

FCMAT

FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

CSIS California School Information Services

Inglewood Unified School District



Comprehensive Review

July 2013

Inglewood Unified School District

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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 south west of the city of Los Angeles. Inglewood Unified has an estimated 110,623 residents within district boundaries and serves approximately 12,000 students in grades kindergarten through 12 in the city of Inglewood and an adjacent section of unincorporated Los Angeles County (Ladera Heights). The district operates 10 elementary schools, two middle schools, two K-8 schools, two high schools, a charter high school, a continuation high school, a preschool child development center, and a community adult school. For fiscal year 2012-13, the district's average daily attendance (ADA) is approximately 11,300 students

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, 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.

The funds for the emergency appropriation (loan) to support cash flow in the Inglewood Unified School District were 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. During the period before the I-Bank bonds are sold, cash flow for the district is managed through temporary loans made from the state's general fund. With the passage of Assembly Bill 86, Statutes of 2013, the provisions requiring the district to enter into I-Bank financing were superseded by language that would authorize the district, through the California Department of Education, to request cash flow loans directly and permanently from the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.

In the first year of state takeover, the California Department of Education on behalf of the district has drawn 53% of the emergency state loan funding and has not made significant fiscal adjustments as was projected when the state loan was sized. 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 in order to be fiscally solvent.

Of the \$55 million authorized, the district has drawn \$29 million from November 2012 through February 2013, leaving a balance of \$26 million. The district's most recent general fund multiyear financial projection (which includes many components of the recovery plan dated June 20, 2013 subsequent to fieldwork) indicates that it will draw \$6 million during 2013-14 and the balance of \$20 million in 2014-15, and yet the structural deficit is projected to be \$13.6 million in 2013-14; \$14.1 million in 2014-15; and \$14.3 million in 2015-16. The district must reduce budget expenditures in the general fund to reduce the structural deficit immediately or the emergency appropriation will not be adequate to sustain the organization.

The state loan will have a repayment period of 20 years and includes an annual debt service payment, with principal and interest beginning in the 2014-15 fiscal year. The annual debt service payment cannot be calculated until the loan is refinanced and the interest rate is set;

however, the repayment of the loan will come from the unrestricted general fund. Fiscal recovery efforts are constrained by ongoing costs to the district's general fund to cover the annual debt service payment coupled with the current structural deficit. The district will need to make budget adjustments commensurate with the structural deficit including the additional loan burden to stabilize its current financial situation.

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 will serve 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 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.

The district's 2012-13 second interim report received a negative certification because of its reliance on the state loan and included a \$17.8 million operational deficit. After taking into account the \$29 million in draws from the state loan, the district ended the year with an \$11 million surplus and \$14.1 million in its reserves, equivalent to 11.8% of expenditures. No major expenditure reductions were identified in the 2012-13 fiscal year. Instead, this year was used to understand the full extent of the district's fiscal crisis and begin a recovery plan. Before the district was placed in receivership, it slowly and continually drew on its general fund balance. The district's 2012 audited financial statements showed a \$3 million deficit and reserves at \$2.6 million, 2.5% of expenditures which is below the state's mandated minimum of 3%.

The interim state administrator identified significant key expenditure reductions for 2013-14 that, when combined with anticipated revenue enhancements, are estimated to decrease the district's operational deficit to \$5 million to \$7 million, a reduction of more than \$10 million from the previous year's deficit. These estimates do not take into account additional revenue generated through the local control funding formula (LCFF) that was included in the July 1, 2013 state budget, and will enhance the district's revenue. However, under this scenario, the district would still rely on the additional, unused state loan proceeds to remain operational in fiscal year 2013-14.

Subsequent to this report being written (August 2013), the state trustee revised the planned expenditure reductions for 2013-14, which altered the estimated savings to the general fund. The full extent of the effect on the budget was not known at the time this report was written and will be discussed in the next progress report, which will be issued in the next fiscal year.

A significant reason for the district's fiscal decline is ADA, which decreased from approximately 16,320 in 2005 to 11,300 at 2012-13 or 31%. Management has identified several ways to increase ADA in future years such as adding transitional kindergarten students and expanding its dependent charter enrollment. The district's multiyear recovery plan, once developed, will need to identify multiple solutions to increase ADA in future years.

The district placed a \$90 million bond called Measure GG on the ballot on November 6, 2012, and won 86.1% 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 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.

Although the district is making progress, unless it can enter into negotiations with its collective bargaining groups and further decrease expenditures, the reductions made thus far, as well as any reductions in nonsalary and benefit categories, will be insufficient, and the district will be unable to achieve fiscal solvency.

The district has struggled with leadership issues for some time, both before and after state administration. It has had an interim state administrator since December 2012, and a permanent state trustee filled that position on July 1, 2013. There is a tremendous amount of unrest in the district for a number of reasons, most recently because of the high number of staff reductions that the interim state administrator initiated as part of the district's recovery plan. The reductions were necessary based on the district's fiscal status, and additional ones will be needed to achieve fiscal solvency. However, the community and staff continue to be dissatisfied with these reductions as well as the amount of time it took to select and appoint a permanent trustee.

The permanent state administrator, who will be called a trustee based on recent legislation, will have many critical roles and responsibilities. It will be 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; attract, retain, and train a quality teaching staff; and manage fiscal expenditures consistent with current and projected district revenues. FCMAT is 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 stable, appropriate leadership, implementation of a multiyear recovery plan, completion of successful negotiations, and improvement as reflected in the comprehensive review, the district remains in a precarious place.

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 adjust health insurance benefits, the long delay in naming a permanent state administrator, and the implementation of budget adjustments required to realign revenues with expenditures.

The district's current academic and financial status is critical and requires experienced leadership. The state administrator should identify a strong team of leaders to address the five operational areas of the FCMAT comprehensive report to review and prioritize the implementation of the district's recovery plan. No meaningful recovery can take place until an effective, permanent, cohesive, leadership team exercises control of the deteriorating situation and begins to develop relationships with those affected in the community.

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 to 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.

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 of 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 used are applicable to all California school districts. Independent and external professional experts from both the private and public sectors assisted in researching, identifying and categorizing the standards used in the assessment process. FCMAT monitored the use of the standards during the assessment to ensure that they were applied fairly and rigorously. This initial June 2013 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.

Prior to this 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. 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 administrator 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 continues to work on a number of the concerns addressed in this report and has thus made progress that is not reflected in this report. In addition, the 2013-14 state budget contained language allowing the state administrator title to be changed to that of trustee, allowing flexibility with certificated retirement provisions, and a permanent leader was chosen. Although the leader will now be called trustee, the role is unchanged and all legal authority

and responsibilities contained in SB 533 still exist. The change in title simply allowed a retired superintendent to be hired to fill the position without any change in retirement pay. Because this change occurred July 1, and FCMAT had already completed fieldwork and was in the process of finalizing this report, it is not noted throughout the report.

FCMAT acknowledges and extends its thanks to the interim state administrator, 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 Inglewood Unified School 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.

1. All elements of the standard are fully and substantially implemented and are sustainable. (Scaled score of 8)
2. All elements of the standard are fully and substantially implemented and have been sustained for a full school year. (Scaled score of 9)
3. 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 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:

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Leonel Martinez, FCMAT Technical Writer

For Personnel Management:

School Services of California, Inc.

For Pupil Achievement:

The Robert Bobb Group, LLC

For Financial Management:

Deborah Deal, CFE, FCMAT Fiscal Intervention Specialist

Julie Auvil, CPA, FCMAT Fiscal Intervention Specialist

Scott Sexsmith, FCMAT Management Analyst

Michael Ammermon, CPA, CFE

For Governance and Community Relations:

JKA Consultants

For Facilities Management:

John Von Flue, FCMAT Fiscal Intervention Specialist

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 prior to the appointment of the state administrator. It is important to note that the ratings indicate the district's status prior to the state administrator's arrival. Past performance and future plans are acknowledged, but were not considered in the application of FCMAT's rating rubric.

The assessment team began work in February 2013 and concluded in April 2013. The district has addressed some preliminary findings reported during the assessment and is benefiting from the assessment team's ongoing feedback. The district is also implementing some of the recommendations FCMAT has provided in communications related to special education requested by the interim state administrator in spring 2013.

Community Relations and Governance

The community relations and governance section of the comprehensive report assessed the district based on 20 FCMAT standards in six categories. The district received a mean rating of 1.05, with eight standards not implemented; and 12 standards partially implemented, with a rating of one through seven.

The information included in this report was obtained from several sources. Two members of the community relations/governance FCMAT study team attended a regular school board meeting of the Inglewood Unified School District on May 23, 2012, which was before the district received a state emergency appropriation as well as before the FCMAT comprehensive review was scheduled. In addition, the team reviewed documents, the district website, and on February 27 and 28, 2013, conducted interviews with an advisory board member, district and site administrators, teachers, parents, and community members.

Based on the findings of the February 2013 visit, the review team strongly believes that the Inglewood Unified School District lacks the capacity to provide effective leadership to set priorities, implement systemic reform, establish high expectations for student achievement, manage resources, ensure accountability, and align practices. Approximately 24 charter schools are located within five miles of the school district's boundaries, with the potential for more in the near future, causing continuing loss of revenue and high-performing students. The review team does not see an opportunity for the district to provide the proper education for students and reverse the educational decline until it has the appropriate leadership in place and specific components of the FCMAT Recovery Plan are implemented.

Communication

The California Department of Education assumed control of the district and assigned a state administrator in September 2012; however, that assignment lasted only until early December 2012 when the assigned state administrator resigned. An interim state administrator who was

initially hired to lead the Business Department in September 2012 has been assigned, but most of this individual's expertise is in finance, facilities, and risk management rather than in leading a district. The role of leading the Business Department has not been filled while she is acting as the interim state administrator, so she is filling both roles. Furthermore, this administrator's immediate leadership team consists of a minimal number of district-level administrators who have little or no experience in their leadership role and/or with the district. A successful district recovery is unlikely without a fully staffed and experienced leadership team.

From research and interviews, the review team did not find an effective communication plan or system or a professional relationship between the district office and school sites. Most administrators performed only basic functions and operated independently without communication or direction from district administration. During interviews, it became apparent that site leaders receive insufficient support and minimal direction from the district. The sites perceive that the district lacks direction, and staff members are uncertain about their future.

Site administrators and various staff are concerned that the district will dissolve, and students will be absorbed by one or more neighboring districts or charter schools. Interviewees believe that students are leaving the district because of misinformation about charter schools and the lack of academic rigor in grades seven through 12. The district's status and uncertain future concern parents and staff as well. Unfortunately, Inglewood Unified's future will remain uncertain, and it will continue operating in a dysfunctional manner without strong leadership and changes throughout the district.

Parents and staff indicated that there is top-down communication between the district, school sites and community. However, the review team saw no evidence that communication, whether it is the Tell-A-Parent telephone message system, newsletters or meetings, includes viable information or was consistently delivered. District leadership should emphasize effective communication.

Parent Community Relations

The review team found no evidence of a parent involvement plan and learned that each school operates independently. A common theme throughout interviews, but especially from parent group representatives, was that strong, experienced educational leadership is immediately needed throughout the district so that the declining enrollment, academic and facility needs can be addressed in conjunction with the FCMAT Recovery Plan.

The parents who were interviewed expressed concerns about the following:

- The safety of the school campuses. The parents indicated that only secondary schools have access to security officers on campus. Even when security is called at the elementary level, the response is delayed or limited.
- Larger class sizes, which affect the student discipline in classes and on campus.
- A 15% cut in programs, which affected many academic programs that previously existed.
- The lack of a permanent state administrator to ensure consistent, strong leadership.
- The district's future and the related unknown factors.

At the May 2012 board meeting attended by members of the FCMAT review team before the state takeover, parents and staff were vocal about board decisions and the misdirection of the district, and parents expressed the need and desire for a state takeover. It is incumbent upon the state to provide proper leadership and direction for the betterment of all students, staff and the community of Inglewood.

Community Collaboratives/District Advisory Committees

There is no evidence of any formal or informal collaboration with community agencies prior to state administration to address the educational needs of students. It is imperative for the new or existing administrative team to address community collaboration with all agencies, beginning with a communitywide needs assessment to determine the priorities for services.

Parent groups indicated that each school operates its advisory committees independently with little or no district direction. Parents do not receive the required and necessary training for their roles or involvement on district advisory committees, and the teaching staff indicated there is little involvement by parents with committees or on site as volunteers.

