CTF) documentation

Cash Flow Projection, April 14, 2014

Charter School Petition Process and Review Stages, Revised March 2014

Charter Schools and Beyond, Inglewood USD Governing Board Study Session 11-1-2013 - AALRR (Incorporated as IUSD Independent Charter School Petition Application Guide, March 3, 2014)

Civic Center Procedure Manual, undated

Communications to staff regarding attendance procedures during the first days of school

Compulsory Education, Prepared for Inglewood USD, 2006 Vincenti, Lloyd, Stutzman LLP, undated

Contract from Liquidation Company approved July 24, 2013

Contract to Provide Vending Services Between IUSD and Vending Plus dated August 30, 2013

Cultivating Good Customer Service and Workplace Civility Training, materials and sign-in sheets, October 14, 2013

Cumulative detail report for General Fund recycling receipts July 1, 2013 through March 6, 2014

Daily Cash Balance Reports, various dates

District Enrollment Class by Class Count report, Monroe Middle School

District Technology Plan, July 1, 2013 - June 30, 2016, created May 30, 2013

District website at www.iusd.net

Documentation of SBAC readiness

Documents provided by Tech Ed Services, Inc. (third-party, E-Rate consultant)

Education Services Division Organization Chart, undated

Education Technology K-12 Voucher Program at www.edtechk12vp.com

Educational Consulting Services (ECS), Inc. Agreement for Academic Attendance Recovery Coordinated Program (AARC), October 15, 2012 through June 30, 2015

E-mail communications and memoranda sent to district staff regarding trainings

E-mail from AR Liquidation Company

E-mail from LACOE Recommending the Revision of P-1 Reporting, January 26, 2014

E-mail from LACOE, Division of Business Advisory Services

Employee Sign In/Out Registers, January, February and March 2014

E-Rate documentation

Extraordinary Cost Pool Claim Report 2012-13

FFH-LCI NPS Placement lists for 2012-13 and 2013-14

First and Second Interim Reports 2013-14

Fiscal Recovery Plan dated April 16, 2014

Fiscal Recovery Plan, Fiscal Year 2013-14

Fixed asset inventory report provided by American Appraisal as of June 30, 2012

Fixed Asset Logs for fiscal years 2008-09, 2009-10, 2010-11, 2011-12 and 2013-14

Food Services Department Manual, 2011-12

Human Resources Division Organization Chart, undated

Independent consultant report

Informal technology equipment replacement schedule

Information to the board, PowerPoint Presentation, February 26, 2014

Inglewood Teachers Association - IUSD Agreement 2006-2009

LACOE excess cost billings 2012-13 and 2013-14

LACOE HRS Systems Manual, 2012

LACOE LCFF Calculation Worksheets for 2013-14 Second Interim Report

LACOE Peoplesoft Procedures Manual for Requisitions, undated

LACOE Revenue Limit Sources Detail

LACOE transportation invoices

Listing of bandwidth speeds

Los Angeles County District Attorney's Office website, section, working with communities, subsection, truancy <http://da.co.la.ca.us/>

Los Angeles County Office of Education budget review letter, dated August 12, 2013

Los Angeles County Office of Education budget review letters regarding 2012-13 second and third interim and 2013-14 first and second interim financial report

Los Angeles Times Article, July 18, 1997

Maintenance Operations & Transportation Department Manual, undated

Master Agreement for Short Term Independent Study, November 2012

Matrix of CSBA Masters in Governance Program completion as of April 2, 2014

Memoranda regarding Interdepartmental Meetings (Human Resources/Business Services)

Memorandum dated April 20, 2012 regarding ITA negotiations

Memorandum from Chief Facilities & Operations Officer, February 24, 2014

Memorandum of understanding between the Inglewood Unified School District and the Inglewood Teachers Association dated September 3, 2010

Memorandum of understanding, Inglewood Teachers Association, dated December 4, 2012 and proposed tentative agreement

Memos, agendas, and minutes of technology trainings, meetings and in-services

On-Line Warehouse Requisition, training materials and sign-in sheets, September 17-18 and September 23-27, 2013

Payroll Cash Advance Collections -- Revolving Fund Procedure

Payroll Procedure Manual, 2012-13

Payroll User Manual, undated

PeopleSoft Desk Manual, March 1, 2012

PeopleSoft Requisition Approval Manual, March 1, 2012

Purchasing Department Manual, undated

Reprographics/Mail Center Procedures Manual, August 2011

Resolution No. 04/2013-14 Authorizing the Disposal of Surplus Property for the F/Y 2013-14, July 24, 2013

Risk Management Department Manual, undated

Salvage/Equipment Items Inventory Sheet

Salvage/Textbook Items Inventory Sheet

SchoolDude Training, sign-in sheets, March 11-12, 2014

Second and third interim reports, 2012-13 and first and second interim financial reports, 2013-14

SELPA funding and Mental Health funding 2011-12, 2012-13 and 2013-14,

SELPA policies, and income allocation spreadsheets

SOL Transportation invoices (independent firm)

Special Education Maintenance of Effort report from 2012-13 unaudited actuals

State Compliance & Audit Risk/California Attendance Accounting & Internal Control Requirements, communications, training materials and sign-in sheets, January 31, 2014

Statements of Economic Interest requested/filed for January 1 - December 2013

Student Attendance Improvement Guidelines, Wenger & Associates, LLC, undated

Technology standards documentation

Technology work order and help desk logs

Unaudited actuals reports for fiscal years 2010-11, 2011-12 and 2012-13

Workers' Compensation Claim Log Summary - Current, April 16, 2014

Year End Transportation Report: Form TRAN for 2010-11, 2011-12 and 2012-13

Facilities Management

1.1 School Safety

Legal Standard

The LEA has adopted policies and regulations and implemented written plans describing procedures to be followed in case of emergency, in accordance with required regulations. All school administrators are conversant with these policies and procedures. (EC 32001-32290, 35295-35297, 46390-46392, 49505; GC 3100, 8607; CCR Title 5, Section 550, Section 560; Title 8, Section 3220; Title 19, Section 2400).

Findings

1. Although a few of the safety plans that FCMAT reviewed followed state and board regulations, several did not follow the procedures established in the Standardized Emergency Management System guidelines and the National Incident Command System protocols.
2. Some of the plans were dated 2007 and rather than being a set of procedures to be enacted in case of an emergency, were more of an accumulation of regulations.
3. The district's comprehensive school safety plans provide staff with inconsistent directions of what to do during an emergency. Some plans call for "code words" to be used in an emergency, and others call for plain language. A few plans used both, leaving staff with conflicting directions.
4. In general, the district's comprehensive school safety plans are not in a uniform format throughout the district, and do not conform to district or Education Code (EC), policies or standards. Examples of issues include:
 - Few site plans had emergency evacuation routes clearly marked on a school site map.
 - Maps were not found in all classrooms.
 - Utility shut off locations are not marked on the emergency maps.
 - Most maps have not been updated in the last three years.
 - Many plans have outdated personnel assignments for the incident command structure.
 - School site councils do not appear to be actively involved in the development and approval of the plans.
 - School site councils do not hold public meetings where the public is allowed to provide input to the plan.
5. Crisis plans provide inconsistent direction for school site personnel throughout the district. The plan procedures have not been updated and do not identify current staffing or assignments.
6. School site administrators have not had training in the incident command structure of job duties and responsibilities or first aid protocols relating to emergency plans.

7. FCMAT was advised by most of the school site administrators who were interviewed that their school sites followed the regulations requiring fire alarm and earthquake drills. FCMAT was unable to verify this for all sites, and was not able to observe any of the drills.
8. FCMAT was advised that certificated staff has not been trained on emergency procedures for individual school sites, and that classified staff has not received training on emergency procedures to protect facilities in the case of a disaster.
9. FCMAT was unable to verify that school site councils or the state trustee has approved the safety plans as required per Education Code regulations.

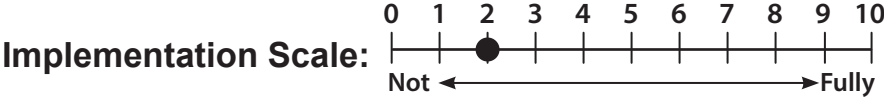
Recommendations for Recovery

1. The state trustee is responsible for approving all comprehensive safe school plans annually per EC 32288, and should begin doing so.
2. A common template that allows for individual site adaptation should be created for comprehensive school safety and emergency plans for sites per Board Policies 0450 and 3516.
3. Per Board Policy 0450, the district should create a common template for all school sites to use to develop crisis prevention and recovery intervention plans. The template should allow for individual site adaptation while still following the common template as a model.
4. Training should be provided for all school site and district personnel in implementing emergency plans as required in Board Policy 3516(b), including:
 - Individual assignment training and directions as per the model for Standardized Emergency Management System guidelines and the National Incident Command System.
 - First-aid training for all employees.
5. The district should ensure that school site administrators follow the regulations requiring fire alarm and earthquake drills.
6. The district should monitor the school site councils to ensure they comply with the requirement to develop and approve the comprehensive school safety plans per EC 32281 and 32286.
7. The district should monitor individual school site councils to ensure they are compliant in allowing public comment regarding the comprehensive school safety plans per EC 32288.
8. A “sub information/emergency folder” should be created for all substitute teachers and classified staff to receive upon entry to the school site for a job assignment. This folder should provide bell schedules, emergency information and directions for classroom evacuation.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



1.3 School Safety

Legal Standard

The LEA has developed a comprehensive safety plan that includes adequate measures to protect people and property. (EC 32020, 32211, 32228-32228.5, 35294.10-35294.15)

Findings

1. District Board Policy 0450 requires the school site council at each school site to develop a comprehensive school safety plan relevant to the needs and resources of that particular school. These plans are not developed or implemented consistently throughout the district.
2. The district lacks a district-level emergency plan conforming to the National Incident Command System (NICS) or Standardized Emergency Management System (SEMS) models for command structure and duties assigned for a districtwide emergency. This plan is required by Board Policy 3516.1.
3. The fully modernized school sites, La Tijera, Crozier, and Highland, have security systems and cameras installed throughout the site. School sites like Inglewood High and Morningside High schools have only specific areas with intrusion alarms and they do not have video surveillance.
4. Some classrooms have first-aid kits; however, there is no annual inventory system to ensure these kits are maintained or replaced.
5. The district was late in having all of its fire extinguishers annually checked and serviced by August 2013 as required by regulations. The district has spent considerable funds since November 2013 with an outside vendor that appears to have repaired or replaced many units although FCMAT was unable to verify specifically which locations received these services.
6. The district does not have records of the domestic water anti-siphon valves being certified annually as required by state and local regulations. A review of purchase orders indicates that a company specializing in backflow preventers did significant work for the district, but a report was not provided explaining what was, or was not, certified.
7. All sites have a single-point entry system, the high schools have security personnel posted at the primary entrance, and school site office personnel maintain a visitor log.
8. The district's key/lock standard was last revised in 2005. A commitment to a single key type does not seem to exist, and uniformity of a specific lock core has not been implemented. Multiple keys are necessary to open the numerous locks on every campus, leaving authorized staff and security unable to fully access all areas.