Policy

The district has operated with outdated board policies. The state administrator began to update these policies and align them with district standards and practice, and the interim state administrator has continued to update them. A review of recent board meeting agendas found that some policies have been updated; however, their adoption does not appear to influence current district practice. Staff members indicated that they were not informed that new policies were adopted, utilized or implemented. Further, some administrators still refer to and operate under the old policies. The state administrator and staff should update all policies with input and participation from all those affected. It is imperative for everyone to work from the same current and relevant policies.

There is also a critical need to establish an internal review and thoroughly explain the policies to site administrators and staff so that they can be implemented, communicated and followed in a consistent manner.

Board Roles/Boardsmanship

During interviews, employees indicated that prior to state administration, school board members had personal offices on the third floor of the district's adult education facility, received monthly expense allowances, and that district police drove them throughout the district. It was reported to the FCMAT study team that the board members utilized their authority to visit schools, where they created a feeling of uneasiness and intimidation and were known to advance their personal agenda. In the absence of effective leadership and clear communication, these visits added to the existing uncertainty felt throughout the district.

The perception seemed to be that board members acted individually to exert their authority rather than acting as a team and in the best interest of the district. Examples provided to FCMAT indicated that during board meetings, staff submitted recommendations for specific employee positions to be eliminated for various reasons, but the board members voted against it. Some interviewees expressed fear for their jobs and indicated that board members often extended their power by circumventing district administration instead of working through the proper chain of command. Staff members stated that school sites in the area where board members lived received

preferential treatment regarding facilities upkeep and equipment/supplies while other schools received little or no attention.

When the state takes over a district in fiscal crisis, the state superintendent of public instruction assumes all the legal rights, duties, and powers of the district governing board, appointing a state administrator who performs all the duties and responsibilities of the superintendent and governing board. By law, the governing board loses its rights, duties, and power, serving only in an advisory capacity. All decisions are ultimately made by the state administrator in conjunction with the state superintendent of public instruction. The board responds to the state administrator and usually discusses district business with the state administrator in a board meeting setting. However, the state administrator has final decision-making authority.

The Inglewood Unified School District governing board's status is advisory and will remain so until the superintendent of public instruction determines that the district has implemented adequate fiscal systems and controls and has met the criteria established by the state and the recovery plan, so the board's decision-making authority should be returned. Part of that decision will be made based on the improvement reached in the comprehensive study's five operational areas, which will be annually reviewed and scored.

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. Seven standards were not implemented; 21 standards were partially implemented, with a rating of one through seven.

Organization and Planning

The Inglewood Unified School 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, Administrative Regulation (AR) 4111 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.

Administrative Regulation 4111 also does not include a commitment to employing the most qualified individuals. The administrative regulations indicate that the personnel office is responsible for coordinating all recruitment and selection and for making recommendations of employment to the superintendent for approval by the board. However, district staff and school site leaders consistently reported that the board has been known to ignore employment recommendations as well as recommendations related to the non-reelection of certificated staff.

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 Human Resources Department (HR) has not developed an annual recruitment budget or recruitment plan. The department 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. Hiring managers provided conflicting reports about reference checking, indicating that these procedures are not clear or uniformly followed. Many reported that they did not know whether a standard form is used but believed that HR routinely conducted reference checks. Others indicated that as hiring managers, they routinely conduct reference checking, but have not been trained on nondiscrimination hiring procedures and do not know what reference checking questions are prohibited.

Induction and Professional Development

HR has a program of orientation and induction for new employees. Although a certificated employee handbook exists, it is not used. This handbook has also not been updated in more than five years and has not been distributed to new employees since it was last updated.

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 risks.

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 York Risk Services, Inc., its third-party administrator for Workers’ Compensation, to meet 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.

HR does not annually provide supervisors with a list of employees under their supervision and the date of their last evaluations, and the department does not inform supervisors of evaluations that are due during the current school year. The department has not informed supervisors of certificated and classified evaluation timelines, procedures, or criteria and has not provided annual trainings on effective evaluation techniques.

Certificated evaluation criteria are consistent with the Stull Act (Education Code Section [E.C.] 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

During fieldwork, the district's classified employees had submitted a petition to the interim state administrator on holding an election to determine whether to terminate the merit system. The election had just been held, but the results were unknown. In the past, the Personnel Commission rules have been applied in some cases but not others.

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.

Desk manuals and department operational manuals are essentially nonexistent. Many HR staff members are experienced, knowledgeable and comfortable with their job functions, but newer staff members could use additional training and resources in areas such as using desk manuals so that they can fully understand their job. 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.

Coordination between HR, Payroll, and Risk Management is largely left to chance. 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.

Position control manages 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. Position control in the district is thought to be the sole responsibility of Fiscal Services, so 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 improve efficiency and results.

Employee Services (Workers' Compensation)

The Risk Management Department is responsible for the Workers' Compensation program, but because of an employee's leave of absence, the function is partly performed by existing staff. The program should be more proactive in addressing employee needs and returning employees to work as quickly as possible.

Employer-Employee Relations

The district has historically not trained department and site administrators to implement the provisions of the collective bargaining agreements. The district also has not involved department and site administrators to assist in identifying issues with contract language and developing proposals for collective bargaining. The district does not estimate the impact of collective bargaining proposals on programs and services for students or on the district's finances before or during labor negotiations. The district should 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

The pupil achievement section of the comprehensive report assessed the district based on 31 FCMAT standards in six categories. The district received a mean rating of 3.23. All 31 standards were partially implemented, with a rating of one through seven.

FCMAT assessed the pupil achievement priority standards in the categories of planning processes, curriculum, instructional strategies, assessment and accountability, professional development, and data management/student information systems. To accomplish this, the team reviewed the many data sources provided by the district and visited all school sites.

An analysis of the data found the following:

- The district is in year three of Program Improvement (PI). The first year of PI implementation was in 2007-2008. The district did not make adequate yearly progress (AYP) in 2012, meeting only 12 of 26 AYP criteria. In 2011, it met its Academic Performance Index (API) and graduation rate.
- On the California Alternate Performance Assessment, the percent proficient and above was 1.3 in math and in English language arts (ELA).
- In the California Modified Assessment, the percent proficient and above was 2.5 in ELA and 2.4 in mathematics.
- The district did not meet its target percent participation rate in either ELA or math.
- The district did not meet its 2012 API minimum growth score of 740. The districtwide API is 719, a decrease of 12 points from 2011.
- The special education subgroup did not meet targets in percent proficient in either English/language arts or math. In fact, progress towards proficiency targets decreased by 1% in English/language arts and 3% in math from 2011 to 2012.
- When the individual schools (not including independent charter schools) were analyzed in 2012, Freeman, Hudnall, Kelso, Lane, Oak Street, Parent, Beulah Payne, and Worthington schools met the API criteria. Crozier Middle School met the 2012 API criteria. City Honors and Morningside high schools met API, and Hillcrest High Alternative Schools Accountability Model (ASAM) met the target API criteria.
- Lane Elementary met all components (ELA, math, and API). Only Lane met the criteria for ELA and/or math among all of the district's schools.

- The district did not meet any of its graduation target goals of 90%. (The graduation rate criteria: (1) met or exceeded the goal of 90%; (2) met the fixed target graduation rate; or (3) met the variable target graduation rate. Fixed and variable target graduation rates are calculated for local educational agencies and schools that have not reached the 90% goal).
- The 2012 cohort graduation rate (class of 2010-2011) was 77.37%, and the 2012 target graduation rate was 81.19%.
- In 2011, the district met its ELA criteria for grade span six-to-eight, but failed to do so in the other grade spans. In 2012, none of the criteria for the three grade spans were met.

The district mostly complies with the FCMAT professional and legal standards on paper, but in practice, it has not implemented many of the adopted policies and procedures.

For example, district board policies on construction (6000 series), budget planning and development (3100), philosophy, goals, objectives and comprehensive plans (0100, 0101, 0103, 0400-0440), accountability (0500-0520), meet the stated FCMAT standards/protocols for pupil achievement as written, even though many policies could be reviewed and updated. The updating of policies began in fall 2012 when state administration started and continues. However, there is a substantial gap between the written policies and their implementation.

Neither the culture nor the practices of the district reflect a continuing commitment to implementing systemic reform, innovative leadership or high expectations to improve student achievement and learning.

The district's written mission, vision, values and priorities, in practice, do not adequately focus on the achievement and needs of all students with the goals and actions of closing the achievement gaps and helping all students meet their full potential. Although the policies demonstrate a commitment to equally serving the needs and interests of all students, parents, and family members, in practice, this is not the case districtwide.

No effort has been made to evaluate the return on investment of categorical funds or determine whether they could be used in other ways to improve achievement. Although the district has policies (3000-3100) indicating that funding decisions should reflect educational goals, and budget spending priorities should reflect the district's vision and goals, there is no evidence that these guidelines are followed.

Teacher evaluations should be restructured to more clearly focus on student achievement and the approaches teachers take to foster it. Systems of support should be created and implemented to increase the ability of principals to build teacher instructional capacity.

The district provides an alternative means for students to complete the prescribed course of study required for high school graduation on paper, but a visit to all the classrooms at Hillcrest Continuation High School found that the quality of most teachers and the pedagogy used were marginal.

The district demonstrated correction of all noncompliance items from the Special Education Verification Review 2010-11; however, noncompliant findings have been identified through the California Special Education Management Information System in June 2012 (CASEMIS). The district has adopted systematic procedures for students with special needs. Written policies and procedures exist to ensure that special education processes are conducted according to federal and state laws. Some principals/staff report that programs for special education students 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 federal Individuals with Disabilities Education Act (IDEA).

Because of the district's history and culture of a lack of accountability, training should be provided for all special education staff, and particular attention should be focused on quality checks and assurances so that the district/staff continue to adhere to all newly installed policies and procedures.

The district has a written technology plan, but it should perform a full assessment of the progress towards implementing it. The Aeries student information system (SIS) provides access to student data, and Data Director provides student assessment data, but these two systems do 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 lacks full functionality because of limitations in the information technology staffing.

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.

Classroom observations and information provided by site principals indicate that teachers should improve their use of instructional strategies to increase students' engagement in learning activities and their ability to apply knowledge and skills to academic tasks. In most schools, principals do not appear to influence classroom practices to promote high levels of student engagement.

Across the district, expectations for English language learners should be clarified. The monitoring of both English language learners and reclassified students (R-FEP) should be increased to ensure that they continue to make academic progress.

Each school has been assigned a program improvement facilitator (PIF), but in some cases, the PIF appears to function more as an assistant to the 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, classroom teaching 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 of time for professional development, and consultants, but the impact of these investments is low. An evaluation and analysis of their effectiveness should be performed.

Considerable turnover in leadership positions and reductions in force have affected the schools. Some obstacles to school progress resulted from the past political issues of previous board members as well as a lack of informed and effective leadership/administration of past and some current central office administrators and principals. Principals have sometimes recommended the termination of ineffective teachers, but the former district board of education refused to take this action. These teachers are still in the classrooms and have shown little improvement.

Some staff members are ill-suited, ill-prepared or ineffective in their positions. As a result, several administrators and teachers have been moved from position to position and/or school to school. Most schools have high levels of employee absenteeism, especially at the middle and high school levels.

There is a need for communication and articulation among the principals.

The following represents a summary of major issues:

Accountability

There is a lack of accountability in all aspects of the district, including the school sites and the district office:

The teacher, principal, and central office administrators' evaluation criteria are not based on pupil achievement/performance measures.

- The district is not organized on specific priorities.
- The most current strategic plan is not meaningful.
- There is no instructional leadership training for principals.
- There is little follow-up to ensure that teachers utilize what they learn in their professional development activities and opportunities.
- Teacher evaluations are process centered, not based on metrics/outcomes or pupil performance indicators, such as standardized test scores, graduation rates, attendance, or suspension rates.

The district 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.

Curriculum

The schools have little exposure to and understanding of the Common Core state standards. Few teachers have attended the voluntary Common Core introductory professional development sponsored by the district.

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 data use by teachers is inconsistent. 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 of the pedagogy observed is devoted to teacher talk, use of worksheets, and few student responses other than group assents or one-word answers. Few examples of higher-order thinking were exhibited, and there was little analysis, synthesis, and application.

- 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.
- Many classes/teachers observed, especially on the secondary level, did not make full and effective use of the allocated time for instruction.

Classroom observations and information provided by site principals 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.