9. Classroom key control is maintained for teachers and substitutes through school site key issuance log systems.

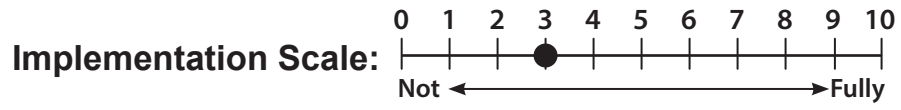
Recommendations for Recovery

1. The district should ensure that each site develops and maintains a comprehensive safety plan in accordance with Board Policy 0450.
2. A disaster preparedness plan should be developed and maintained detailing the provisions for handling all emergencies and disasters that are included in the comprehensive school safety plan per Board Policy 3516.1.
3. A plan should be developed and implemented to maintain first-aid kits throughout the district, with inventory refills provided where necessary.
4. Emergency evacuation routes should be posted in all classrooms and buildings, including assembly areas and utility emergency shutoff locations.
5. The district should review the access to all locations on a school campus and develop a plan to facilitate appropriate access and reduce the number of keys required while maintaining necessary security.
6. The district should review and revise standards for new key/locks to ensure current industry standards are implemented.
7. A lock and key system should be created per Board Policy 3517(a).
8. All fire suppression system inspection notices should be reviewed, and those that are not current should be updated. The district should note on school site maps the location of all fire suppression system devices and main fire suppression system valves. The district should also ensure annual certifications occur for all fire extinguishers, main water valves and fire suppression devices.
9. Security needs should be reviewed on all campuses, especially those that are not fully alarmed. Security alarms should be added to buildings beginning in areas of high susceptibility and those containing valuable property.
10. The district should ensure all future new construction and modernization architectural plans include district standards for key and door lock hardware, exterior lighting (including parking lots), intrusion alarms for all buildings and security video systems.
11. The district should ensure compliance with Board Policy 3519(b), which requires all sites with security cameras to have signs notifying all who enter that they may be under surveillance and stating whether the cameras are monitored.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



1.8 School Safety

Legal Standard

School premises are sanitary, neat, clean and free from conditions that would create a fire or life hazard. (CCR Title 5, Section 630)

Findings

1. FCMAT observed that 17 of the 18 fire alarm systems at school sites were inspected by the state fire marshal in November 2013.
2. The district has spent considerable funds to upgrade many fire alarm systems since FCMAT's last report. Although requested, the specific documentation for upgrades by site was not provided.
3. FCMAT was advised by facility personnel that not all fire alarm devices were operational at the time of the site visits.
4. One school site reported that it did not have any type of fire alarm system, so it uses the bell system to simulate the fire alarm notification for the monthly mandatory fire drills.
5. The district has spent considerable funds to repair or replace fire extinguishers throughout the district since FCMAT's last report. Documentation on what occurred and where it occurred was not provided although proof of payment to several vendors was verified.
6. Although the district now has a safety hazard inspection form to review each facility for dangerous conditions, there is no evidence that it has been used. The district should ensure priority repairs are completed as required per Board Policy 3509.
7. The district has reduced staffing in the Maintenance and Operations (M&O) Department to the extent that none of the current staff has extensive experience with all the different maintenance services or requirements.
8. Cleaning assignments and schedules for custodians are not maintained or implemented.
9. Substitute custodial personnel are not given written schedules or instructions on how or what their job duty entails.
10. Site personnel do not keep inventory records of cleaning supplies or materials. This does not allow for monitoring of purchases or security of district supplies.

11. The district warehouse does not always fill supply orders as requested by school sites. The warehouseman uses his judgment based on what is in the warehouse as well as what the district office approves. Many site personnel reported to FCMAT that they usually order twice as much inventory as they actually need so they will at least receive the minimum amount they require since they know the entire order won't be filled.
12. A review of M&O service purchase orders found that the district has spent considerable funds in many areas, including tree trimming, data and network upgrades, and HVAC repairs and parts since FCMAT's last report.
13. The storage room for chemicals at the Inglewood High science room was unorganized, the equipment was not maintained in working order, and the following issues were found:
 - The material safety data sheets could not be located and/or did not exist for chemicals used by staff and students.
 - A chemical fire safety vault is used, but the lock is not operational.
 - The chemical storage area was severely cluttered and disorganized.
 - The classroom eye and body wash safety equipment is not in working condition.
 - No evidence was found of the information necessary to implement EC 49411 regarding removal of chemicals that are outdated or unnecessary.
14. Facilities throughout the district are kept relatively clean and free of debris.
15. School equipment and storage items blocked general and emergency exits in some classrooms and office spaces.
16. Cafeterias throughout the district were clean, and the equipment was in working condition.
17. Required notices such as Williams's legal requirements, uniform complaint procedures (UCP) rights notices, and evacuation maps were not displayed in many classrooms.

Recommendations for Recovery

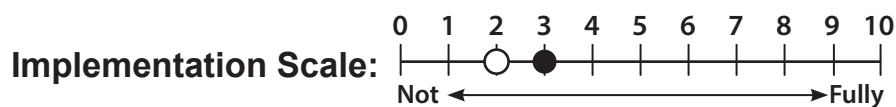
1. The district should immediately address issues related to exits that are blocked or locked, preventing safe exit in an emergency.
2. The district should create a current facility repair list as required by Board Policy 3509(a), and critical items in need of repair should be prioritized. These include items such as eliminating student/staff injury hazards, and addressing Williams's facility requirements.
3. The district should develop written schedules, procedures and standards for cleaning district facilities. When substitute custodians are new to a site, assignment, or facility, they should be provided with these written procedures, schedules, and standards.

4. Cleaning schedules and logs should be created, maintained and monitored to verify that all cleaning is completed to standards.
5. The district should evaluate facilities and site cleaning demands and establish cleaning assignments to ensure equitable and adequate staffing for all sites.
6. Inventory records should be created and maintained for cleaning supplies, equipment, and materials at each school site.
7. All chemicals and equipment for science classrooms and labs should be inventoried, cleaned and organized.
8. Regular removal and disposal of all chemicals should occur in science classrooms and labs when estimated shelf life has elapsed, using proper hazardous materials procedures.
9. All staff coming in contact with the science rooms in the district should be trained in the use of equipment and safe handling and storage of science lab chemicals and equipment.
10. The district should repair and monitor all safety equipment in science labs to ensure they are in working condition.
11. The district should comply with Board Policy 3509 by developing and implementing a quarterly inspection report to be completed by the director of maintenance and operations along with each plant manager to identify areas of concern regarding cleanliness and safety/hazards, as well as implement correction plans.
12. The district should ensure all required notices are displayed at all facilities where applicable, including Williams's legal requirements and UCP in classrooms and Asbestos Hazardous Emergency Response Act (AHERA) at district and school sites.
13. The district should monitor the purchase of supplies and the work done by service companies to ensure quality work is completed to district standards.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 3



1.9 School Safety

Legal Standard

The LEA complies with Injury and Illness Prevention Program (IIPP) requirements. (CCR Title 8, Section 3203)

Findings

1. Board Policy and Administrative Regulation 4121 were updated in 2010 and call for an IIPP as well as other statutory safety requirements.
2. The district utilizes a template from Keenan and Associates for IIPP and blood-borne pathogens. There is no evidence that this template has been completed. Only the Transportation Department supervisor understood and trained his staff in alignment with the IIPP requirements. The FCMAT study team was not able to find any other IIPP implementation or staff members who are knowledgeable of IIPP in the district.
3. The district has not implemented an exposure control plan as outlined in Board Policy 4119.41.
4. The district has not provided safety training for employees on IIPP issues or blood-borne pathogen information as required per Board Policy 4119.42.
5. Most common workers' compensation claims in the district are for slips, trips, falls and lifting heavy objects.
6. The district does not follow up with injured employees to retrain them for proper ergonomic procedures so they can avoid future injuries. The district also does not investigate employee injuries to determine if mitigation for training or facility repairs is needed to prevent further injuries.
7. The district files OSHA injury records.

Recommendations for Recovery

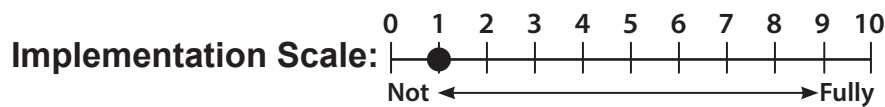
1. The district has a template for an IIPP that is in accordance with Senate Bill 198, but has not addressed the following:
 - Employee information
 - Responsible persons
 - Communication
 - Hazard evaluation and control
 - Injury investigation
 - Training
 - Labor management safety committee

- Record keeping
2. The district should emphasize to all staff the importance of the IIPP. Each site administrator and department head should know the location, purpose, and use of the document and its contents.
 3. A safety plan should be created, and employees who may come in contact with blood-borne pathogens should be trained, within their duty areas, in safe cleaning and handling to minimize exposure.
 4. Safety training for all employees should be implemented and monitored annually. The district has many different maintenance personnel along with a higher than average substitute work force. Safety training may help to reduce worker injuries.
 5. The district should ensure compliance with and mitigation of workers' compensation claims, including the following:
 - The employees in charge of risk management for the district should also be responsible for compliance/complaint duties, including the investigation of injuries and all Williams, UCP and employment complaints.
 - A plan should be developed for injured employees to receive proper safety training upon returning to work.
 - A plan of return to work accommodations should be developed for injured employees.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



1.15 School Safety

Legal Standard

The LEA maintains updated material safety data sheets (MSDS) for all required products. (LC 6360- 6363; CCR Title 8, Section 5194)

Findings

1. Through interviews, FCMAT found that most lead custodians at school sites were aware of the MSDS binder and its location.
2. FCMAT observed the MSDS binders at each location where the team requested to view them.
3. Although the evening custodians knew of the MSDS binders, substitute custodians did not. Neither the evening custodians nor the substitutes knew where the binders were located.
4. None of the interviewed custodians have received any training on the use of the MSDS binders, specifically knowing how to find the type of chemical used and how to read the sheets for the safety and medical information.

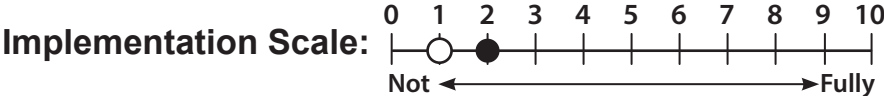
Recommendations for Recovery

1. The district should ensure that all custodial equipment/material storage areas contain all required MSDSs for quick reference.
2. A program should be developed and implemented to train employees in the use of hazardous materials as required per Board Policy 3514.1.
3. Employees should be trained in the handling, use, cleanup, and disposal of hazardous materials.
4. The district should ensure that all grounds, maintenance and custodial staff receive regular in-service training regarding hazardous substances in their work area and additional training as new substances are introduced into their work area.
5. Upon purchase and delivery of all new materials and chemicals, the district should ensure that the manufacturer has provided MSDS as required by law.
6. A process should be developed and implemented to regularly monitor, inspect, and maintain MSDS binders.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 2



1.16 School Safety

Professional Standard

The LEA has a documented process for issuing and retrieving master and sub-master keys. All administrators follow a standard organizationwide process for issuing keys to and retrieving keys from employees.

Findings

1. School sites maintain a system to check out and return all keys assigned to teachers and their substitutes. Several sites use their own form for key check out and retrieval.
2. The Maintenance and Operations Department does not maintain a key log for nonschool site-specific personnel.
3. The district has a form and process for requesting new keys that provides control of the authorization and distribution of keys. There is no line authority for key issuance.
4. The district does not have an actual log of keys in the district, what they unlock, and to whom they are distributed.
5. The district does not have policy or procedures that determines who should be issued keys based on job duties or position.
6. Although the district has spent considerable funds for the services of an outside locksmith, FCMAT was unable to determine what services were provided and where.
7. Because of the lack of uniformity and consistency of locks and lock cores, the district does not have the capability to issue a specific master or submaster key that works at all sites. Further, only the recently modernized sites have the ability to issue master and submaster keys to enable site access, and even then, administrators are required to have several keys for gate access. Administration and maintenance employees must maintain many keys to have access to all sites.
8. The district does not have a master list of keys issued as required by Board Policy 3517.

Recommendations for Recovery

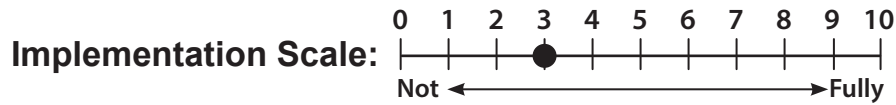
1. Per Board Policy 3517, the district should create key issuance logs to track at the district level all issued keys, what level of security they have, and the access they allow.
2. The district should create, implement and monitor uniform systems for key issuance and retrieval. School sites should be given clear direction on how to account for the issuance and retrieval of keys.
3. A district standard for lock cylinders should be created and adopted.

4. The district should make it a priority to standardize keys in all facilities modernization and maintenance projects.
5. The district should create a rekeying and lock core replacement plan to place the sites, and eventually, all the district locks on the same key system.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



1.18 School Safety

Professional Standard

Outside lighting is properly placed and is monitored periodically to ensure that it functions and is adequate to ensure safety during evening activities for students, staff and the public.

Findings

1. Exterior lighting is included in modernization and construction plans and is sufficient and functional at newly modernized or constructed school sites.
2. FCMAT found less than adequate lighting in several hallways and open areas at Morningside and Inglewood high schools. Similar conditions exist at the elementary schools that have not been modernized. Only the new construction portions of updated school sites provide adequate lighting.
3. Morningside High School athletic fields do not have lighting so evening events are held at Coleman field, which they share with Inglewood High School.
4. The district lacks policies or facilities standards specifically addressing outside lighting.
5. Reviewing work orders for lighting, the Maintenance and Operations Department has replaced several outside light fixtures since FCMAT's last report.

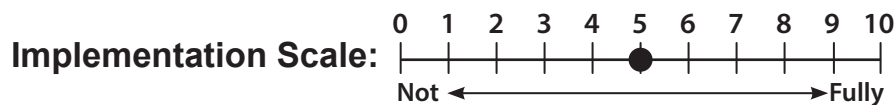
Recommendations for Recovery

1. A district policy and standard should be developed for lighting requirements.
2. The district should evaluate the lighting and scheduled events at all sites and provide temporary lighting or an alternative location as needed until there is a permanent solution.
3. Sites should be regularly monitored in the evening for lighting issues, and any problems should be rectified as needed.
4. The district should consider addressing lighting in consideration of site security and trespassing deterrence.

Standard Partially Implemented

July 2013 Rating: 5

July 2014 Rating: 5



1.20 School Safety

Professional Standard

The LEA maintains a comprehensive employee safety program. Employees are made aware of the LEA's safety program, and the LEA provides in-service training to employees on the program's requirements.

Findings

1. The district lacks a documented comprehensive safety program. A comprehensive safety program should contain a written safety plan and activities to ensure employee safety through regulatory compliance, hazard elimination, and accident prevention.
2. As documented by employee sign-in sheets, the district has held the following safety training, none of which have occurred since FCMAT's last report:
 - Asbestos awareness, April 2008
 - Respirator usage, August 2008
 - Lead awareness, August 2008
 - Budget, gas cards, up-to-date driver's licenses, February 2010
 - Safe driver training, March and April 2010
 - Driving safety, April 2010
 - Driver awareness, April 2010
 - Employee diversity and sexual harassment training, May 2010
 - Utility cart training, June 2011
3. The district has provided CPR training by the American Red Cross on the following dates, none of which have occurred since FCMAT's last report:
 - October 2010 with 14 employees
 - June 2012 with 24 employees
4. The district has not consistently provided safety training to employees and substitutes.
5. Substitute teachers and custodians are not consistently trained in appropriate safety or emergency processes or procedures.
6. The district does not maintain regular staff training programs to instruct employees on how to safely perform duties.
7. FCMAT found no evidence of any staff training on safety or emergency procedures since the previous report.

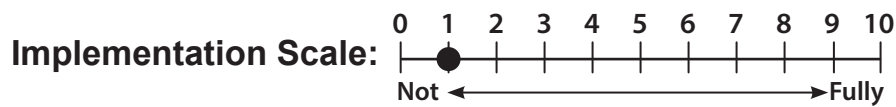
Recommendations for Recovery

1. The district should develop employee safety programs as required by Board Policy and Administrative Regulation 4121, including a safety and health committee to meet regularly and review work site inspections and occupational accidents and injuries.
2. The district should provide and document training programs for the safe use of all cleaning supplies and equipment as per Board Policy 3514.
3. A safety and emergency training program should be created and monitored for all employees, including substitutes, targeting their specific duties and responsibilities.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



2.2 Facility Planning

Legal Standard

The LEA seeks and obtains waivers from the State Allocation Board (SAB) for continued use of any nonconforming facilities. (EC 17284-17284.5)

This standard is no longer applicable under current law and will be eliminated from the evaluation process and scoring rubric.

Findings

1. The district has not provided information regarding the existence of nonconforming buildings or the application of waivers for any.
2. The district could neither confirm nor deny the existence of nonconforming buildings.

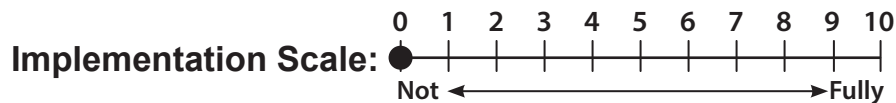
Recommendations for Recovery

1. The district should review all facilities including any architectural 3A drawings provided to identify potential nonconforming buildings.
2. The district should identify nonconforming buildings as well as seek and obtain waivers from the SAB, if applicable.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



2.3 Facility Planning

Legal Standard

The LEA has established and uses a selection process to choose licensed architectural/engineering services. (GC 4525-4526)

Findings

1. Board Policy and Administrative Regulation 7140 relating to the selection of architectural and engineering services was adopted and approved in 1999.
2. All recent architectural contracts include language indicating that the district selected the particular firm through a process approved by the board of trustees.
3. Outdated Office of Public School Construction (OPSC) guidelines are used in compensation for services, and the rates are more than those charged by the current market for similar services.
4. The district pays more than the current rate for similar architectural services. The district pays approximately 10.6% of construction costs for architectural services yet according to Reed Construction Data for California, the average cost for architectural services for school construction in the Los Angeles area is 7%.
5. The district has continued to amend existing contracts for construction management services and architectural services, although information as to the necessity to amend the contracts was not available. Additional services outside the original scope of the project are not unexpected, but no details were found in any board minutes or other documents.
6. Most architectural agreements have several board-approved amendments that increased the original cost for services. For instance, the original BASE contract for architectural services to complete the modernization and the Los Angeles World Airports (LAWA) schematic design phase of Inglewood High was for \$200,000. After seven contract amendments, the total contract value to date is \$2.47 million. Also, Morningside High had an original BASE contract of \$247,000, which has increased to \$2.04 million. FCMAT was unable to determine if any of the deliverables called for in the original BASE contracts have been completed.

Recommendations for Recovery

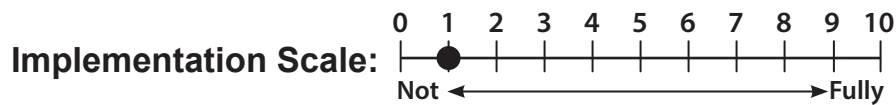
1. The district should review the request for proposal/request for quotation (RFP/RFQ) process for acquiring professional services and ensure they conform to Board Policy and Administrative Regulations 7140.
2. The district should ensure the scope of work for all district projects involving an architect are thoroughly developed and well defined to reduce the need for several amendments. Amendments typically cause the total contract cost to exceed their original contracted amount by several times.

3. Architectural contracts should be evaluated to determine the scope of all work to be performed before amending the original contract for additional expenses.
4. The district should review architectural contracts with legal counsel to ensure they are within legal length of contract per Education Code 17596 and to examine the possibility of renegotiating the fee for services.
5. The district should review recent and any subsequent amendments to contracts for architectural and construction management services to ensure they are necessary and within the original scope of the project.
6. Architectural services should be coordinated by school site and in alignment with anticipated funding and construction plans so that plans are up to date and timely.
7. The district should review current architectural plans to determine the status of approval with the state (California Department of Education, Department of the State Architect, and Office of Public School Construction) and the Federal Aviation Agency for the LAWA mitigation funding.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



2.6 Facility Planning

Professional Standard

The LEA has a long-range school facilities master plan that has been updated in the last two years and includes an annual capital planning budget.

Findings

1. The district has completed and adopted a facility master plan.
 - The July 2012 plan was reduced in scope for the October 2012 plan to meet the November 2012 voter-approved general obligation bond funding amount.
 - The recent plan (October 2012) is not prioritized to meet the district's most needed repairs to facilities as it prioritizes bond projects and facility repair needs.
 - District administration stated that they have a new draft facility plan for modernization and the closing of certain school sites. The document was requested several times from the district, but not provided.
2. The district has completed the Federal Aviation Administration (FAA) initial application for funding based on a sound mitigation agreement with LAWA. The LAWA program provides sound mitigation modernization funding for schools in the flight path of the airport.
3. The district has contracted with TELACU construction management for services related to the LAWA application and construction project.
4. The district has expended considerable funds for architectural services (FCMAT estimates about \$7 million) for the LAWA project to date. Although the district had previously indicated that all fees will be reimbursable through the LAWA funding, there is no written authorization stating so. Measure K bond funds were used to pay for these services.
5. The district has been identified to receive \$64,507,189 in the LAWA settlement per the 2005 mitigation agreement. From these funds, LAWA has approved \$4,969,432 for architectural and engineering services. There appears to be a significant shortfall in paying for architectural services already rendered. The LAWA approval limits the district to certain construction expenditures. Only the following school sites have been approved for sound mitigation work:
 - Inglewood High School
 - Morningside High School
 - Monroe Middle School
 - Woodworth Elementary

- Child Development Center at Woodworth Elementary
 - Hudnall Elementary
 - Payne Elementary
 - Oak Street Elementary
6. The funding from LAWA will be only for current buildings that have permanent structures. It will not include any future buildings (new construction) or any portable or modular buildings set on concrete stem walls located on any of the school sites identified according to the FAA application submitted by the district. Many buildings and classrooms located on the school sites identified will not qualify for this funding.
 7. The district has not maximized possible E-Rate funding in conjunction with building projects to address the technology infrastructure improvements. E-rate funding could reduce the cost to the district's other capital funding sources for new and ongoing technology improvements.
 8. The district has not realized full redevelopment agency (RDA) payments per statutory guidelines, nor have RDA funds been considered in facilities plans.
 9. Evidence of a public hearing is required by Board Policy 7220 for all the recent campus additions completed with Measure K bond funds, but could not be found although requested by FCMAT during the review.
 10. District administration advised FCMAT that they have a draft facility plan that outlines the reduction of two to three school sites in upcoming years. Although requested, a copy of the document was not provided.
 11. District administration advised FCMAT that there is a draft plan to modernize the remaining school sites in upcoming years. Although requested, a copy of the document was not provided.
 12. The district has advised that they have received Proposition 39 Energy Efficiency planning funds. There have been two energy utilization studies. No other action has been taken to develop a plan for the use of these funds.

Recommendations for Recovery

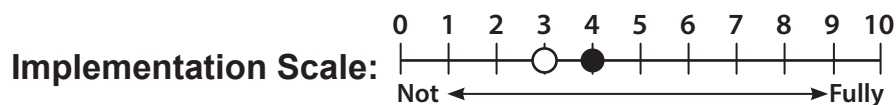
1. The district should review the facility master plan in conjunction with the bond language of the November 2012 Measure GG to ensure that a list of prioritized projects is developed.
2. The district should review all possible strategies when closing school sites.