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 placement 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 students (R-FEP) to ensure that they continue to make academic progress.

Staffing and Leadership

In the past, the actions and inactions and behaviors of board members hindered the district as a whole and pupil achievement in particular. These prior issues continue to affect and shape the culture of the district.

The district has a long history of unstable and ineffective leadership. The first state administrator resigned in 2012 after serving in that position for only three months. The interim state administrator at the time of fieldwork (February 2013) was also the assistant superintendent of business. This arrangement is not helpful for the district or the individual staff member's long-term role in the district and should be remedied as soon as possible.

Some central office administrators are not well prepared or suited for their positions. It is important for central office administrators to have the necessary experience and the time, given their range of responsibilities, to be highly visible in the schools to lead the principals and attend to central office responsibilities.

The current organizational structure and staffing is neither effective nor efficient in improving pupil achievement and accountability. Therefore, significant changes should be considered

as soon as possible. Because of the district's fiscal crisis, all positions should be evaluated to determine whether they are necessary and cost-effective and to decide whether the individuals serving in those positions are suited to supporting the school sites and the district as recovery begins.

One administrator should be assigned to be directly responsible for leading, coordinating and evaluating the schools. To increase accountability, at least 85 percent of this administrator's time should be spent at the school sites.

In a budget environment that precludes adding new positions, the district should explore the possibility of rededicating several positions in other areas to meet this need. One of the district's greatest needs is coordinating, supporting, supervising and holding the principals accountable for school improvement in pupil achievement. A position or two should be directly responsible for the principals as a top district priority.

The role of central office administrators and their relationship to schools should be redefined. Accountability for student achievement for subgroups should be shared with principals and central office leadership, including subgroups such as special education and English language learners. The central office leadership should be more open toward the district's charter schools. To transform the district, it should consider creating its own charter schools. These will attract students and parents, encourage other schools to adopt some charter practices, and create an environment more open and welcoming to charter schools, which will lead to district transformation.

Many principals expressed deep disappointment with central-office-run meetings and indicated they are interested in principal collaboration at district meetings, not just receiving directives with no chance for input. A number stated they fear voicing their concerns.

Some principals are not suited for their roles/school and appear to lack ability or interest to lead instruction/teaching and learning to higher levels. This area should be evaluated and actions taken to ensure proper match and leadership qualities at the schools.

- A significant turnover of principals in several schools has not been conducive to improving pupil achievement.
- Attention to deadlines by those responsible for school-level staffing has been inconsistent, often affecting the placement of teachers in schools well into October of a school year.
- The principals regularly walk classrooms to varying degrees.
- The principals understand that there should be a relationship between the use of data and the use of Response to Intervention (RTI); however, little has been done to implement RTI.
- All the principals would benefit from coaching.

The district does not provide the principals with sufficient support and resources, including those for monitoring and supporting their own faculty. As a result, several principals have sought this elsewhere, specifically through professional development from the county office.

- Some teachers have been recommended for nonrenewal, but are still employed.
- Teacher attendance is inconsistent and problematic in some schools, and a lack of accountability hampers consistent levels of instruction by the assigned teacher.

- The value of the department chairs, selected by fellow teachers, is questionable.
- The effective use of school facilitators is inconsistent as well as the qualifications of those who serve in the position.
- Secondary principals do not have the authority to select their assistant principals.
- Crozier and Inglewood high schools operate with one less assistant principal than originally assigned. This has created problems with ensuring instructional leadership, supervision of teachers, and visibility in the classrooms.

School Environments

The district as a whole lacks high expectations, standards and rigor, indicating the need for a culture shift.

Although class sizes are generally conducive to learning, and most schools are clean and safe, many issues still exist. Some schools should be moved to different locations because of their poor overall physical condition. Because of low enrollment, some school sites could be closed and modified so other schools could move to those locations. For instance, the location, physical condition, and overall program of Hillcrest Continuation High School should be addressed as a top priority. In addition, City Honor’s location is substandard, preventing the school from being fully developed and successful. Although the staff at all but one elementary school has a reasonable relationship with parents, some schools are not welcoming to parents and other adults who do not speak English.

Professional Development

In the last few years, the district provided staff with training in a variety of strategies and topics, but it appears to lack a focused plan for professional development that is linked to a data-based need. Clear expectations should be established, specifying that staff members are expected to participate and implement the strategies taught. Supervisors should provide monitoring, support, and ongoing feedback to ensure that strategies are deeply implemented across the district. The professional development offered to teachers does not appear to have any underlying theory of action. Even with the resources devoted to professional development, the trained teachers do not consistently apply their knowledge.

Although School Improvement Grants have been used to provide staff with training on various topics such as Response to Intervention, the elements of effective instruction, the sheltered instruction observation protocol, and the Common Core state standards, the district does not have a protocol for tracking attendance, and attendance is not mandatory. Significant sums of money are budgeted annually for extra duty hours related to staff development, so payment for training time is available as a participation incentive. All teachers are invited to these trainings, but some do not attend, resulting in inconsistent training across the district. This could be in part because the training information is sometimes not provided in a timely manner.

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 1.19. Thirteen standards received a zero score – not implemented; 30 standards received scores of between one and seven – partially implemented; and no standards received a score of between eight and 10, indicating that none were fully implemented.

Budget, Accounting and Multiyear Financial Projections

In the last four fiscal years through 2012-13, school districts have experienced significant budget cuts as a direct result of the state's fiscal crisis. Inglewood Unified, like many other California school districts, has experienced the largest revenue limit deficits in state school finance history, significant reductions in categorical program funding, and several inter- and intra-year cash deferrals, of which Inglewood Unified was granted six exemptions. Although the district made more than \$20 million in budget reductions during the 2010-11 fiscal year, declining enrollment combined with additional state budget cuts and the district's inability to obtain an agreement with the bargaining units for further concessions in salary and benefits eventually caused it to become insolvent.

Funding for fiscal year 2013-14 will be based on the state's new local control funding formula, which replaces the current revenue limit funding formula for most of the district's unrestricted operating revenues. Under the new formula, the district will qualify for additional supplemental and concentration grant funding based on its high number of English language learners and disadvantaged youths. These new funds will be needed in addition to budget reductions to regain fiscal solvency.

The district's 2013-14 unrestricted general fund budget and multiyear financial projections (MYFPs) include deficit spending in fiscal years 2013-14 and 2014-15 and project a negative ending balance in 2015-16. The district has a significant amount of work to do to ensure that its budget is structurally balanced.

The chief business official is also acting as the interim state administrator. The district has continued to experience turnover in its Business Department. The former state administrator selected a replacement assistant superintendent of business services shortly after the state takeover in September 2012. After the state administrator resigned, the assistant superintendent of business began serving as interim state administrator and assistant superintendent.

The district created and filled a new position of business and fiscal services coordinator. This position is intended to replace the former director of fiscal services who retired and has been asked to mentor the coordinator. The interim state administrator requested that FCMAT assist this process. The district's budget technicians are assigned to handle categorical programs and have experience in that part of the budget process.

The Business Department has experienced significant administrative turnover in recent years. The district needs technical expertise to provide essential high-level fiscal analyses including multiyear projections, cash flow and budget development. In addition, the business division needs to continually update fiscal processes and procedures and provide accurate information to the state administrator; 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 without collaborating with the superintendent of public instruction (SPI). This agreement is the subject of potential litigation based on whether the state administrator had actual or apparent authority to enter into an agreement without the SPI's consent.

A review of November and December 2012 board minutes 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.

Negotiated concessions in all the collective bargaining agreements before the state takeover provided furlough days that will be fully restored on July 1, 2013 and will remain in effect pending the outcome of the disagreement with the teachers association.

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 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 or misappropriation of funds.

The district has made progress in updating its board policies, and a code of ethics has been adopted; however, many board policies and administrative regulations still need to be updated.

Student Attendance

Average daily attendance generates most of the district's funding; therefore, sufficient and ongoing training is crucial for employees who are responsible for attendance reporting. The district does not provide mandatory attendance training for school site personnel. FCMAT interviews with attendance personnel indicate that some employees have never been trained in attendance procedures.

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 does not exist. The district should develop a comprehensive district office and school site attendance policies and procedures manual.

The district has provided limited training opportunities to school site personnel who are responsible for enrollment, attendance and the California Longitudinal Pupil Achievement Data System (CALPADS) reporting. The new local control funding formula includes supplement and concentration grants based on information provided through the CALPADS reporting system. It will be imperative that the district ensure that staff responsible for this reporting function be highly trained.

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.

ASB handbooks or desk manuals are not available to employees throughout the district. Because of a lack of ASB training, school sites have developed ASB policies and procedures.

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

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 vacant. Many of the tasks that were assigned to the programmer are now 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. 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 human resource 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.

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.

Subsequent district visits by state representatives in May 2012, April 2012 and January 2013 indicated that competitive food sales continued. Based on the last 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 upon assurance that the district was in compliance.

Direct certification greatly reduces the time staff must spend manually processing free and reduced-price meal applications each year. 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. It will be imperative for the food service manager to be fully trained on the new requirements and understand the importance of maximizing student eligibility.

Special Education

During the first six months of the 2012-13 fiscal year, the district underbudgeted approximately \$1.3 million in excess cost billings from the county office for special education services, and did

not file for reimbursement related to extraordinary cost pool nonpublic school (NPS) students for the 2011-12 school year.

County office and NPS placements absorb a disproportional amount of the district special education budget. One factor is that the county office does not negotiate countywide rates for NPS special education placements. NPS and county office placements should be reviewed continuously for cost containment throughout the fiscal year.

Communication between the county office, special education local plan area (SELPA) and the district is critical to proper receipt, budgeting and monitoring of special education income and expenses. The chief business official and special education director rarely attend SELPA meetings. According to the county office and SELPA staff, no regular schedule is established, and meetings instead occur sporadically throughout the year.

Transportation

The district received minimal state funding totaling \$12,753 for home-to-school transportation during the 2011-12 fiscal year and has a relatively large unrestricted general fund contribution of \$790,840. In addition, the contribution for severely disabled/orthopedically impaired students was reported to be \$1,089,946 for the 2011-12 fiscal year. State funding accounts for 46% of actual expenditures, which exceeds the statewide average of 35%.

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 chose the pay-as-you-go method.

The district is self-insured for its workers' compensation program. A review of the district's annual injury detail report that includes workers' compensation claims as of January 31, 2013 showed that the district reduced the number of claims from a high of 221 in 2002-03 to 99 in 2011-12.

As of January 31, 2013, the district reports 58 workers' compensation claims filed. Extrapolating that number for a full fiscal year results in an anticipated total of 99 for the 2012-13 year. Sorting the data in the injury detail report by claimant shows that it is not unusual for an individual employee to have four to six claims during the 10.6 year history of the report, with a few reaching as high as 11 to 12 claims. One employee had nine claims and eight went to litigation.

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 2.24. Six standards were not implemented; 26 standards were partially implemented, with a rating of one through seven; and one standard was fully implemented, with a rating of eight through 10.

The Inglewood Unified School District serves approximately 12,500 students at 20 schools including one preschool child development center, four K-5 schools, six K-6 schools, two K-8 schools, two middle (6-8) schools, two high schools, one independent charter high school, one continuation high school, and a community adult school in the cities of Inglewood and Ladera Heights. Numerous other independent charter schools are also located in the district. The district

was unified in the early 1950s, and many of the 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.

The FCMAT facilities team observed all district sites and toured most of them during fieldwork visits. Interviews were conducted with selected district and site staff, including administration, maintenance, operations, and custodial personnel. In addition, the team requested and reviewed documentation to verify and support the facility standards.

School Safety

The district lacks consistency and thorough implementation of its safety programs and safety compliance. The district also does not have a fully developed and implemented injury and illness prevention program or a comprehensive employee safety program. Employee safety training is insufficient, and the district should develop and provide it to all applicable employees. The training should include school safety plans, hazardous materials including blood-borne pathogens, injury illness and prevention plans, and work place safety.

School sites have school safety plans; however, these plans lack consistent implementation, were not recently updated and approved by the school site councils, and staff training is inadequate. Most classrooms observed during fieldwork lacked an emergency evacuation map or other postings required to comply with the Uniform Complaint Procedures (UCP) and Williams Act.

The district is in general compliance regarding fire extinguisher condition and placement. However, it does not comply with the required fire/emergency drills since they do not occur regularly at all school sites. Further, many emergency devices reportedly did not operate at several school sites. The district lacks a campuswide inventory of hazardous substances and was unable to produce adequate records of distributing material safety data sheets (MSDS) to all appropriate areas.