3. District personnel should be involved in directing architectural and construction management services as well as working directly with LAWA during the application and funding process for allowable projects.
4. The district should ensure coordination of facility planning and campus modernization projects with the LAWA sound mitigation funding.
5. The district should monitor the scope and performance of TELACU for all deliverables required in the current contract before extending or amending it.
6. The district needs to monitor the current and future construction expenses to stay within the funding amount allocated from LAWA.
7. The district should investigate the collection of all RDA funds per statutory guidelines, as well as those that have not been collected in the past, to maximize facility funding.
8. An E-Rate coordinator should be appointed, or the district should contract with an outside agency to apply for, evaluate, and maximize the technology improvement project funding available.
9. All projects with BASE architecture should be reviewed to establish completion schedules and submission to state agencies for approvals.
10. The district should monitor and review possible development fees associated with residential and commercial construction planned for the old horse racing park.
11. The district should apply with the State Energy Agency for all possible projects while making plans for modernized facilities, as well as ensure that the spending of Proposition 39 energy efficiency funds is maximized.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 4



2.8 Facility Planning

Professional Standard

The LEA has a facility planning committee.

Findings

1. Board Policy 7110 allows for the district to establish a facilities advisory committee consisting of representatives of staff, parents, business, local government, and other community representatives to solicit broad input into the planning process.
2. Supporting documentation including bond committee meeting agendas and minutes was provided for an active Measure K bond oversight committee. No other evidence was provided to FCMAT to support a facility planning committee.

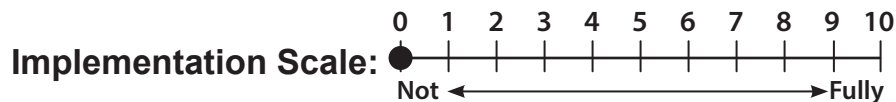
Recommendations for Recovery

1. A board policy and/or administrative regulation should be developed to explicitly define the role and implementation of a facility planning committee. The planning committee may be the same as the facilities advisory committee.
2. The district should create a facility planning committee consisting of representation from the various groups affected similar to those defined in Board Policy 7110 for the facilities advisory committee.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



3.1 Facilities Improvement and Modernization

Legal Standard

The LEA maintains a plan for maintaining and modernizing its facilities. (EC 17366)

Findings

1. The district has no written plan for periodic maintenance and repairs.
2. The district has a general fund budget of \$3.35 million for M&O services and parts purchases and plans to spend the total budgeted amount in 2013-14.
3. The district has created a template for facility inspections per Board Policy 3509. FCMAT was unable to confirm that the template has received board approval, who is responsible for completing the inspection report, who is responsible for ensuring repairs are made, or who has completed the report.
4. The district does not follow the periodic work cycles such as annually painting high-traffic areas, refinishing tile/vinyl floors, or cleaning carpets, consistently and throughout the district, as outlined in Board Policy 3510.
5. The periodic maintenance project list primarily identifies heating, ventilation and air conditioning (HVAC) work that is needed throughout the district, but also includes other items such as emergency exit signage needs and vehicle maintenance.
6. Site administrative staff identified multiple work orders for periodic maintenance items that have been pending for several months.
7. The work order system does not identify or provide a report of maintenance work orders that were completed or those that are open and unresolved.
8. Deferred maintenance funds were transferred to the general fund as allowed per state flexibility budget provisions in prior years, so there is no separate budget to cover such expenses.
9. The district has passed two general obligation bond measures that provide funding for new construction or modernization of school facilities.
10. The district has no current plans on how to incorporate the recently passed (November 2012) Proposition 39 Energy Efficiency project funding.
11. Board Policy 3509 states that “The superintendent or designee shall develop a facilities inspection and maintenance program to ensure that district schools are maintained in good repair in accordance with law. At a minimum, the program shall analyze those facility conditions specified on the facilities inspection tool that review 15 specific areas.”

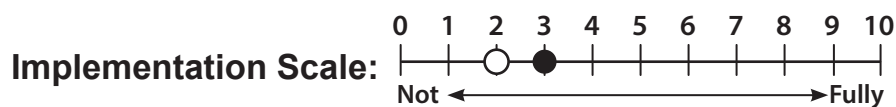
Recommendations for Recovery

1. The district should initiate the use of the facilities inspection template as required and defined by Board Policy 3509 and use it to proactively identify and prioritize facility maintenance and repair needs.
2. A response plan should be developed to systematically address and track repairs identified in the work order system as well as what is purchased through open purchase orders so that unnecessary items are not purchased or used outside of the district.
3. The district should ensure that knowledgeable employees monitor the work performed by outside service providers to ensure it is satisfactory.
4. The district should create a plan for the routine maintenance work order processes and completion procedures.
5. The district should work to create greater efficiency and improve response time for requested repairs at school sites.
6. The facilities master plan should be reviewed and updated to ensure facility needs are prioritized before implementing a modernization construction program to ensure that facilities with the most needs are addressed first.
7. The district should investigate the process and procedures required to receive funding through the Proposition 39 energy efficiency program.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 3



3.3 Facilities Improvement and Modernization

Legal Standard

All relocatable buildings in use meet statutory requirements. (EC 17292)

Findings

1. The district does not have comprehensive maps of each school site that provide site layout and include all building identifications, specifications, permit numbers, construction/manufacture dates, etc.
2. The district keeps a list of all portables with identifications and DSA “A” building numbers.
3. FCMAT was unable to confirm that all portables on the list are DSA approved according to the “A” number supplied.
4. The district provided lease information for 16-plus portable classrooms, bathrooms and offices where some of the leases appear to be active for almost 15 years. The district appears to have been making annual lease payments for the units past the original term of the lease.

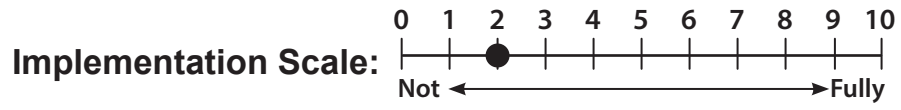
Recommendations for Recovery

1. The district should create for each school site a map that identifies all buildings, room numbers and identifications along with current DSA “A” numbers, age (date of manufacture) and/or the last date modernization or new construction was completed.
2. The district should determine whether all portable buildings meet the requirements of EC 17292.
3. A spreadsheet should be created, identifying each school site, permanent and portable classrooms, square footage of each building and rooms within each, type or use for each classroom (e.g. regular education, special day class, library, science, physical education, lab), along with OPSC funding availability dates.
4. The district should review all leases for portable buildings to determine if they are still required to make annual lease payments.
5. The district should determine which leased portables may be returned so that the annual lease payments can be discontinued.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



3.9 Facilities Improvement and Modernization

Professional Standard

The LEA manages and annually reviews its state-approved five-year deferred maintenance plan and verifies that expenditures made during the year are included in the plan.

Finding

1. The district does not adequately fund its deferred maintenance needs as reflected by:
 - The deferred maintenance fund reflected a balance of \$23,302 on June 30, 2013, which is the same balance as of June 30, 2012.
 - The district does not make annual contributions to the deferred maintenance fund (fund 14).
 - The uses of funds released by the State Allocation Board for deferred maintenance in prior years were made flexible by the state and could be used for any educational purpose; the district chose to fund ongoing expenditures with this allocation.

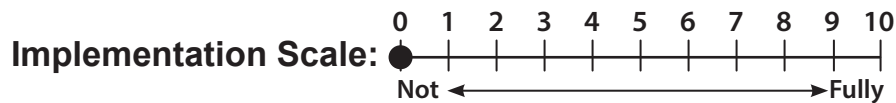
Recommendations for Recovery

1. The district should implement and maintain a plan to fund current and future facility maintenance needs.
2. Under the LCFF funding model, prior deferred maintenance funds have been included in the base grant allocated to school districts. The district should review and consider using a portion of the base grant to fund deferred maintenance projects.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



3.10 Facilities Improvement and Modernization

Professional Standard

Staffs are knowledgeable about procedures in the Office of Public School Construction (OPSC) and the Division of the State Architect (DSA).

Findings

1. The district has relied on SAGE, an independent consulting firm, to provide all necessary OPSC documentation for approvals and funding.
2. The district created and maintains accounting procedures for Measure K funding and expenses. The district has specific records detailing construction expenses along with all funding received from local general obligation bond sales and state participation for all Measure K projects. This accounting is required to receive state construction participation funding through the SAB/OPSC.
3. The district did not provide an updated organizational chart of employees to FCMAT during fieldwork. Although it could not be confirmed, FCMAT was unable to identify any employees assigned to the Facility Construction Department with the recent reorganization of staffing. The district was unable to produce an organizational chart for this department.
4. The district does not have current employees with knowledge of the application for approval or funding processes for the Office of Public School Construction/State Allocation Board (OPSC/SAB), Division of the State Architect (DSA), California Department of Education (CDE), Department of Toxic Substances Control (DTSC), Federal Aviation Administration (FAA), California Environmental Quality Act (CEQA), or Energy Department (for Prop 39 funding).

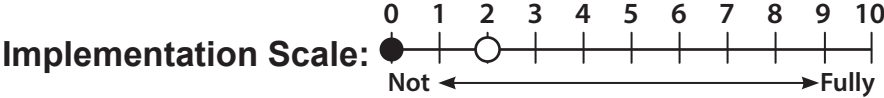
Recommendations for Recovery

1. The district should employ individuals with knowledge of, or provide training opportunities, for OPSC, SAB, DSA, DTSC, FAA and LAWA, and Prop 39 application and funding processes.
2. The district should continue to utilize a consulting firm for OPSC/SAB approval and funding applications. This is the most cost-effective method to gain these approvals until facility staff can become knowledgeable about this process so they can assume this duty.

Standard Not Implemented

July 2013 Rating: 2

July 2014 Rating: 0



4.1 Construction of Projects

Professional Standard

The LEA maintains a staffing structure that is adequate to ensure the effective management of its construction projects.

Findings

1. The district has no construction projects in progress.
2. The district has eliminated the staffing structure it created to manage its construction projects funded by the Measure K facilities bond passed in November 1998. The Measure K Citizens Facilities Bond Oversight Committee has not met in the past 12 months.
3. The district has hired an outside auditor to conduct an independent audit of the Measure K bond fund, and is in the process of conducting a second and more in-depth audit of the bond fund expenditures.
4. The district is in the process of developing an oversight committee for the expenditure of Measure GG funds.
5. The district has still not received any of the expected \$118 million in funds from LAWA for construction projects associated with sound mitigation measures.
6. The district has recently completely reorganized the staffing structure for facilities and maintenance. At the time of fieldwork, FCMAT was not provided an up-to-date organizational chart, so staffing relationships could only be determined through interviews. The chief operations officer has overall supervision over Maintenance and Operations.

Recommendations for Recovery

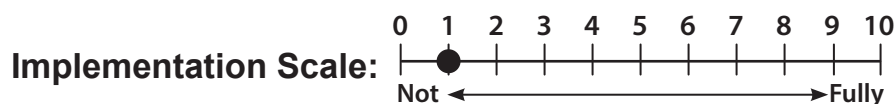
1. The district should establish a new staffing and organizational structure with clearly defined roles and lines of authority to manage the expenditure of construction funds provided under Measure GG. The structure should include one position responsible for all communication with the state trustee, as well as support staff for administration and expenditure accountability.
2. The Measure K Bond Oversight Committee should meet at least once per year to review and discuss the remainder of any funding, potential future projects, or final audits. If the bond fund is completely depleted, the district should take action to formally terminate the oversight committee.