During site visits, the science laboratory chemical storage rooms at the high schools were locked and inaccessible to students. However, inside these rooms, the chemicals were unlabeled and kept on cluttered shelves and counter tops. Special fire resistant metal storage units were present but not used, and the safety eye wash and shower units inside the classroom laboratories were nonoperational.

Staffing Structure

The district staffing structure for facilities lacks organization and accountability. The staffing for the management and oversight of facilities construction includes three individuals: a manager and two support staff. The staffing for management and oversight of facilities maintenance and operations includes only a field coordinator. There is no formal organization chart for the Facilities and Maintenance departments, and issues exist regarding chain of command, roles, and evaluation responsibilities. In some cases, school site principals believe they have the authority to direct the work of custodians and complete their evaluations, but at other sites, principals believe that this is not their responsibility. The district has also utilized many long-term substitute employees as custodians who were never evaluated because the position lacks identified responsibility, yet they have worked in the district for long periods of time. The district should develop and implement a new organization structure with clearly defined roles and job descriptions for the Facilities and Maintenance departments.

Facility Planning

The district has been effective in organizing facilities records and, through construction management services, overseeing bond construction and modernization projects.

The district has a long-term facility plan created in October of 2012. The facility plan agrees with the spending amount allocated in Measure GG, a recent voter-approved school construction general obligation bond of \$90 million. The district has not applied for and included the potential of E-Rate funding in any of its facility projects, which could provide additional technology infrastructure support.

The district is also relying on approximately \$118 million available from the Los Angeles World Airports (LAWA) for sound mitigation modernization at most school sites; however, at the time of the FCMAT fieldwork, there was no evidence that it had completed the application process to secure these funds. More than \$7 million in architect fees were spent on developing plans to use the LAWA funds, but there is no indication that these plans were submitted to the Division of State Architect (DSA) or coordinated with LAWA to receive project approval.

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 as well as a preventive maintenance schedule for air conditioning units, emergency exits signs and vehicles. The district transferred resources in the deferred maintenance fund to the general fund according to the flexibility options approved by the state budget leaving approximately \$23,000 in the deferred maintenance fund.

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

No information is maintained on the existence of nonconforming facilities, and the district could not confirm or deny their existence. Since the district lacks the expertise in this area, it should hire a consultant to review existing facilities and identify any of these buildings.

Facilities Maintenance

The district has considerable issues regarding facilities maintenance. A proactive plan has not been developed for routine and deferred maintenance projects, and most needed maintenance projects are completed with Measure K funds. The district should develop more comprehensive maintenance plans.

No system exists to track utility costs and energy use, and the district no longer uses its system energy management system. Energy analyses have not been completed for any district sites. Energy efficiencies and cost savings should be considered and sought when prioritizing facilities maintenance.

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

Most of the Maintenance Department's time is spent completing work orders, which are initiated by school sites and assigned by the district field coordinator. As currently utilized, the system does not provide requesters with access to information regarding the status of their work requests. Work order status is not regularly updated, and most site principals do not know what work is being done at their campus and when it is scheduled. The priority given to outstanding work orders cannot be determined, and some site principals and plant managers are frustrated with the ongoing uncertainty over when their maintenance and repair needs will be addressed. Maintenance personnel have no established duties or routines to provide regular preventive maintenance. To improve communication and openness, the district should expand its use of the computerized work order system and provide the related training throughout the district as well as regularly update the information this system contains.

Facility Equitability

District school sites and facilities 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 poorly maintained. Sites with newer facilities provide greater access to technology for classroom and student use. In addition, there is great disparity between site size and landscaping, with some sites having no lawns and no access to fields while others have large grass field areas for athletics and recreation.

The City Honors College Preparatory Charter School is next to Inglewood High School and, unlike other district sites, is composed entirely of portable classrooms. Although separated by fencing, the charter is given access to the athletic fields and recreational areas of Inglewood High School because it does not have enough property of its own.

Community Access and Communications

The community receives access to school facilities and grounds. The district also allows various teams to use their fields, provides access to rooms and auditoriums for community gatherings, and regularly opens its track and field for community exercisers. The district regularly communicates the conditions of its facilities and progress with its bond projects to the public. However, the required facilities inspections reports per the Williams Act are not accurately reported on the district accountability report card (DARC) and the site accountability report card (SARC) as required. In addition, the district work order system is not fully utilized to allow facility issues to be reported, tracked, and assigned, and for the status of these repairs to be communicated.

The district provides facilities for its one dependent charter school, City Honors College Preparatory Charter School, and appears to comply with charter school facilities access since no documentation was found indicating that additional charter schools requested and/or were denied access.

Community Relations and Governance

1.1 Communications

Professional Standard

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

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the district classified staff
4. Interview with the board president
5. Interview with site administrators, staff, teachers
6. Interview with parent groups
7. Interview with the charter school liaison
8. Review of board policies
9. Review of district website

Findings

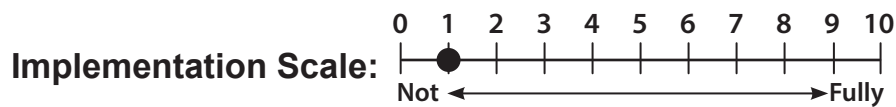
1. Board policies indicate the district has a plan for communication. (BP 1100A – Communication With The Public)
2. Interviewees reported that they are unaware of a communication plan, and that in practice, the district does not follow a plan or the board policy outlining one.
3. Internal and external communications are not linked to a district plan.
4. Because of ineffective external communication, there is great uncertainty about the district's direction.
5. Several interviewees indicated that communication is mostly top-down, with minimal opportunity for two-way communication.
6. Interviewees reported that ineffective communication has created fear and insecurity among staff at all levels.
7. The district eliminated the position of public information officer.

8. Some, but not all, schools post newsletters on the district website.

Recommendations for Recovery

1. With direction from the state administrator, the district should develop, implement, and monitor a newly designed communication plan that includes input from all those affected.
2. The district should consider hiring an independent public information/marketing research firm to help develop a comprehensive plan of communication if an employee cannot be identified to assume this important responsibility.
3. At a minimum, the comprehensive plan of communication should include:
 - The state administrator should establish a regular, pertinent system to communicate with the administration, school sites (classified and certificated), and the community/parents.
 - Administrators should use this model to communicate with their staffs.
 - The state administrator should be available to the staff and community so that communication can regularly flow in both directions.
 - The state administrator should assure all staff and community/parents that communication is critical to student success.
 - A district employee should be identified to be responsible for implementing the communication plan internally and externally.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the district classified staff
4. Interview with the board president
5. Interview with site administrators, staff, teachers
6. Interview with parent groups
7. Review of the district website

Findings

1. Interviewees indicated that they are unaware of a communication plan, and the district does not follow a plan of this type even though it is outlined in board policy.
2. Information is not communicated to the staff at all levels in an effective and timely manner.
3. The review team found no evidence of the opportunity for two-way communication between the staff and administration.
4. Although administrative meetings are held, there is little evidence of the opportunity for two-way communication.
5. FCMAT found that there is a lack of trust between the administrators and the district.
6. Interviewees report that although parent surveys are performed, the results are not communicated and therefore do not appear to influence the direction of the district. Furthermore, no comprehensive examination of the district's systems and culture has been undertaken. The district would benefit greatly from an examination of the extent to which the district's systems and practices reflect board policies and affect district culture. Interviewees indicated that a negative and disjointed culture exists, with the perception that the district does not invest in its employees. Many feel unsupported and consider

their employment with the district as merely a job and not a career. Employees stated that the district's current situation seems to be of minimal importance to leadership, and they expressed a desire for an assessment of district culture and a responsive effort for improvement.

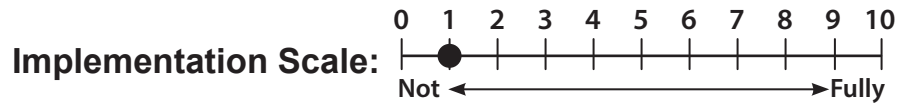
7. The interim state administrator meets regularly with site administration, but these meetings are largely informational.
8. There is minimal communication between sites and a need for a clearly communicated district plan for the future.
9. Most employees interviewed are concerned and uncertain about the district's current and future situation.
10. Interviewees indicated that most communications come from the sites and little to none from the district office.
11. The district Web page is not easily accessible and is not "aesthetically pleasing," according to those interviewed. This was also the perception of the study team.
12. Interviewees indicated that district focus changes with the turnover of each administration
13. The telephone communication system is not used consistently to inform parents of activities and events.
14. Although local newspapers are willing to publish school information, the district does not use this opportunity to inform the community of positive activities in the district.

Recommendations for Recovery

1. The district should assign an effective, permanent, experienced state administrator who can develop and communicate a district blueprint for communication.
2. The district should hold productive, meaningful administrative cabinet meetings that include district and site administration and the state administrator.
3. The state administrator should establish regular site administrative meetings.
4. Administrative meetings should include relevant and useful topics that are suggested by administrators before the meetings.
5. The state administrator should make regularly scheduled site visits so administrators have one-on-one time with the state administrator.
6. Two-way communication between district and site administration should be established because it is essential to the district's success.

7. The district should ensure all those affected are informed, included, and provided with an opportunity for input.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of the district website

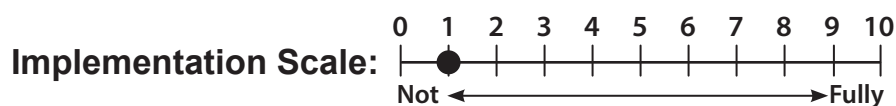
Finding

1. Because of the lack of effective communication, many of those interviewed indicated that rumor and speculation are common regarding the district's status; however, it could not be determined whether unauthorized personnel speak on behalf of the LEA.

Recommendations for Recovery

1. The district needs effective leadership to develop the blueprint for communication, which should include comprehensive and strategic internal, external and two-way communication.
2. The state administrator should establish a single spokesperson to represent and speak on the district's behalf.

Standard Partially Implemented



2.3 Parent/Community Relations

Legal Standard

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

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of the district website

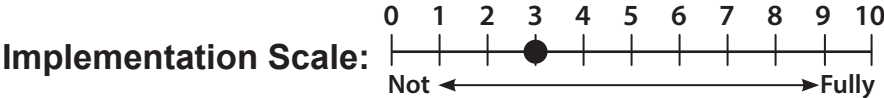
Findings

1. New law (Assembly Bill (AB) 1575) mandates the use of uniform complaint procedures for resolving complaints of alleged violations of law, which 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 at <http://iusd.net>. Board Policy and Administrative Regulations 1312 were revised on October 24, 2012. The appointed state administrator at that time had adopted the new uniform complaint procedure policy. However, the recently revised policies and regulations do not reflect the new requirements outlined in AB 1575. The district website's parents/community tab also provides a link to a uniform complaint procedure form in both English and Spanish.

Recommendations for Recovery

1. The district must update the current Uniform Complaint Procedure to reflect the requirements outlined in AB 1575.
2. Policy reflecting current law should be provided to all sites, communicated to parents and available for use.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administration
3. Interview with classified employees
4. Interview with the board president
5. Interview with site administrators, staff, teachers
6. Interview with parent groups
7. Review of the district website

Findings

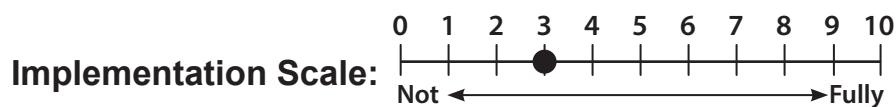
1. The district has citizen advisory, school connected, and volunteer policies. However, online links to these policies indicate that they have not been revised or updated since 2007.
2. The district and schools have implemented strategies to involve parents and community members. Interviewees indicated that there are advisory committees, especially those for English language learners, which are required for compliance.
3. Advisory committee meetings are held, but they are often poorly attended and do not represent all segments of the parent community.
4. The district has the means for parents to be involved in their child's education. The district's website has a "parent connect" link leading to information about local community resources, college preparation, enrollment, the Inglewood Educational Foundation, filing complaints, high school parents and students, specialized support services, the PTA, parents empowering parents, student activities and organizations, and other resources.
5. The district has a parent involvement center and encourages this involvement through volunteering. After 15 hours of volunteering, the district helps parents and volunteers by paying for the cost of fingerprinting.

6. Through the district’s parent portal, parents may create an online account to access teacher information as well as their child’s grades and attendance.
7. The district has an active 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. Current board meeting agendas indicate the acceptance of monetary donations.
8. Some, but not all, school sites inform parents through newsletters.
9. The district currently has a Parent-Teacher Association (PTA).
10. Interviewees were unaware or did not mention many opportunities for parent involvement that were listed on the district website.
11. Interviewees indicate that while there are opportunities for parent involvement, actual participation and involvement may not be at the desired level.

Recommendations for Recovery

1. The district should survey parents regarding their opportunities for parent involvement.
2. Parent involvement initiatives should be reviewed and revised.
3. The district should seek equity for parent involvement at all sites throughout the district.
4. The district should clearly communicate and provide incentives for parent involvement activities.
5. The scope of involvement of the parent involvement center should be expanded to encourage all avenues of parent participation.
6. The district should ensure that parental involvement extends beyond compliance so that high-quality partnerships with the goal of improving student achievement exist throughout the district.

Standard Partially Implemented



2.8 Parent/Community Relations

Professional Standard

Board members are actively involved in building community relations.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with district administrative staff
3. Interview with the classified employees
4. Interview with the board president
5. Interview with site administrators, staff, teachers
6. Interview with parent groups
7. Interview with the charter school liaison
8. Review of the district website

Findings

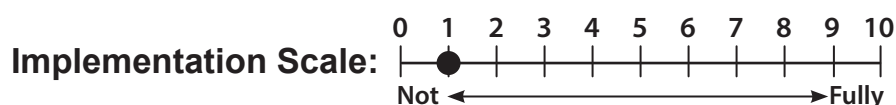
1. Individual board members have strong connections to particular segments of the community, community organizations, and community churches.
2. Some board members have lived in the community for a long time and attended district schools.
3. Board members are elected at large, not by trustee areas.
4. Interviewees indicated that not all board members live within district boundaries, although FCMAT was unable to confirm or deny this information.
5. A review of the district policies indicates that many have not been revised in more than five years and that many policies and administrative regulations are not followed
6. Some board members have a contentious relationship with each other, community members, city officials, and the media.
7. Interviewees indicated that the district and city of Inglewood have a strained relationship.
8. Some of those interviewed believe the board favors some groups, schools, and charter schools and that the allocation of resources is inequitable.

9. Interviewees indicated that each board member maintained a personal office in a district facility and was driven to various locations by the district police prior to the state takeover.
10. Some employees perceive that board members micromanage district operations and promote a personal agenda.
11. Interviewees indicated that some board members create fear among staff members and that they exhibited unpredictable behaviors and decisions. It was reported that board members visit school sites to advance personal agendas, adding to the existing uncertainty in the absence of strong district leadership. The perception was that board members acted individually in exerting their authority, causing intimidation and uneasiness. This led to some employees fearing for their jobs and board members circumventing district administration.
12. The district has a history of mistrust, infighting, nepotism, mismanagement, and unkept promises, according to some of those interviewed.
13. An interview with a representative from one of the district's independent charter schools indicated that there is no memorandum of understanding (MOU) between the charter and the district, and the two entities have not communicated for nine years.

Recommendations for Recovery

1. Board members should adhere to their defined role and refrain from becoming involved in the day-to-day operations of the schools, whether in their current role as advisory board members or when they once again govern the district.
2. Board members should make it a priority to build positive relationships with all segments of the community and charter schools.
3. Board members should support community partnerships that would provide additional resources to the schools and students.
4. Board members should model positive professional behavior at all times.
5. MOUs should be established between all charter schools, and the district and positive communication should exist.

Standard Partially Implemented



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. (EC 52852.5, 64001)

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of board policies
7. Review of the district website

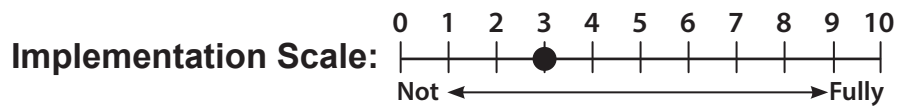
Findings

1. The interim state administrator revised and approved board policies on school site councils and a single plan for student achievement on February 20, 2013.
2. The interview team was unable to determine the effectiveness and impact of the newly adopted policies on the function of school site councils.
3. Interviewees indicated that all schools have school site councils.
4. Although parents participate in school site councils, meetings are often poorly attended.
5. The interview team requested, but was not provided with school site council agendas to determine council input into the development of the single plan for student achievement.
6. Single plans for student achievement were not available for the interview team although they were requested.

Recommendations for Recovery

1. The district should continue to update and implement all policies that relate to establishing school site councils at all sites.
2. The state administrator should provide direction to site leaders on how to develop, agendize, and conduct meetings, and report school site council information and input.
3. Site administrators should be made aware of and receive training in how to complete a single plan for student achievement that aligns with district goals.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of the district website

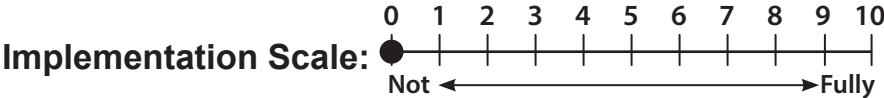
Findings

1. Interviewees were unaware of any committees or councils that existed to advise or provide input to the district on critical issues and operations.
2. Those interviewed indicated that the district is “regrouping” in relationship to this professional standard.

Recommendations for Recovery

1. The state administrator needs to establish committees and councils to provide input to the LEA regarding critical issues and comply with this professional standard.
2. The state administrator should ensure that committees and councils reflect the full cultural, ethnic, gender and socioeconomic diversity of the student population.

Standard Not Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of the district website

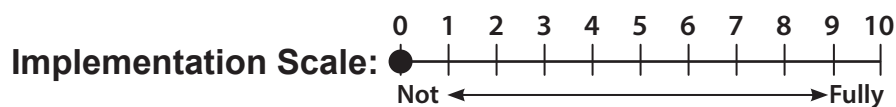
Findings

1. Interviewees were unaware of any training provided to advisory council members to help understand their responsibilities or reporting requirements.
2. Interviewees indicated that with the change in district leadership, the district is “regrouping” and “reprioritizing.”

Recommendation for Recovery

1. The district should provide stable leadership to develop and train collaborative and council members in their responsibilities regarding programs, processes and responsibilities.

Standard Not Implemented



4.5 Policy

Professional Standard

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

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with district administrative staff
3. Interview with board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of board policies
7. Review of district website

Findings

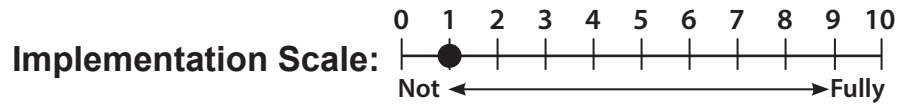
1. Some board policies posted on the district website indicate that they were recently revised.
2. Although there are adopted board policies, the board sometimes does not follow them, and there is little structure, few guidelines, and minimal accountability.
3. In the past, the board has voted to retain teachers who have been recommended by staff for non-reelection.
4. Teacher evaluations are not performed consistently; classified evaluations are not completed at all. This is in conflict with board policy as well as employee contract provisions.

Recommendations for Recovery

1. The district should review and update all board policies and communicate updates and changes to all staff.
2. The state administrator should ensure that board policies are current, available, and provide the district with direction and guidelines for decisions and behaviors.
3. All board members and staff members should adhere to and be accountable for following board policies and administrative regulations.

- Staff evaluations should be completed consistently and per employee contracts and board policy.

Standard Partially Implemented



5.1 Board Roles/Boardsmanship

Legal Standard

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

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the board president
3. Review of board policies
4. Review of the district website

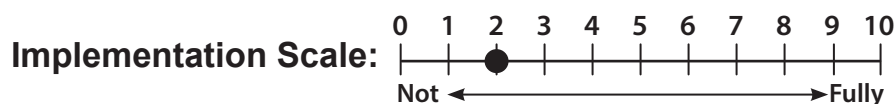
Findings

1. Education Code 35107 requires board members to meet the following criteria to be eligible for the position:
 - (1) Be 18 years of age or older
 - (2) Be a citizen of the state
 - (3) Be a resident of the school district
 - (4) Be a registered voter
2. Some interviewees indicated that not all board members meet the requirements listed in EC 35107, especially the section stating that board members must be residents of the school district.

Recommendation for Recovery

1. The state administrator should ensure that all trustees meet the Education Code requirements to serve as members of the board.

Standard Partially Implemented



5.2 Board Roles/Boardsmanship

Professional Standard

Board members receive necessary training to better fulfill their roles.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the board president
3. Review of board policies
4. Review of the district website

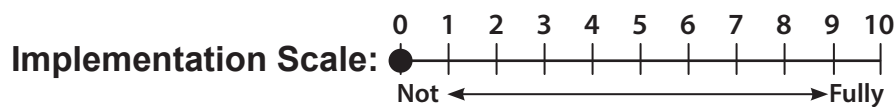
Findings

1. The board operates in a dysfunctional manner, emphasizing personal agendas as observed by two team members at a regularly scheduled meeting on May 23, 2012 and based on information from interviews.
2. Committee members observed a board that was totally disconnected from the responsibilities of board membership.
3. Board members demonstrate little respect or regard for each other or for the district.

Recommendations for Recovery

1. The state administrator and staff should model professional and appropriate behavior for the advisory board in preparation for returning authority to the board.
2. Training should be provided to the advisory board in preparation for returning authority to the board.
3. Until authority is returned, the board should self-monitor and annually self-evaluate.

Standard Not Implemented



5.3 Board Roles/Boardsmanship

Professional Standard

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

Sources and Documentation

1. Interview with the interim the state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Review of the district website

Findings

1. The district website includes the following:

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.

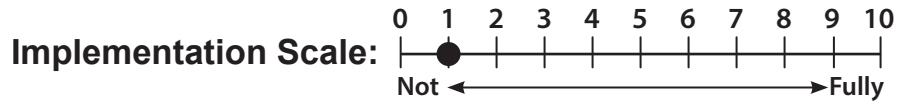
2. There is no indication of when the purpose, mission, vision, and objectives were developed, or who was involved in the process or provided input into the outcome.
3. There is little evidence that the purpose, mission, vision, and objectives form a blueprint of action for the district.
4. Despite millions of dollars spent on contracts for curriculum support in the last two years, interviewees indicated that there is a lack of investment in training district personnel.
5. Those interviewed stated that the district is ineffective and has had little to no focus on student achievement for years.
6. Interviewees indicated that district resources are not equitably distributed among elementary and secondary sites.
7. Schools are in need of materials and supplies, and teachers should be provided with professional development, according to those interviewed.
8. Employees indicated that the district lacks the infrastructure to support technology, and existing hardware and software is outdated, receiving little to no repair.
9. Many students leave the district to attend one of the many charter schools located within and surrounding district boundaries.
10. There is no communication between the charter schools and the district and little to no oversight of charters by the district.
11. In some cases, no current MOUs between the district and charter schools are on file.

Recommendations for Recovery

1. The board should work with the state administrator to develop a vision and mission focused on student achievement and improving instruction through professional development.
2. The vision and mission should be communicated and publicized to all those affected to promote openness and provide support.
3. The district's vision and mission should provide a focus and a direction to support student programs and promote academic achievement.
4. The state administrator should develop a cohesive plan for the maximization and allocation of resources to support programs, materials and technology.
5. The district's vision and mission should be regularly reviewed using a process that includes input from staff, parents, students, and community members.

6. Communication between the charter schools and the district should be increased, and district oversight should be provided for charter schools.
7. Current MOUs between the district and charter schools should be developed and be on file at the district office.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups

Findings

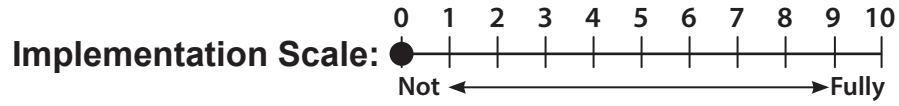
1. At the regularly scheduled district board meeting on May 23, 2012, some individuals, both community attendees and staff members, demonstrated disrespect and intolerance of individual board members' opinions and direction for the board meeting/district.
2. During the May 23, 2012 board meeting, district business was not discussed because the board president abruptly adjourned the meeting before business was discussed.
3. This behavior left the district administration unaware of how to proceed with the district's daily business.
4. Community members threatened board members during the public comments portion; this required a heavy police presence.