3. The district should complete the establishment of a Measure GG Bond Oversight Committee before expending any funds as required by Proposition 39. This includes the adoption of bylaws and public notice requirements.
4. The district should develop monthly Measure GG Oversight Committee meetings that include an up-to-date status of the revenues and expenditures to the fund, as per the district oversight committee procedures adopted in May 2005.
5. The district should employ an independent auditor to audit the Measure GG expenditure activity at the end of each fiscal year and verify that funds have been expended according to the provisions contained in Education Code 15278 and the intended use of the bond.
6. Expenditures of funds from Measure GG bond proceeds should be accounted for separately in the district accounting records to allow for separate identification and accountability.
7. The district should ensure that the state trustee reviews and approves all budgets within the Measure GG Bond fund before its implementation and expenditure.
8. The district should complete the process of obtaining LAWA sound mitigation funding and initiate the sound mitigation process. These projects should be coordinated with the district's overall facilities master plan.
9. A new organizational structure, and organization chart, should be established for the Maintenance and Operations and Facilities departments that clearly defines relationships and roles regarding the facility maintenance, repair and construction activities and the expenditure of district funds.
10. The district should continue to outsource construction project management on construction projects on an as-needed basis until an adequate staffing structure is developed that is capable of managing the large projects.

Standard Partially Implemented

July 2013 Rating: 1

July 2014 Rating: 1



4.2 Construction of Projects

Professional Standard

The LEA maintains appropriate project records and drawings.

Findings

1. The district has organized its facilities records and established an organized records retention facility.
2. The records for all construction projects, including bid documents, state school facility records, and architectural drawings, are organized by school site and easy to locate.
3. The district has implemented a checkout system for users who wish to view the documents.
4. Interviews indicated that most recent records and drawings are also delivered and archived in electronic format.
5. Additional facilities records are stored at the district warehouse.

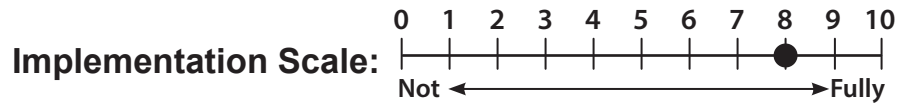
Recommendations for Recovery

1. The district should continue to maintain the facilities and construction records it has already organized.
2. A system should be developed to ensure all project architects and contractors provide all necessary documents for each project.
3. A directory should be created for the facilities records room indicating exactly which records are available and where they are located.
4. The district should develop and implement a system for electronic archiving and request electronic copies of all records and drawings.
5. To the extent possible, the district should move all facilities records stored at the district supply warehouse to the district facilities records room at the district office.

Standard Fully Implemented

July 2013 Rating: 8

July 2014 Rating: 8



6.1 Facilities Maintenance and Operations

Legal Standard

The LEA is in compliance with requirement of the Williams case settlement. The governing board provides clean and operable flush toilets for students' use; toilet facilities are adequate and maintained. All buildings and grounds are maintained. (EC 17576, 17592.70-17592.73, 35186; CCR Title 5, Section 631, Section 4683, Section 14030)

Findings

1. The Los Angeles County Office of Education (LACOE) has conducted the facilities inspections required under the Williams Act.
2. The district does not conduct periodic facilities inspections.
3. The district has an operating budget of \$3.35 million for repair parts and outside contract services in 2013-14; current budgets indicate that the total budget will be spent in the current year.
4. Considerable funds have been spent in 2013-14 on repairing fire alarm systems, fire extinguishers, HVAC units, and plumbing issues, as well as on tree-trimming services.
5. FCMAT observed that the fire alarm at Morningside High School is not audible in all parts of the campus. Interviews with school principals indicated that similar issues may exist on other sites. FCMAT observed deteriorating conditions in some school restroom facilities.
6. Staff at one school site indicated that they had a classroom without a functioning HVAC unit for several weeks during the school year, resulting in the need for temporary fans and uncomfortable conditions.
7. The district did not provide the completed Facilities Inspection Tool (FIT) forms for each school site; they were not available on the district Web page.
8. Board Policy 3509 pertaining to facilities inspections has not been updated since October 2008.
9. In accordance with Education Code Section 33126 (b) (8), if the FIT was completed before the publication of a school's SARC, the information in the SARC is required to agree with the FIT form. However, the SARC information available on the district Web page is not standardized across the district and is reported differently for each school.
10. Some athletic fields and play areas at the comprehensive high schools are in substandard condition.

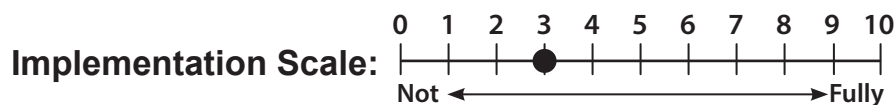
Recommendations for Recovery

1. The district should continue facilities inspections as required by the Williams Settlement.
2. District personnel should conduct periodic facilities inspections to identify, prioritize, and correct facility issues. The district should require the school site administration or designee to conduct frequent inspections of all restroom facilities to ensure they are clean and fixtures are in proper working order and open during school hours.
3. The district should ensure that sites are regularly monitored for cleanliness and functional fire alarm systems and immediately report any unsafe or unsanitary conditions to the district Maintenance and Operations Department and the site administration.
4. Work orders generated as a result of unsafe or unsanitary conditions should be given priority within the work order tracking system. The system should be able to identify the reporting of Williams-related work orders, and the response time and completion of the work order generated for the condition.
5. Board Policy 3509 should be updated to reflect current regulations regarding facilities inspection requirements. The policy should include language indicating that all substandard sanitation conditions should be corrected immediately.
6. The district should ensure all the facilities information contained on each school's SARC posted to the district Web page matches the information on the FIT forms.
7. The district should evaluate the conditions at each of the athletic play areas of its secondary schools and develop a plan for their improvement, particularly the tennis courts at Morningside High School.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



6.2 Facilities Maintenance and Operations

Legal Standard

The LEA has established the required account for ongoing and major maintenance. (EC 17014, 17070.75)

Findings

1. The district operates a budget for the maintenance of school facilities, but has no written plan to address preventive or deferred maintenance needs. While a deferred maintenance plan is no longer required by the state, facility maintenance best practices dictate that the district should develop and maintain a current plan for maintenance needs and budget funds to address those needs to prevent more expensive repair work in the future.
2. The district addresses its maintenance issues on an as-needed basis and does have a budget for repairs and outside services in the general fund.

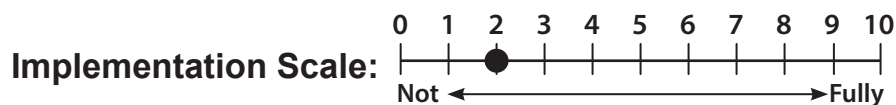
Recommendations for Recovery

1. The district should analyze its current needs with regard to maintenance or facilities repair and develop a comprehensive preventative maintenance plan. The plan should identify necessary projects at each district school site and the estimated costs and priority of each project.
2. The district should prepare a five-year budget to address the projects identified in the maintenance plan.
3. The district should regularly review its maintenance budget to ensure it is used to complete the highest priority projects, and is in alignment with the overall district maintenance plans and goals.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



6.3 Facilities Maintenance and Operations

Professional Standard

The LEA uses and maintains a system to track utility costs and consumption, and to report on the success of its energy program in reducing the cost of utilities. An energy analysis has been completed for each site.

Findings

1. No board policy or administrative regulation exists to address tracking energy costs and making a commitment to energy conservation.
2. The district has no system to track utility costs or energy consumption.
3. The district does not monitor energy usage.
4. Although the district used a limited computerized energy management system (EMS) in the past, it no longer uses it. FCMAT was unable to determine why or when it was stopped.
5. The district has not completed an energy analysis for each site.
6. Energy usage reviews for the district have been conducted by Chevron and Southern California Edison (SCE) in the past year.
7. The district has received the planning funds from Proposition 39, which is to be used for Energy Efficiency projects as well as on the expansion of Clean Energy projects, but has not completed an application for projects.

Recommendations for Recovery

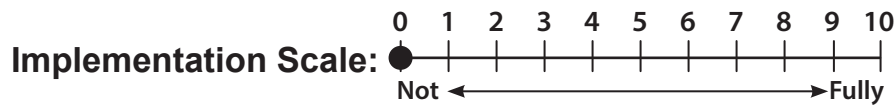
1. The district should develop a board policy and administrative regulation on tracking energy costs and making a commitment to energy conservation.
2. A system should be developed to track utility costs and energy consumption. The system should utilize any energy management system data available from the district's current systems.
3. The district should assess the capability of the current EMS and, if it is deemed capable, ensure that it functions properly and can be utilized at some or all district sites.
4. A district-level person should be assigned the responsibility for tracking and monitoring energy consumption and costs.
5. The district should continue to work with its local utility providers to conduct energy audits for each of its sites.

6. Individual sites should be analyzed for energy saving retrofit projects, such as high-efficiency lighting systems, or solar energy development. The district should create site or departmental reward incentives for energy conservation and utility cost savings.
7. The district should complete the application with the State Department of Energy to receive Proposition 39 funding for energy efficiency projects. Although the district has received some planning money, it must now hire an expert to identify potential energy efficiency projects, and then apply for the construction funds.
8. The district should incorporate all energy efficiency projects with modernization projects.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



6.4 Facilities Maintenance and Operations

Professional Standard

To safeguard items from loss, the LEA keeps adequate maintenance records and reports, including a complete inventory of supplies, materials, tools and equipment. All employees who are required to perform custodial, maintenance or grounds work on LEA sites are provided with adequate supplies, equipment and training to perform maintenance tasks in a timely and professional manner.

Findings

1. The district lacks a completely computerized inventory of supplies, tools, and equipment for the Maintenance and Operations or Facilities departments.
2. School sites order custodial supplies from a central warehouse on a manual, handwritten system.
3. The district maintains a computerized inventory of the supplies kept at the central warehouse through the LACOE inventory control system; however, periodic and annual inventory counts are not completed.
4. The warehouseman orders all supplies for the warehouse and oversees the fulfillment of the maintenance and custodial supply requisitions from the school sites. The central warehouse sometimes does not give school sites all of the supplies they order and often reduces the order based on what the warehouseman determines the school site needs or what is available.
5. The central warehouse maintains approximately a three-month supply of the items most requested by the schools.
6. Custodial staffs at some school sites indicated they are provided with the supplies and equipment they need to perform their job, but sometimes run out and must wait for more. Custodians and plant managers at other sites indicate they do not have adequate supplies and equipment to complete their work.
7. FCMAT observed most schools maintaining a small amount of custodial supplies at the school site, but they did not keep a supply inventory.
8. The supply inventories kept by school sites varied greatly; some sites had large quantities of cleaning supplies, while others had very little. Sometimes the inventory kept at the school site is based on the storage space available.
9. Some school sites indicated they did not have working equipment.
10. FCMAT found no record of training for custodial tasks or equipment usage.

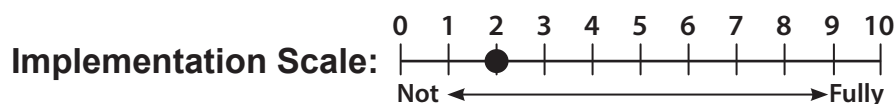
Recommendations for Recovery

1. The district should implement and maintain a computerized inventory system for all district supplies, tools, and equipment.
2. The LACOE inventory system should be expanded, if possible, to school sites and networked with the central warehouse to support the direct ordering of supplies, communication of order status, and historical supply usage.
3. The LACOE supply inventory system should be checked periodically during the year, and a complete inventory count and reconciliation should be completed at least once per year, to ensure count and value accuracy.
4. The district should maintain a minimum inventory of custodial and maintenance supplies and equipment to support timely access to essential items based on the ordering information contained in the supply inventory system.
5. The approval for the purchasing of warehouse supplies should come from the head of the Maintenance and Operations or Business department. Another person should record the additions and subtractions to the individual supply count for items in the inventory system.
6. Sites should develop their own inventory for custodial supplies, and these should be reviewed regularly by the site administrator.
7. The district should inventory the custodial equipment at each site to ensure each has the equipment necessary to complete custodial duties. Damaged or inoperable equipment should be repaired or replaced.
8. A schedule should be developed for all employees to ensure training is provided on new products, equipment and procedures, safety and best practices, and for new employees. Records of all training including instructor, topic, dates, and attendees should be maintained.
9. The district should develop a routine replacement schedule and budget for maintenance and custodial equipment to ensure it is safe to use and in good repair.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



6.5 Facilities Maintenance and Operations

Professional Standard

Procedures are in place for evaluating the quality of the work performed by maintenance and operations staff, and evaluations are completed regularly.