Recommendations for Recovery

1. The state administrator needs to model appropriate, professional behavior for the advisory board of trustees (formerly the district's governing board members).
2. The advisory board should work cooperatively with the state administrator to learn and experience the acceptable procedures and operation of a board meeting.
3. The advisory board should receive appropriate training in all aspects of boardsmanship.
4. This training should be required of all present and future advisory board members.

5. The state administrator and advisory board should work cooperatively in addressing and meeting the needs of all students of the district.

Standard Not Implemented



5.6 Board Roles/Boardsmanship

Professional Standard

The board and administrative team maintain functional working relationships.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with the site administrators

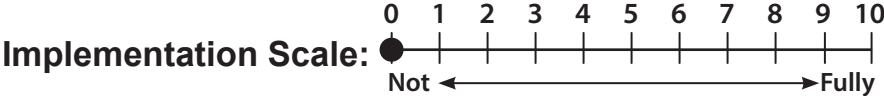
Findings

1. Interviewees indicated that board members are unwilling to accept the seriousness of the district's situation.
2. There is evidence of conflict between board members as well as in-fighting, nepotism, and mismanagement by district leaders.
3. At board meetings, trustees were confrontational, fighting among themselves, promoting their own agendas, and often acting unprofessionally. At the May 23, 2012 board meeting, there were displays of hostility and anger between board members, and the superintendent did not participate or was not engaged in the board discussion.
4. There was no evidence of any working relationship between the superintendent and board members.

Recommendations for Recovery

1. The state administrator should model the boardsmanship and working relationships that were apparently nonexistent with the board of trustees prior to the state takeover.
2. Board members should attend workshops and training in all aspects of effective boardsmanship before regaining local control.
3. The district should focus on respectful relationships between the board members and the state administrator as well as site administration, staff and community.
4. The advisory board should understand its role and responsibilities in providing the best education possible for all students.

Standard Not Implemented



5.9 Board Roles/Boardsmanship

Professional Standard

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

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president

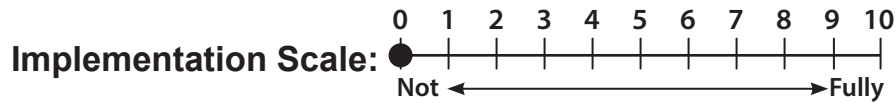
Findings

1. There were no findings to substantiate this professional standard.

Recommendations for Recovery

None

Standard Not Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with the site administrators
5. Review of board policies

Findings

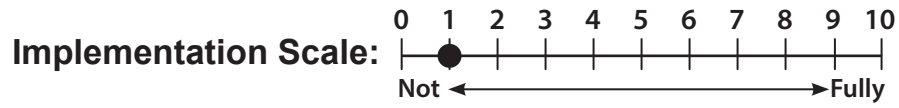
1. Interviewees said that during their tenure, school board members did not address or update the district's board policies or administrative regulations.
2. The state administrator began updating board policies according to the California School Board Association's (CSBA) recommended board policy manual.
3. The interim state administrator has continued updating board policies during board meetings.
4. The process of updating board policies is ongoing.
5. During interviews with administrators, some indicated they were not aware of any new board policies and therefore operated under the old policies and regulations.

Recommendations for Recovery

1. The state administrator should continue to adopt updated board policies to implement throughout the district.
2. The state administrator should develop a process to gather input from those affected on establishing new policies and regulations for the district.
3. The state administrator should work closely with those affected to implement the new board policies throughout the district.

- The state administrator should work closely with CSBA in establishing board policies and keeping them current through the Gamut program.

Standard Partially Implemented



5.11 Board Roles/Boardsmanship

Professional Standard

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

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with district administrative staff
3. Interview with board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups
6. Interview with charter school liaison

Findings

1. Interviews found that the district board of trustees acted in the best interest of the board members and selected community members rather than in the interest of the whole community.
2. Interviews found that board members took a personal interest in schools that were in the board members' area of residence.
3. Board members maintained personal offices in a district facility.
4. Board members received monthly car allowances. However, Education Code Section 35044 states, "The governing board of each school district shall provide for the payment of the traveling expenses of any representatives of the board when performing services directed by the board."
5. Board members received a per-meeting stipend of \$495. Education Code Section 35120 states the following:
 - (a) (4) In any school district in which the average daily attendance for the prior school year was 25,000, or less, but more than 10,000, each member of the city board of education or the governing board of the district who actually attends all meetings held may receive as compensation for his or her services a sum not to exceed four hundred dollars (\$400) in any month.
 - (a) (5) In any school district in which the average daily attendance for the prior school year was 10,000 or less but more than 1,000, each member of

the city board of education or the governing board of the district who actually attends all meetings held may receive as compensation for his or her services a sum not to exceed two hundred forty dollars (\$240) in any month.

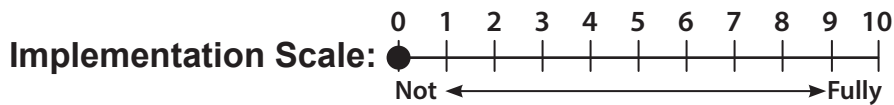
(e) On an annual basis, the governing board may increase the compensation of individual board members beyond the limits delineated in this section, in an amount not to exceed 5 percent based on the present monthly rate of compensation. Any increase made pursuant to this section shall be effective upon approval by the governing board.

6. Board members received district-paid health/dental and vision insurance coverage.
7. Board members earned Social Security quarters while serving on the school board.
8. These costly board benefits took priority over the education of district students.

Recommendations for Recovery

1. The state administrator should focus on board policies that ensure board members do not receive financial benefits that could be more appropriately utilized to serve students and do not exceed the limits specified in law.
2. The district should establish trustee areas to ensure equal representation throughout the district.
3. The board should attend annual ethics training such as the Fair Political Practices Commission (FPPC) program.

Standard Not Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators, staff, teachers
5. Interview with parent groups

Findings

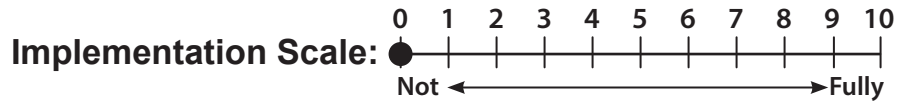
1. During the May 23, 2012 regularly scheduled school board meeting, it appeared that the board agenda and supporting materials were made available to all board members in a timely manner.
2. The board president followed the prepared board agenda.
3. The meeting was abruptly adjourned because board members demanded to deviate from the established agenda to take action on an item that was not on the agenda.
4. This demand caused disruption among the board members and created a lack of confidence by staff and the parent community.

Recommendations for Recovery

1. The district should continue to provide board members with the agenda and supporting materials in a timely manner.
2. The agenda and supporting materials should be distributed five to seven days before the board meeting, providing opportunity for any questions or clarifications to be made if necessary.
3. The advisory board members should receive board information, participate in the discussion, and behave as if they were board members even though they do not have local control.

4. Although the state administrator makes all final decisions for the district in conjunction with the state administrator, advisory board members should still conduct themselves as board members who make decisions.
5. The state administrator should model appropriate behavior for all board members.

Standard Not Implemented



6.9 Board Meetings

Professional Standard

Board meetings focus on matters related to student achievement.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the district administrative staff
3. Interview with the board president
4. Interview with site administrators
5. Attendance at May 23, 2012 regularly scheduled school board meeting

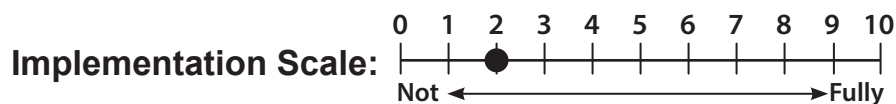
Findings

1. A great deal of time was spent during the May 23, 2012 regularly scheduled school board meeting on student, staff and program recognition and achievement.
2. However, a two-hour public comment session was primarily critical of the administration and board of trustees.

Recommendation for Recovery

1. The state administrator should focus the advisory board on the academic needs of district students without distraction.

Standard Partially Implemented



**Table of
Community Relations
and Governance Ratings**

Community Relations and Governance Standards		June 2013 Rating
1.1	PROFESSIONAL STANDARD – COMMUNICATIONS The LEA has developed a comprehensive plan for internal and external communications, including media relations.	2
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
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
2.3	LEGAL STANDARD – PARENT/COMMUNITY RELATIONS The LEA has developed and annually disseminates uniform complaint procedures. (Title 5, Section 4621, 4622).	3
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
2.8	PROFESSIONAL STANDARD – PARENT/COMMUNITY RELATIONS Board members are actively involved in building community relations.	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
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

Community Relations and Governance Standards		June 2013 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
4.5	<p>PROFESSIONAL STANDARD – POLICY</p> <p>The board supports and follows its own policies once they are adopted.</p>	1
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
5.2	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>Board members receive necessary training to better fulfill their roles.</p>	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
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
5.6	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>The board and administrative team maintain functional working relationships.</p>	0
5.9	<p>PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP</p> <p>Board members respect the confidentiality of information shared by the administration.</p>	0

Community Relations and Governance Standards		June 2013 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
5.11	PROFESSIONAL STANDARD – BOARD ROLES/ BOARDSMANSHIP The board acts for the community and in the interests of all students in the LEA.	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
6.9	PROFESSIONAL STANDARD – BOARD MEETINGS Board meetings focus on matters related to student achievement.	2
Collective Average Rating		1.05

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.

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interviews with governing board members
3. Interview with the assistant superintendent, HR
4. Interview with the assistant superintendent, educational services
5. Interviews with principals and department managers
6. Interviews with HR staff
7. AR 4111 – Personnel Services, approved October 25, 1982, revised February 10, 1999

Findings

1. AR 4111 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.
2. The administrative regulation 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 the board has been known to ignore employment recommendations as well as recommendations related to the non-reelection of certificated staff.
3. 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 FLSA, which defines “employ” as “to suffer or permit to work” and requires the employer to pay these employees for the time worked.

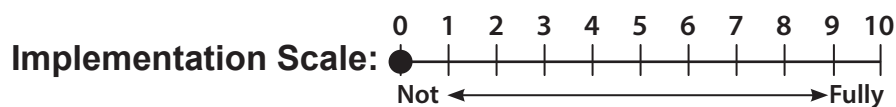
Recommendations for Recovery

1. The district should update board policies and administrative regulations related to personnel.
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 work with the governing board/state administrator to ensure recommendations related to non-reelection are approved.
 4. 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.
 5. Only positions that are budgeted and board-approved should be posted and filled.

Standard Not implemented



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.

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interview with the assistant superintendent, HR
3. Interviews with HR staff
4. Inglewood Unified School District mission statement from the website (www.iusd.net)
5. Inglewood Unified School District HR Department organizational chart

Findings

1. “The district’s mission 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.”
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 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.”
4. 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

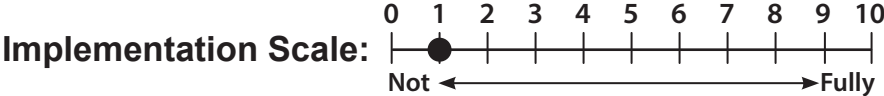
school plan objectives through effective resource alignment. While the department has a reputation for not being responsive or supportive, confidence in the department and HR's willingness to help customers are increasing, according to staff members.

5. 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.
6. The HR Department does not create an annual report of services provided to employees.

Recommendations for Recovery

1. The district should ensure that the HR Department annually develops goals and objectives that are measurable and facilitate achievement of its mission.
2. 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.
3. 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



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Inglewood Unified School District proposed organizational chart
4. HR Department organizational chart
5. Academic Services Division organizational chart
6. HR staff meeting schedule for 201213
7. HR staff biweekly meeting agendas with attendees' signatures and notes from August 9, 2012, through March 15, 2013

Findings

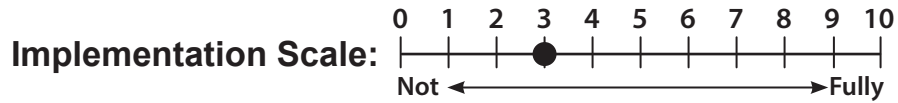
1. The HR Department organizational chart lists department positions as well as the names of individuals assigned to each position, including the major functions by position. The chart includes positions that are vacant and will likely not be filled. Some functions were not allocated based on current job responsibilities.
2. 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.
3. Principals indicated they know who to call when they need assistance from HR. However, they essentially call the person most likely to answer and not necessarily the individual in the appropriate area. This practice may be effective from the principal's perspective, but it is not appropriate. FCMAT found that this practice occurs because of a combination of factors including unclear duties and a lack of confidence in the ability or willingness of staff to answer questions.