Findings

1. There is confusion among site principals about the evaluation process and who is responsible for evaluating site maintenance personnel. District administration has indicated that the principals will evaluate maintenance personnel at each site. Some site principals believed it was their responsibility to evaluate all staff on their site while others felt that they were not responsible for evaluating site maintenance personnel because these personnel take direction from the Maintenance and Operations Department.
2. The district has no current organizational chart for the maintenance and custodial departments which reflect the organizational chain of command or evaluation responsibilities.
3. Evaluations for all maintenance and custodial staff members have not been completed in the past year.
4. The district does not have a practice of evaluating substitute custodians. Many long-term substitute custodians have never been evaluated.

Recommendations for Recovery

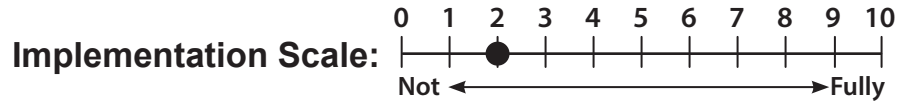
1. The district should develop and maintain a current organizational chart for the maintenance and custodial staff to clearly communicate who is responsible for supervising and evaluating each maintenance and custodial employee at each site, as well as throughout the district. This information should be distributed to all sites and affected personnel in the district.
2. A regular evaluation process should be established using a current and standardized evaluation form, and the district should provide all supervisory personnel with in-service training in the proper methods of evaluation and standards expected by the district.
3. A process should be developed by the human resources department to schedule and monitor evaluations to ensure they are completed as prescribed by the district and in alignment with collective bargaining agreements.
4. The district should carefully review its use of long-term substitute employees with regard to its collective bargaining agreements to avoid potential permanent employment obligations.

5. A process should be developed to evaluate the performance of substitute employees as a review of their effectiveness.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



6.6 Facilities Maintenance and Operations

Professional Standard

The LEA has identified major areas of custodial and maintenance responsibility and specific jobs to be performed. Written job descriptions for custodial and maintenance positions delineate the major areas of responsibility for each position.

Findings

1. The chief operations officer indicated all Maintenance and Operations and Grounds Department positions report to the acting head of the Maintenance and Operations Department, and all plant managers report to their school site principal. The district is considering the implementation of night supervisor positions to supervise night custodians.
2. There is no board policy related to employee performance standards or how employees will be evaluated according to those standards.
3. Job descriptions are outdated and do not clearly identify and define areas of responsibility for all facilities, maintenance, and custodial staff.
4. The district has not established a cleaning standard that employees can be held accountable for meeting.

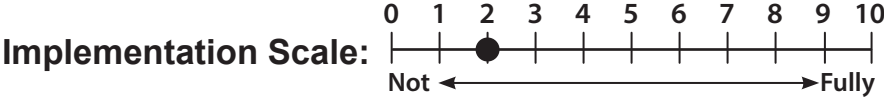
Recommendations for Recovery

1. The district should update its organization chart with regard to the Maintenance and Operations and Facilities departments to reflect the lines of responsibility under its current staffing structure, including clearly defined roles, job titles, and responsibilities.
2. Site custodians and district maintenance staff should be informed in writing about whom they report to and who is responsible for evaluating their job performance.
3. All staff job descriptions should be reviewed and updated to reflect the new roles and responsibilities under the current or new organization structure. This information should be communicated in writing to all district staff.
4. The district should annually review job descriptions with staff so they clearly understand who they report to, what job duties are expected of them, and how their performance will be evaluated.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



6.7 Facilities Maintenance and Operations

Professional Standard

The LEA has an effective written preventive maintenance plan that is scheduled and followed by the maintenance staff and that includes verification of work completed.

Findings

1. The district does not have a board policy regarding the development of a preventive maintenance plan.
2. The district does not have a written preventive or routine maintenance plan that includes plans for annual site needs evaluation, ongoing painting, HVAC servicing, roofing, flooring, asphalt resurfacing, electrical upgrading, or plumbing repair.
3. The district does not maintain a schedule for repairing or replacing equipment.
4. The work-order system allows for the reporting of issues that require the Maintenance and Operations Department's attention. The acting head of the Maintenance and Operations Department assigns daily work orders to the maintenance staff based on immediate site needs and their own judgment of its urgency. There are no completed work orders that address preventative maintenance needs.
5. Under current Maintenance and Operations Department procedures, school site administrators must sign the work order to verify its completion before it is returned to the Maintenance and Operations Department. However, FCMAF found this practice to be inconsistent.
6. The district is implementing a new computerized work-order system; several employees have been trained on this new system.

Recommendations for Recovery

1. A board policy should be developed that requires the development and district approval of a preventive maintenance plan.
2. The district should develop a written comprehensive and proactive preventive maintenance plan that includes identified annual preventative maintenance projects, service intervals, long-term repair/replacement schedules, and costs as part of the overall fiscal recovery plan. The preventive maintenance plan should be reviewed and updated no less than annually. The district should provide annual budget allocations to support the plan.
3. The district should establish and implement criteria for evaluating the need for early or delayed replacement of equipment based on age, repair frequency, cost to repair, replacement cost, significance, and additional benefit (such as improved efficiency or

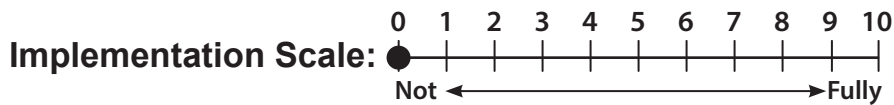
productivity to the district) and use the information to develop an ongoing equipment repair and replacement schedule. The district should regularly budget for the repair and replacement of necessary maintenance equipment.

4. The district should regularly schedule tasks in the work-order system that are for the purpose of preventative maintenance, such as changing of HVAC filters, or cleaning and repair of equipment. Work orders should be regularly reviewed and analyzed to identify recurring needs and incorporate them into the maintenance project planning.
5. Maintenance and Operations Department work order review procedures should be developed, written and communicated. The district should ensure that after a work order task is completed, it is reviewed and signed by both the employee performing the work and the site principal, as well as reviewed by the department head for timeliness, efficiency, and cost.
6. The district should continue to provide regular training in the new work-order system to all affected maintenance and site personnel to ensure its success.
7. Given the district's financial condition and the conditions of the facilities needing the most maintenance and repairs, it is difficult to effectively implement a comprehensive preventive maintenance program.
8. The district should regularly communicate with school site administration to help identify maintenance needs as early as possible.
9. Work orders should be regularly reviewed and analyzed to identify recurring needs and incorporate them into the maintenance plan.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



6.8 Facilities Maintenance and Operations

Professional Standard

The LEA has planned and implemented a maintenance program that includes an inventory of all facilities and equipment that will require maintenance and replacement. Data should include the estimated life expectancies, replacement timelines, and the financial resources needed to maintain the facilities.

Findings

1. The district does not maintain an equipment inventory.
2. The district does not maintain an equipment replacement schedule.

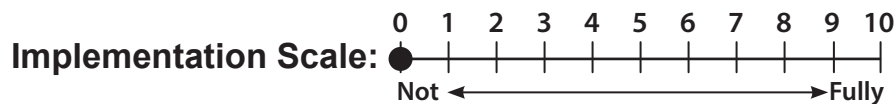
Recommendations for Recovery

1. The district should develop a comprehensive list of facilities data that contains relevant information on each district building such as its age; construction type; and the type, condition, and age of all building systems such as its roof, HVAC, flooring, electrical, plumbing, low voltage power, and computer network or Wi-Fi resources.
2. A comprehensive equipment inventory should be developed and maintained that includes the age, expected life, and replacement cost of all district equipment.
3. The district should develop a replacement schedule for all of the equipment in its inventory, including a list of funding sources for equipment purchased with federal funds. The district should annually budget for the replacement of necessary equipment based on the replacement schedule it develops.

Standard Not Implemented

July 2013 Rating: 0

July 2014 Rating: 0



6.9 Facilities Maintenance and Operations

Professional Standard

The LEA has a documented process for prioritizing and assigning routine repair work orders. The LEA has a work-order system that tracks all maintenance requests, the employee assigned, dates of completion, labor hours and the cost of materials.

Findings

1. The sites and departments submit work orders to the Maintenance and Operations Department using the district Track-It software system.
2. The work orders are printed and organized by a clerk in the Maintenance and Operations Department who prioritizes and assigns daily work orders to maintenance staff.
3. Upon completion of the work order, the work-order form is returned to the department clerk, who enters its completion date into a separate Excel worksheet specifically developed for tracking these work orders, and then files the work order.
4. School site principals and plant managers indicated the response time to their work order requests is often slow, and many are never addressed or responded to.
5. Work-order progress is not updated on the network system until its completion, so the sites cannot monitor work-order scheduling or progress.
6. Several new district principals are unfamiliar with the work-order system and therefore call the Maintenance and Operations Department directly to initiate work orders instead of entering information into the system.
7. The district is in the process of replacing the “Track-It” computerized work-order system with the new “Schooldude” system.

Recommendations for Recovery

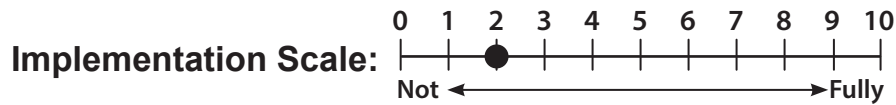
1. The district should implement and utilize the new Schooldude work-order system and fully utilize its capabilities for the maintenance work-order process.
2. The status of work orders should be updated more frequently in the work-order system to allow administrators and sites to regularly monitor their progress.
3. The acting head of the Maintenance and Operations Department should continue to prioritize the work orders based on their urgency regarding student health and safety, and ensure those priorities are followed by maintenance staff.

4. The district should continue and coordinate training for all maintenance personnel and site principals and clerks to understand how the new Schooldude work-order system will be utilized and to train all staff members in its use. Site needs and the current work order processes should be reviewed to determine if they can be improved.
5. The district should improve communication with site principals regarding the status of work orders that have not been completed in a timely manner.
6. The work-order system, and completed work orders, should be reviewed monthly and used to improve the accountability of maintenance school site workers, employee communications, and to obtain customer feedback from the sites.
7. The district should track the labor hours and materials used for each work order to analyze departmental effectiveness.

Standard Partially Implemented

July 2013 Rating: 2

July 2014 Rating: 2



7.2 Instructional Program Issues

Legal Standard

The LEA has developed and maintains a plan to ensure the equality and equity of all of its school site facilities. (EC 35293)

Findings

1. The district has no specific policy or plan that addresses the ensuring of equality and equity for each of its school site facilities.
2. Board Policy 7110 authorizes the development of a district facilities master plan based on district needs and aligned with the district's goals for the instructional program. The planning process allows for the establishment of a facilities advisory committee and ensures that the public is informed of the district's facilities needs and plans. The plan ensures that the facilities meet the minimum standards of 5 CCR 14001.
3. The districtwide facilities implementation master plan draft identifies projects at each district school site that will "provide the most appropriate learning environment for the 21st century," and make "a safe learning environment capable of using current and future technology."
4. Facility maintenance and improvement funds and resources are not distributed evenly or consistently throughout the district. Two school sites have been completely rebuilt and modernized while other school sites have not had improvements. The newly modernized sites have modern amenities, classrooms, and technology, while other sites have inadequate infrastructure and deteriorating facilities. Wireless Internet is not available at all sites.
5. In November 2012, the district passed Measure GG, which provides \$90 million for future construction projects. Measure GG bond language identifies all district sites as eligible for improvements including school site health, safety and security projects; renovation, repair, upgrade, and construction projects; wiring and technology for instructional support and effective learning projects; and other miscellaneous projects such as issues identified during construction, unforeseen conditions, rentals/leases, and other work necessary to complete such projects listed.