Recommendations for Recovery

1. The HR organizational chart should be updated to ensure that it accurately reflects current positions and position functions.

- 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



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.

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interview with the assistant superintendent, HR
3. District cabinet meeting agendas from October 4, 2010, to February 5, 2013

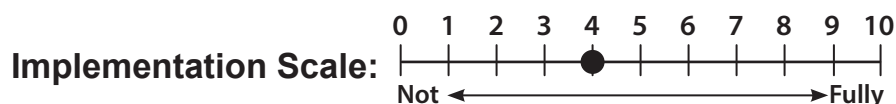
Findings

1. District cabinet meeting agendas between March 2011 and January 2013 indicated that the assistant superintendent of HR has historically been a member of the superintendent's council, but the position's role in decision-making is unclear.
2. The assistant superintendent of HR has participated in decision-making related to enrollment and staffing projections for 2013-14, reductions in force, bargaining proposals, non-reelection, and employee discipline.

Recommendations for Recovery

1. The district should continue to ensure that the HR administrator is a member of the state administrator's cabinet.
2. The 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 Partially Implemented



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Interview with the assistant superintendent, educational services
4. Interview with the director of information technology (IT)
5. CALPADS operational calendar for fiscal year 2012-13

Findings

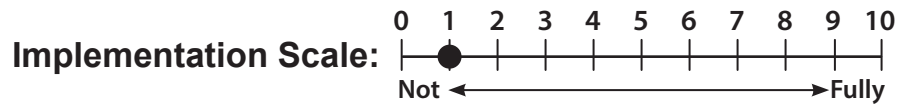
1. The HR Department does not have a data management calendar and does not provide information to employees responsible for submitting data to the CALPADS, California School Information Services (CSIS), or the CBEDS. The director of IT requested access to the personnel database to collect the needed information and was denied, but reported that the data was ultimately provided.
2. The HR Department reviewed the data, and the IT Department certified the CALPADS, CSIS, and CBEDS data sent to the state.

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.
2. The HR Department should give the student information manager personnel data according to the data management calendar to ensure timely submission of required state reports.
3. The district should ensure that the HR Department develops an annual calendar of essential HR functions to increase operational efficiency and ensure compliance with statutory requirements and state and federal employment laws. The annual calendar should include, for example, the following:

4. Critical data and state report deadlines, such as CBEDS and CALPADS
 - Enrollment projection timelines
 - Recruitment timelines
 - Time specific activities contained in collective bargaining agreements
5. The HR administrator should review all information and perform a multiyear reasonableness review before its certification and transmission to the state of California.

Standard Partially Implemented



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)

Sources and Documentation

1. Interviews with district staff
2. Inglewood Unified School District personnel commission rules
3. District's Internet website
4. Board agendas
5. District documentation of merit system election

Findings

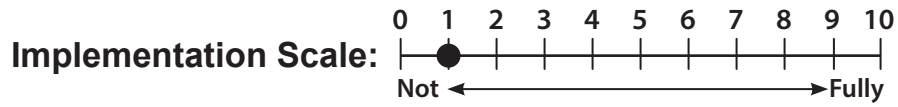
1. The district has had a merit system since 2008; however, in December 2012, classified employees submitted a petition to the governing board requesting termination of this system (per E.C. 45319-45320). The personnel commission office was closed, the two commission staff positions were eliminated, and references to the commission and all related information were removed from the district's internet website. The district conducted an election in March for classified employees to vote on whether to keep or terminate the merit system, and a tabulating committee was designated in early April. At the time of this writing, the results of the vote were not yet available.
2. During FCMAT fieldwork, the continuing functions for classified personnel had been shifted to HR. HR staff members did not have access to the contents of the computers and files that were used by commission staff, so a significant amount of the pertinent information such as testing information, eligibility lists, job descriptions and seniority lists is not available to staff performing these functions or has been difficult to find. Based on FCMAT's interviews with staff, personnel commission rules are inconsistently applied, especially when the outcome of the election is unknown.

Recommendations for Recovery

1. The district should immediately give access to the personnel commission's documents and information to the HR staff members who handle classified personnel functions.
2. If the merit system is upheld, the district should evaluate whether it is necessary to restore both positions for the commission office based on the ability of HR staff to handle some functions.

3. If the merit system is terminated, the personnel commission rules would no longer have administrative or legal standing. However, the district should review its board policies and administrative regulations for classified personnel to determine any updates or augmentations that are needed to retain personnel commission rules deemed appropriate.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interview with the assistant superintendent, HR
3. Interviews with HR staff
4. Interview with the assistant superintendent, educational services
5. Interviews with principals and department managers
6. Rules and regulations for the classified service for the Inglewood Unified School District, adopted by the Inglewood Unified School District Personnel Commission, first reading: September 23, 2008; second reading and adoption: October 21, 2008 (pages 1-93)
7. Board agenda item from June 13, 2012: Subject—approval of membership to EdJoin employment posting services for 2012-13 school year with accompanying letter regarding 2012-13 EdJoin fees and invoicing process
8. Administrative Regulation 4211—Certificated Personnel, Recruitment, and Selection adopted November 14, 2001; revised June 23, 2004
9. Sample certificated, classified, management, and nonmanagement job applications

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 projections for the 2013-14 school year, and the HR Department used these in estimating staffing needs.
3. The district's layoff, reassignment, and recruitment decisions were based on projected enrollment and staffing needs.
4. The district uses EdJoin (www.edjoin.org) to post position vacancies and provides hiring managers with the ability to conduct paper screening online.

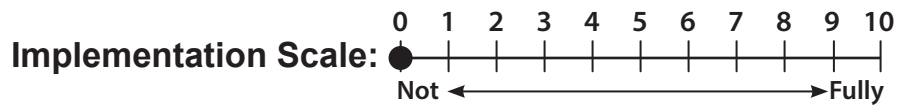
5. District job applications are not legally compliant or do not represent best practice.
 - District job applications request that applicants include their Social Security numbers. Asking applicants for these numbers is lawful, but employers do not need this information until they run a background check 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 develop written recruitment practices and procedures for certificated and classified staff.
4. 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



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Interview with the assistant superintendent, educational services
4. Interviews with principals and department managers
5. Job description for director—adult education and career-technical education position dated April 7, 2010
6. Announcement of vacancy for assistant chief of staff—confidential management position dated November 13, 2012
7. Job description for chief operations officer position from www.governmentjobs.com (printed October 23, 2012)
8. Job opening announcement (from edjoin.org) and the job description for the director of food services position posted November 26, 2012
9. Announcement of vacancy for director of special education position dated July 26, 2011
10. Job description for position control/budget analyst position from www.governmentjobs.com (printed October 23, 2012)
11. Job description for payroll supervisor position from www.governmentjobs.com (printed October 23, 2012)
12. Job description for chief operations officer position dated May 10, 2011, and revised April 14, 2011
13. Job description for assistant/associate superintendent, academic services and categorical programs approved by the board on March 24, 2010
14. Announcement of vacancy for assistant superintendent, educational services position revised November 2, 2012
15. Job description for accounting supervisor position (no date)

16. Job description for administrator, categorical programs (no date)
17. Announcement of vacancy for assistant superintendent of HR dated January 6, 2012
18. Interviewing procedures form and paper screening guide
19. Selection procedure evaluation form, final ranking sheet, and forced ranking of candidates form
20. Classified reference check
21. Certificated reference check questions

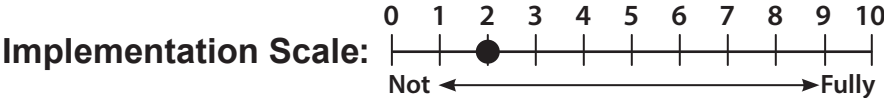
Findings

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.
2. 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 reported that as hiring managers, they routinely conduct this process but have not been trained and do not know the prohibited questions.

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 maintain recruitment files separate from the employment record/personnel file. Recruitment files should include applications, preemployment exams, interview materials, and reference check forms for all applicants. 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



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interview with the assistant superintendent, educational services
3. Announcement of vacancy: elementary school principal dated May 14, 2008
4. Announcement of vacancy: K-8 school principal dated June 4, 2009
5. Announcement of vacancy: high school principal dated November 15, 2005
6. Announcement of vacancy: high school assistant principal (in-house only) dated September 10, 2007
7. Announcement of vacancy: adult school assistant principal dated September 24, 2003 (revised notice)
8. Inglewood Unified School District announcement of vacancy: middle school principal (20112012 school year) dated May 6, 2011
9. Inglewood Unified School District announcement of vacancy: high school principal dated August 29, 2012
10. Notice of vacancy: principal—adult school (no date)
11. Check list of credential application materials revised January 18, 2012
12. Supplemental to application for employment inquiry form
13. Conditional employment agreement revised January 18, 2012
14. Elementary school enrollment map
15. Middle school grades 6-8 enrollment map
16. High school enrollment map
17. Directory of schools 2012-2013

Findings

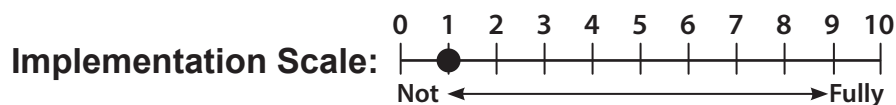
1. A review of principal job postings reveals that principal duties have been routinely reviewed and revised and appear to reflect the changing nature of the principal's leadership responsibilities. However, there is no evidence that the district has made it a top priority to hire strong leaders and place them at underperforming schools.
2. The success of principals is not measured or monitored, and principals have not been annually evaluated. The district uses two principal evaluation forms, and the first includes 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 includes 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
 - 1) Appearance
 - 2) Initiative
 - 3) Communication
 - 4) Work habits

4. The interim state administrator has served 10 of 19 school site administrators with a March 15 non-reelection notice.

Recommendations for Recovery

1. The district should review its principal evaluation forms and determine which one to use or whether to use another 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 of 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



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, Government Code Section [G.C.] 11135, E.C. 56240 and 44253.7)

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interview with the assistant superintendent, HR
3. Interviews with HR staff
4. Interview with the assistant superintendent, educational services
5. Interviews with principals and department managers
6. Interview with the manager, construction and Measure K
7. Interview with the Inglewood school police chief
8. Interview with the director, food services
9. Interview with the director, fiscal services
10. Interview with the payroll supervisor
11. Interview with the benefits specialist
12. Interview with the director of IT
13. AR 4100.2—Sexual Harassment, approved June 10, 1985; revised April 13, 1987; November 23, 1987; June 23, 1993; October 24, 2001; May 26, 2004; October 25, 2006; June 11, 2008; March 13, 2012
14. Sexual harassment in-service/training information receipt affidavits dated November 29, 2012

15. PowerPoint presentation on child abuse and the role of educators and school personnel presented by Hillard Smith, director, pupil personnel services & child welfare & attendance
16. Uniform complaint procedure form (English and Spanish versions)
17. Administrative Procedure 3532—Risk Management Reporting Accidents and Injuries, approved January 11, 1982; reissued April 7, 1986; revised July 27, 1994, January 29, 2003
18. Handbook for certificated employees, 2008-2009

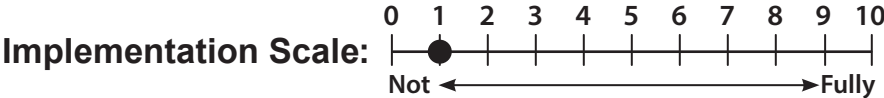
Findings

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 related to child abuse reporting, blood-borne pathogens, drug and alcohol-free workplace, sexual harassment, diversity training, and nondiscrimination. Additionally, the district should review existing 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.
2. 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



4.4 Induction and Professional Development

Legal Standard

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)

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interview with the assistant superintendent, HR
3. Interviews with HR staff
4. Board policies and administrative regulations

Findings

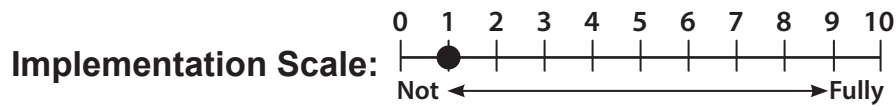
1. The Risk Management Department has historically been responsible for receiving and investigating discrimination complaints. However, this department has recently had significant instability, and complaints are not well managed, which puts the district at significant risk.
2. The Risk Management Department 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. Recent department instability has resulted in the assignment of this responsibility to the HR Department. The district did not have written procedures or standard forms for managing and documenting the process and has to rely on the support of York Risk Services, Inc., the district's third-party administrator for Workers' Compensation.