Recommendations for Recovery

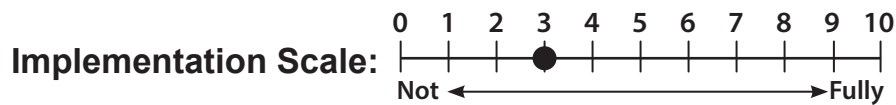
1. The district should consider developing and adopting a board policy to address equality and equity in the district's school sites.
2. Clearly defined minimum and desirable standards should be developed and adopted for district facilities, and facilities should be evaluated based on those standards.

3. The district should develop, adopt, and implement a plan to address facility equality and equity of school sites. This plan should identify the current status of school site facilities, projected facility needs, and actions needed.
4. In expending the bond funds from Measure GG within the scope of projects identified in the bond language, the district should organize and prioritize the projects so that all sites in the district meet minimum facility and equipment standards before using funds to enhance the school sites beyond the minimum standards.
5. The district should identify, coordinate, and budget available current and future funding resources to meet the facility equity and equality needs.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



7.4 Instructional Program Issues

Professional Standard

The LEA's grounds are appropriately landscaped and maintained to enhance an educational environment.

Findings

1. Though Board Policy 7000 states that the board recognizes its responsibility to provide for healthful, safe and adequate facilities that enhance the instructional program; however, evidence from around the district does not reflect that responsibility.
2. The district has a gardening staff that is scheduled to visit the sites weekly to maintain grounds, landscaping, and gardening. The gardener job description includes caring for plants, shrubs, hedges, flowers, and trees; helping keep assigned areas free from pests; preparing athletic fields for events; maintaining equipment; and performing other work as required.
3. The job descriptions list the gardener under general supervision and the mower under the direction of an assigned supervisor; however, the gardening staff receives little or no direction, supervision, or oversight based on FCMAT interviews. The district has a gardener/landscaping form to be signed by a site administrator when work is completed, but there is no indication that it is used.
4. Groundskeepers have their own equipment provided by the district; however, it is not checked out to individual employees or to gardening work crews. Some equipment is kept at the warehouse and must be checked out by the warehouseman, and some sites have their own equipment for grounds-keeping needs. There is no inventory of the district grounds equipment.
5. District sites vary greatly in their size and landscaping, with some sites covering several acres with a large amount of lawn and fields, while other sites have small lots with no grass or landscaped areas. Consequently, the sites receive different amounts of attention from the gardening staff, and the workload between gardeners is not balanced. FCMAT observed the grass play areas at some sites to be unkempt and overgrown.
6. As of the time of fieldwork, sites were staffed with a plant manager and custodian(s) whose site specific responsibilities include cleaning and upkeep of facilities and grounds. In addition, their duties included reporting and/or ensuring that staff corrects dangerous, unsightly or inefficient conditions.
7. A schedule provided to FCMAT included only a weekly schedule indicating which school sites the gardeners visit on a given day of the week. It did not indicate the specific responsibilities of any individual gardeners, or how much time they spend at the site.

8. The grounds personnel is unsupervised. In an interview with FCMAT, the acting head of the Maintenance and Operations Department indicated that they have little time to drive around the district to ensure that crews work at their scheduled sites.
9. Most site administrators and staff were unaware of the gardening schedule and were unable to identify when the gardening crew had last visited their site or were expected to return. Many sites rely on their own staff to maintain much of their grounds.
10. FCMAT visited sites that should have been mowed that day or the previous one according to the gardening schedule, but found no evidence of gardening staff activity. Neither the site staff nor administration knew the location and activities of the gardening crew.

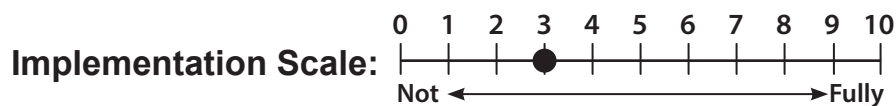
Recommendations for Recovery

1. The district should develop and adopt minimum standards for grounds maintenance.
2. A clear organizational structure and accountability should be established for the gardening crew, including scheduling, expectations, and reporting of exceptions.
3. The equipment and tools needed to perform grounds duties should be inventoried to determine which items are available and which need to be repaired, replaced or purchased. Employees should be responsible for the safekeeping and return of all equipment checked out to them. Based on standards, organization, and available resources, the district should evaluate staffing needs of each school site and adjust it accordingly.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



8.2 Community Use of Facilities

Professional Standard

The LEA has a plan to promote community involvement in schools.

Findings

1. Through Board Policy 1330 (a), the board recognizes that district facilities are a community resource authorized for use by community groups if they do not interfere with school activities. The district has made district facilities available to responsible organizations, associations and individuals of the community for appropriate activities.
2. The district received and approved numerous applications for use of school property to date in the 2013-14 fiscal year.
3. The district has hired an executive director for school/community relations and a community liaison who assists and supports the communications to the public of school facilities available for public use.

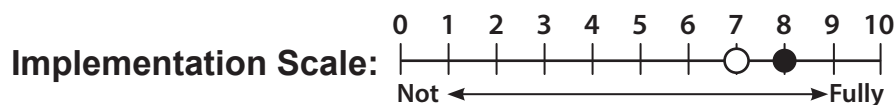
Recommendations for Recovery

1. The district should continue to facilitate and promote community use of facilities and should consider using the district Web page to communicate the availability of public facilities.
2. Use of facilities requirements and fees should be regularly reviewed to ensure that community use does not encroach on school resources and prevent the district from achieving its own established goals and priorities.
3. The district should maintain community use facilities in good condition.

Standard Fully Implemented

July 2013 Rating 7

July 2014 Rating 8



9.1 Communication

Professional Standard

The LEA fully apprises students, staff and community of the condition of its facilities and its plans to remedy any substandard conditions. The LEA provides access to its facilities staff, standards and plans.

Findings

1. The district communicates the condition of its facilities to the staff and community mainly through the School Accountability Report Card (SARC), which is available on the district website, but it is not up to date. For example, the SARCs on the website indicate under a section titled “Planned Improvements (School Year 2013-14)” that deferred maintenance funding has been budgeted for school improvements in the 2013-14 school year. This information is inaccurate since the state no longer funds the program, and there is no budget item for deferred maintenance in the 2013-14 budget.
2. The latest Facility Inspection Tool (FIT) forms are not available online for all sites.
3. The district no longer provides updates on the activities of the Measure K oversight committee at its regular board meetings because there have been no regular meetings of the committee in the past fiscal year to report on.
4. The district developed a draft districtwide facilities implementation master plan in July 2012 that was updated in October 2012, but indicated to FCMAT it is in the process of developing a new facilities master plan.
5. The district work-order system does not provide complete information on the status of work orders, and the district is in the process of implementing a new work-order system.
6. The district has added two new positions that focus on public and community relations and communications.

Recommendations for Recovery

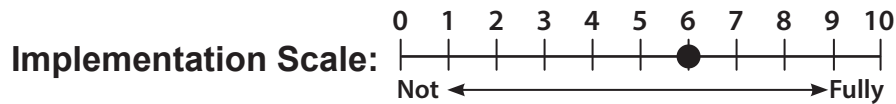
1. Information on the condition of school facilities contained in the SARC reports online should be reviewed and updated, including any proposed or planned improvements.
2. A procedure should be implemented to oversee the FIT and the SARC processes to ensure the information contained in the reports is gathered and reported accurately.
3. The district should consider providing a monthly facilities report on its regular monthly board meeting agenda to communicate facilities conditions and projects to the community of Inglewood.

4. The district should develop and adopt a new facilities master plan according to Board Policy 7110. Members of the public should be included in the development of the new master pan.
5. The district should continue the implementation of its new work order system, and ensure that all necessary employees are fully trained in its use and reporting capabilities.
6. The community outreach employees should incorporate the status for school facilities conditions and planned projects in their public communications efforts on a regular basis.

Standard Partially Implemented

July 2013 Rating 6

July 2014 Rating 6



10.1 Charter Schools

Legal Standard

The LEA meets the audit and reporting requirements of Proposition 39 as it relates to charter schools. (EC 47614; CCR Title 5, Sections 11969.1-11969.10)

Findings

1. Board Policy 7160 supports the access of charter school students to safe and adequate facilities. The district is required to make facilities available to eligible charter schools in accordance with law. These facilities are to be contiguous, furnished, equipped, and sufficient to accommodate students in conditions reasonably equivalent to those students attending other district schools.

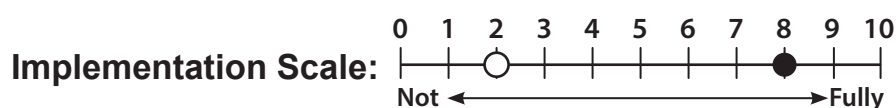
Recommendations for Recovery

1. The district should maintain compliance with Board Policy and Administrative Regulation 7160 supporting charter school facility needs requests.
2. The district should continue to consider facilities use requests from charter schools.

Standard Fully Implemented

July 2013 Rating: 2

July 2014 Rating: 8



13.2 Maintenance and Operations Fiscal Controls

Professional Standard

The Maintenance and Operations departments follow standard LEA purchasing protocols. Open purchase orders may be used if controlled by limiting the employees authorized to make the purchase and the amount.

Findings

1. The district indicated to FCMAT that it has implemented new purchasing procedures for the Maintenance and Operations Department that include the approval of the school plant manager and the director of fiscal services before the issuance of purchase orders. These procedures; however, have not been formally communicated in writing to the Maintenance and Operations Department.
2. The district has a budget of \$3.35 million for maintenance and operations materials, supplies and services.
3. There are many open purchase orders, but FCMAT was not provided with justification as to the scope of work that required the various open purchase orders. Evidence of what the open purchase orders had been used for was not apparent in the condition of the facilities.
4. The district warehouse supply inventory is purchased by the warehouseman and maintained on a computerized inventory system with LACOE.
5. The district utilizes a large number of open purchase orders in the Maintenance and Operations Department. Although Board Policy 3320 allows open purchase orders to facilitate the purchase of minor items, it also requires the maintenance of effective purchasing procedures to ensure that maximum value is received. Open purchase orders should not be regularly used.
6. The purchasing, supply requests, and inventory management processes are not clearly defined and monitored. Any site staff member can submit a requisition to the warehouse for materials and supplies; however, site staff indicated that their requisitions are not always filled as requested. The warehouse staff stated they determine the amount of supplies to provide based on previous orders, by the amount available, or based on what the chief operations officer approves, and often fill orders with a lesser amount than requested. The warehouse maintains a list of previous orders, but FCMAT observed no other system for monitoring supply usage by site or department.
7. School sites do not maintain a computerized inventory tracking of supplies they order from the warehouse. School site supplies are charged to a central district budget.

8. The 2009, 2010, 2011, and 2012 annual audit reports identified a lack of internal controls regarding purchasing and district expenditures. The audits reported instances where purchases were made without preapproval, proper supporting documentation, and that incorrect account coding was used. Some findings referred to specific transactions in the Maintenance and Operations Department.

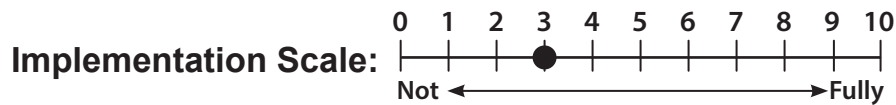
Recommendations for Recovery

1. All Maintenance and Operations Department purchasing procedures should be reviewed, rewritten, and communicated to the appropriate staff members. These procedures should outline the process for creating a purchase requisition and the steps necessary for its formal approval. The procedures should also identify and enforce clear purchasing lines of authority to ensure oversight of the procurement of maintenance and operations supplies.
2. Specific purchasing procedures for the purchase of warehouse supplies should be developed, including ordering authority and approval processes. The warehouse supply inventory should be continued to be maintained on the LACOE system and be counted and reconciled to the accounting system no less than annually at fiscal year-end.
3. The district should seek to reduce the number of open purchase orders in use by the Maintenance and Operations Department.
4. An accurate record of supplies ordered and inventoried at each site should be developed and maintained to help account for district resources. School sites should be required to pay for warehouse supply orders for their school site from site budgets and not from a central district-level budget.

Standard Partially Implemented

July 2013 Rating: 3

July 2014 Rating: 3



**Table of
Facilities Management
Ratings**

Facilities Management Standards		July 2013 Rating	July 2014 Rating
1.1	LEGAL STANDARD – SCHOOL SAFETY The LEA has adopted policies and regulations and implemented written plans describing procedures to be followed in case of emergency, in accordance with required regulations. All school administrators are conversant with these policies and procedures. (EC 32001-32290, 35295-35297, 46390-46392, 49505; GC 3100, 8607; CCR Title 5, Section 550, Section 560; Title 8, Section 3220; Title 19, Section 2400)	2	2
1.3	LEGAL STANDARD – SCHOOL SAFETY The LEA has developed a comprehensive safety plan that includes adequate measures to protect people and property. (EC 32020, 32211, 32228-32228.5, 35294.10-35294.15)	3	3
1.8	LEGAL STANDARD – SCHOOL SAFETY School premises are sanitary, neat, clean and free from conditions that would create a fire or life hazard. (CCR Title 5, Section 630)	2	3
1.9	LEGAL STANDARD – SCHOOL SAFETY The LEA complies with Injury and Illness Prevention Program requirements. (CCR Title 8, Section 3203)	1	1
1.15	LEGAL STANDARD – SCHOOL SAFETY The LEA maintains updated material safety data sheets for all required products. (LC 6360-6363; CCR Title 8, Section 5194)	1	2
1.16	PROFESSIONAL STANDARD – SCHOOL SAFETY The LEA has a documented process for issuing and retrieving master and sub-master keys. All administrators follow a standard organizationwide process for issuing keys to and retrieving keys from employees.	3	3
1.18	PROFESSIONAL STANDARD – SCHOOL SAFETY Outside lighting is properly placed and is monitored periodically to ensure that it functions and is adequate to ensure safety during evening activities for students, staff and the public.	5	5
1.20	PROFESSIONAL STANDARD – SCHOOL SAFETY The LEA maintains a comprehensive employee safety program. Employees are made aware of the LEA's safety program, and the LEA provides in-service training to employees on the program's requirements.	1	1
2.2	LEGAL STANDARD – FACILITY PLANNING The LEA seeks and obtains waivers from the State Allocation Board for continued use of any nonconforming facilities. (EC 17284-17284.5)	0	0

Facilities Management Standards		July 2013 Rating	July 2014 Rating
2.3	LEGAL STANDARD – FACILITY PLANNING The LEA has established and uses a selection process to choose licensed architectural/engineering services. (GC 4525-4526)	1	1
2.6	PROFESSIONAL STANDARD – FACILITY PLANNING The LEA has a long-range school facilities master plan that has been updated in the last two years and includes an annual capital planning budget.	3	4
2.8	PROFESSIONAL STANDARD – FACILITY PLANNING The LEA has a facility planning committee.	0	0
3.1	LEGAL STANDARD – FACILITIES IMPROVEMENT AND MODERNIZATION The LEA maintains a plan for maintaining and modernizing its facilities. (EC 17366)	2	3
3.3	LEGAL STANDARD – FACILITIES IMPROVEMENT AND MODERNIZATION All relocatable buildings in use meet statutory requirements. (EC 17292)	2	2
3.9	PROFESSIONAL STANDARD – FACILITIES IMPROVEMENT AND MODERNIZATION The LEA manages and annually reviews its five-year deferred maintenance plan and verifies that expenditures made during the year are included in the plan.	0	0
3.10	PROFESSIONAL STANDARD – FACILITIES IMPROVEMENT AND MODERNIZATION The LEA's staff are knowledgeable about procedures in the Office of Public School Construction (OPSC) and the Division of the State Architect (DSA).	2	0
4.1	PROFESSIONAL STANDARD – CONSTRUCTION OF PROJECTS The LEA maintains a staffing structure that is adequate to ensure the effective management of its construction projects.	1	1
4.2	PROFESSIONAL STANDARD – CONSTRUCTION OF PROJECTS The LEA maintains appropriate project records and drawings.	8	8

Facilities Management Standards		July 2013 Rating	July 2014 Rating
6.1	<p>LEGAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA is in compliance with requirement of the Williams case settlement. The governing board provides clean and operable flush toilets for students’ use; toilet facilities are adequate and maintained. All buildings and grounds are maintained. (EC 17576, 17592.70-17592.73, 35186; CCR Title 5, Section 631, Section 4683, Section 14030)</p>	3	3
6.2	<p>LEGAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA has established the required account for ongoing and major maintenance. (EC 17014, 17070.75)</p>	2	2
6.3	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA uses and maintains a system to track utility costs and consumption and to report on the success of its energy program in reducing the cost of utilities. An energy analysis has been completed for each site.</p>	0	0
6.4	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>To safeguard items from loss, the LEA keeps adequate maintenance records and reports, including a complete inventory of supplies, materials, tools and equipment. All employees who are required to perform custodial, maintenance or grounds work on LEA sites are provided with adequate supplies, equipment and training to perform maintenance tasks in a timely and professional manner.</p>	2	2
6.5	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>Procedures are in place for evaluating the quality of the work performed by maintenance and operations staff, and evaluations are completed regularly.</p>	2	2
6.6	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA has identified major areas of custodial and maintenance responsibility and specific jobs to be performed. Written job descriptions for custodial and maintenance positions delineate the major areas of responsibility for each position.</p>	2	2
6.7	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA has an effective written preventive maintenance plan that is scheduled and followed by the maintenance staff and that includes verification of work completed.</p>	0	0

Facilities Management Standards		July 2013 Rating	July 2014 Rating
6.8	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA has planned and implemented a maintenance program that includes an inventory of all facilities and equipment that will require maintenance and replacement. Data should include estimated life expectancies, replacement timelines and the financial resources needed to maintain the facilities.</p>	0	0
6.9	<p>PROFESSIONAL STANDARD – FACILITIES MAINTENANCE AND OPERATIONS</p> <p>The LEA has a documented process for prioritizing and assigning routine repair work orders. The LEA has a work-order system that tracks all maintenance requests, the employee assigned, dates of completion, labor hours and the cost of materials.</p>	2	2
7.2	<p>LEGAL STANDARD – INSTRUCTIONAL PROGRAM ISSUES</p> <p>The LEA has developed and maintains a plan to ensure the equality and equity of all of its school site facilities. (EC 35293)</p>	3	3
7.4	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL PROGRAM ISSUES.</p> <p>The LEA's grounds are appropriately landscaped and maintained to enhance an educational environment.</p>	3	3
8.2	<p>PROFESSIONAL STANDARD – COMMUNITY USE OF FACILITIES</p> <p>The LEA has a plan to promote community involvement in schools.</p>	7	8
9.1	<p>PROFESSIONAL STANDARD – COMMUNICATION</p> <p>The LEA fully apprises students, staff and community of the condition of its facilities and its plans to remedy any substandard conditions. The LEA provides access to its facilities staff, standards and plans.</p>	6	6
10.1	<p>LEGAL STANDARD – CHARTER SCHOOLS</p> <p>The LEA meets the audit and reporting requirements of Proposition 39 as it relates to charter schools. (EC 47614; CCR Title 5, Sections 11969.1-11969.10)</p>	2	8
13.2	<p>PROFESSIONAL STANDARD – MAINTENANCE AND OPERATIONS FISCAL CONTROLS</p> <p>The Maintenance and Operations departments follow standard LEA purchasing protocols. Open purchase orders may be used if controlled by limiting the employees authorized to make the purchase and the amount.</p>	3	3

Facilities Management Standards	July 2013 Rating	July 2014 Rating
Collective Average Rating	2.24	2.59

Sources and Documentation

Education Code

32001 Fire alarms and drills
32040 Duty to equip school with first aid kit
32280-32289 School safety plans
39834 Operating overloaded bus
46390-46392 Emergency average daily attendance in case of disaster
49505 Natural disaster; meals for homeless students; reimbursement
17292 Portable buildings

Board Policies

1000 Policies – Community Relations
3000 Policies - Business and Non-Instructional Operations
7000 Policies - Facilities

District-Supplied Documents

Collective bargaining agreements
Safety training logs
District safety plans
Custodial and maintenance staff duty schedules
District supplied review of facility conditions December 2012
Workers' compensation claims 2007 to present
Occupational Safety and Health Administration (OSHA) injury records
Post injury and training prevention programs
District MSDS records
Key issuance logs at school sites
Key issuance procedures and observance of number of master type keys for sites
Facility construction and modernization plans
Construction contracts and amendments
Current contracts for architectural services
Current contract for construction management services

Los Angeles World Airports (LAWA) sound mitigation application and analysis
LAWA applications
Board meeting minutes
Facility Master Plans created in July 2012 and October 2012
E-Rate reimbursable projects
District capital budget
Bond oversight committee meeting agendas and minutes
Facilities master plan (2012)
Routine restricted maintenance budget/expenses
Facility work orders completed and status of open repair requests
Periodic maintenance schedule work
Facility maintenance inspections
District list of portable buildings
The district's five-year deferred maintenance plan as last submitted to CDE in 2002
Fund 14, deferred maintenance fund
Correspondence from SAGE consulting
Requested documentation on charter school facility requests and charter facility agreement
School Accountability Report Cards (SARCs)
Annual independent audits, 2009, 2010, 2011, and 2012
Construction management reports
Measure K' Oversight Committee meeting minutes
LACOE facilities inspections tool (FIT)
LACOE follow-up reports on extreme deficiencies found on FIT
Work-order system
LACOE inventory control system
Inglewood fiscal recovery plan – Dated April 16, 2014
Maintenance Department open purchase order listing – Dated April 15, 2014
Application for use of school property – facility use requests
Inglewood Unified charter school petition guide
Charter school facilities use requests
School Accountability Report Cards – all sites
Los Angeles County Office of Education facilities inspection tool – Dated October 15, 2013

Inglewood Unified School District Maintenance Department work orders

Districtwide facilities implementation master plan draft – Dated July 20, 2012 / Oct. 2012

Measure GG voter ballot language

District gardeners' schedule

Warehouse inventory control sheets

Outside Sources of Information

Department of State Architect Project Tracker information on DSA website

Los Angeles World Airports (LAWA) board minutes from their web site

Sites Visited, including classrooms, offices and cafeterias

District Office

District Facilities Records Retention Room

District Maintenance Facility

District Warehouse

Inglewood High School

Morningside High School

City Honors Charter High School

Inglewood Adult School

Crozier Middle School

Monroe Middle School

La Tijera Academy Charter School

Woodworth Elementary School

Worthington Elementary School

Bennett-Kew Elementary School

Kelso Elementary School

Oak Elementary School

Hudnall Elementary School

Payne Elementary School

Centinela Elementary School

Parent Elementary School

Warren Lane Elementary School

Highland Elementary School

Interviews with district staff