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.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Interviews with principals and department managers
4. Handbook for certificated employees, 2008-2009
5. 2008-2009 list of schools
6. District 2008-2009 year traditional calendar
7. Fact sheet showing board of education members, superintendent, five most frequently asked questions (English and Spanish version), list of Inglewood schools, and mission statement (English and Spanish version)

Findings

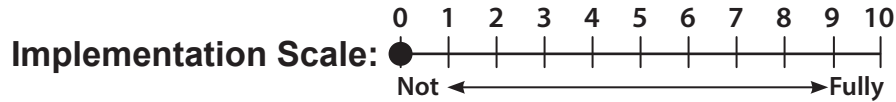
1. Initial orientation is not provided to new employees, and the district does not have a new employee handbook for employees in all classifications; substitutes, management, certificated, and classified employees.
2. A certificated handbook exists, but was last updated and distributed with newly hired certificated staff in 2008-09.
3. Not all personnel files reviewed contained evidence that all legally required documents were signed by new employees.

Recommendations for Recovery

1. The district should develop and implement a program of new certificated and classified 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 certificated, classified, management, and substitute employees.

3. Certificated and classified substitutes should receive orientation. Training should be job specific; for example, custodian substitutes should be trained in handling hazardous materials (consider using Keenan Safe Schools).
4. The district should update the new certificated employee handbook and provide it to all new certificated employees during orientation. An equivalent handbook for new classified employees is needed.

Standard Not Implemented



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Child abuse reporting revised January 18, 2012
4. Drug and alcohol-free workplace notice to employees revised January 18, 2012
5. Drug-free workplace employee agreement revised January 18, 2012
6. Oath of allegiance and affidavit for employees revised January 18, 2012
7. Warrant(s) recipient designation revised January 18, 2012
8. California State Teachers' Retirement System (CalSTRS) permissive membership election and acknowledgement of receipt of CalSTRS defined benefit plan membership information
9. CalSTRS recipient designation form: one-time death benefit/cash balance lump-sum payment revised May 2010
10. CalSTRS recipient designation form: justification for nonsignature of spouse or registered domestic partner revised January 2012
11. Form I-9, Employment Eligibility Verification revised August 7, 2009
12. Tuberculosis clearance revised January 18, 2012
13. Physical examination revised January 18, 2012
14. Verification of teaching experience revised January 18, 2012
15. Data input form – personal information
16. Form W-4 (2012) employee's withholding allowance certificate

17. Condition of employment to work with English learners revised January 18, 2012
18. Verification of teaching experience revised January 18, 2012
19. Payroll unit direct deposit authorization
20. Certificated teachers salary schedule, fiscal year 2012-2013, -2.70% reduction is equivalent to five furlough days (Schedule T, traditional teachers, program specialist and school nurses monthly salary)
21. Inglewood Unified School District checklist of credential application materials revised January 18, 2012
22. Inglewood Unified School District checklist of classified application materials (no date)
23. Inglewood Unified School District Certificated Employee Employment History Assignment and Salary Placement
24. Table of Contents—certificated employees' filing system (with #3 A, B, and C transcripts highlighted in yellow)
25. Personnel file table of contents—certificated employees' filing system
26. Personnel file table of contents—classified employees' filing system

Findings

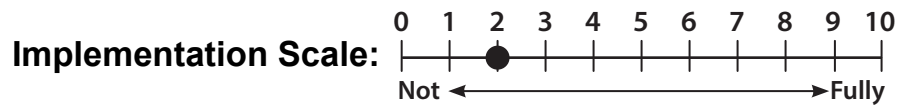
1. The HR Department uses a new employee checklist, which is filed in the personnel file. The checklist does not include all legally required notices, including the technology use policy, and is not signed by the employee.
2. The HR Department completes the I-9 packet as part of the employment process. The I-9 packet is filed 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



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.

Sources and Documentation

1. Interviews with district staff
2. Board agendas
3. Absence reports from substitute management system
4. Overtime reports
5. Accrued vacation reports
6. Collective bargaining agreements
7. Board policies and administrative regulations

Findings

1. Excessive employee absenteeism was a constant theme during staff interviews. A sample absence report of 24 workdays from the district's substitute management system show that the district has an average of 111 full-day absences per day, and 24% of substitute assignments were unfilled. Staff interviews indicated that school administrators are often required to fill in as substitutes. On any given day, all the teachers on the 39-month reemployment list are given the opportunity to work as substitutes, and the entire list of substitutes is frequently exhausted with more substitutes needed. One day during FCMAT fieldwork, six classrooms began the day without a substitute.
2. Collective bargaining agreements and administrative regulations allow a supervisor to require verification of an absence and/or discipline an employee when the supervisor has reason to believe that the absence was an improper use of sick leave. However, interviewees indicated that in the past, the HR Department did not support attempts to discipline employees or enforce this policy.
3. Staff interviews indicated that no one department is responsible for employee leaves. The Payroll Department uses an Excel spreadsheet to post leave accruals and usage for each employee and provides each employee with a report of their leave balances at the beginning of each fiscal year. The HR Department puts employee leaves of absence on the board meeting agendas, payroll notifies HR when employees are expected to exhaust their paid leave, and HR contacts the employee.

4. Notifications that employees are on leave can be significantly delayed in reaching the district office and the departments that need to know such as HR, Risk Management, and Payroll. This is evidenced by the dates on the board agenda items, some of which are backdated many months.
5. The district incurred \$309,000 in overtime payments from July through January this fiscal year. Staff members cited employee absences and furlough days as the main reason. There is no central tracking mechanism for overtime worked, but compensated with time off instead of pay, so the total amount of overtime hours worked is unknown. The district has implemented a policy requiring the supervisor's preapproval of all overtime before it is worked.
6. 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. A review of the accrued vacation reports found that the total liability included in the district's independent audit was \$1.2 million as of June 30, 2012. A few classified employees had balances of 22 days or more, given that 22 days is the maximum annual accrual for classified employees. These employees are potentially over the carryover limitation.
7. FCMAT could not confirm with district staff that employees who are on leave receive timely notices that they use their Family Medical Leave Act (FMLA) and California Family Rights Act (CFRA) leaves concurrent with their other leaves.

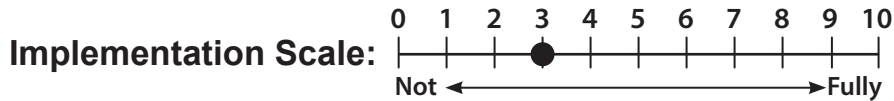
Recommendations for Recovery

1. The district should clarify that the HR Department is responsible for employee leaves. Payroll records provide assistance to this function, but HR should be responsible for ensuring compliance with statutes and policy and for working directly with employees on leave.
2. 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.
3. The district should ensure employees on leave receive timely notice of the concurrent use of FMLA and CFRA when appropriate.
4. Accommodation meetings should be timely, and the appropriate staff members should be present to help employees return to work from workers' compensation leaves in some capacity.
5. 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.

6. The automated calling system should be set up to start calling substitutes earlier to provide adequate time to work through the 39-month reemployment list (in seniority order) and the regular substitute list to ensure the assignment is filled before the beginning of the school day.
7. The district should continue to require preapproval of all overtime worked, whether paid or compensated with time off.
8. 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.
9. The district should require all employees to call the automated substitute calling system when they will be absent (along with their supervisor) 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 then be used to better manage employee leaves and post leave usage to employee records.
10. 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



5.4 Operational Procedures

Legal Standard

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

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Five certificated nonmanagement and three management personnel files (random selection)
4. Five classified nonmanagement and three management personnel files (random selection)

Findings

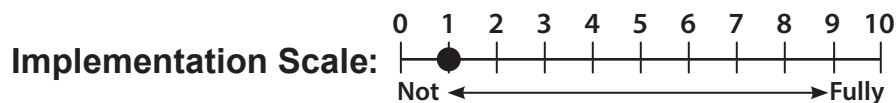
1. Five nonmanagement and three management files each were randomly selected and reviewed for certificated staff and classified staff. Personnel files consistently included the following items:
 - Record of employment history and copies of all personnel requisitions including those associated with position 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
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 2001. 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. 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



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.

Sources and Documentation

1. Interviews with district staff

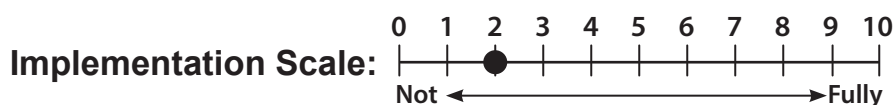
Findings

1. The HR Department lacks desk manuals for its staff members. While it has user manuals for the computer systems provided by LACOE, there are no manuals or HR Department operations manuals detailing how job functions should be performed. Longtime HR staff members indicate they function well without these manuals, but newer staff members have some difficulties.
2. Cross-training has been provided for most significant HR Department functions except the primary functions of the credential analyst. Two additional staff members are scheduled to begin training on credentials.

Recommendations for Recovery

1. The district should create a schedule to develop desk manuals, starting with the most critical functions. Staff members should be responsible for keeping the manuals up to date as more functions are automated or conditions change.
2. An annual HR calendar should be developed that includes the HR Department's major activities and timelines during the year. This HR calendar 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



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.

Sources and Documentation

1. Interviews with district staff
2. HR staff meeting schedules and agendas

Findings

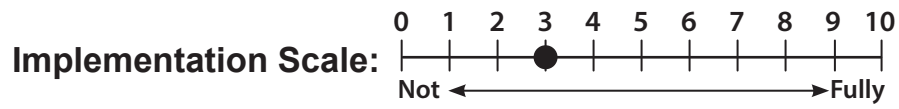
1. HR, Risk Management, and Payroll should work closely together on many issues, but there was no evidence of regular meetings between these departments. Staff members confirmed that the departments have not been meeting as a group. Employees regularly are not paid correctly or do not receive the correct type of leave or benefits because of this lack of coordination.
2. Individual staff members contact someone in the other departments when they have a specific need. Staff interviews indicated that the working relationship between these departments has sometimes been difficult, but is currently amenable.
3. The HR Department convenes regular staff meetings in its department, essentially twice a month.
4. 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.

Recommendations for Recovery

1. The district should implement regularly scheduled meetings between key HR, Payroll, and Risk Management staff, and 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.
2. 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 make certain policies are consistently applied to employees.

Standard Partially Implemented



5.8 Operational Procedures

Professional Standard

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

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff

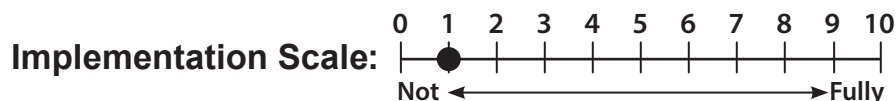
Findings

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 LACOE. Department staff indicates that they need training on state and federal employment laws and the Education Code. Additionally, district and school site staff reported that the HR Department could benefit from customer service training.
2. The assistant superintendent of HR is enrolled in the Association of California School Administrators (ACSA) personnel academy, and the director of HR is expected to 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



5.10 Operational Procedures

Professional Standard

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

Sources and Documentation

1. Interview with the interim state administrator/assistant superintendent, business services, and risk manager
2. Interview with the assistant superintendent, educational services
3. Interview with the assistant superintendent, HR
4. Interviews with HR staff
5. Interviews with principals and department managers
6. Inglewood Unified School District staffing formula projections for fiscal year 2012-2013 for Bennett/Kew Elementary School

Findings

1. Staffing allocations for classroom teaching positions are prepared each year based on specific ratios. For 2013-14, the allocations are based on the following ratios:
 - Grades K-3 - 32:1
 - Grades 4-8 - 34:1
 - Grades 9-12 - 40:1

Staffing formulas were also adopted by the board in 2011 for principals, administrative assistants at school sites, campus supervisors, assistant principals, counselors, and other staff. Staff interviews indicated that current staffing has not been verified using these formulas.

2. Projecting enrollment and staffing needs has not been well coordinated, resulting in overstaffing, as reported by district and school site administrators.

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.

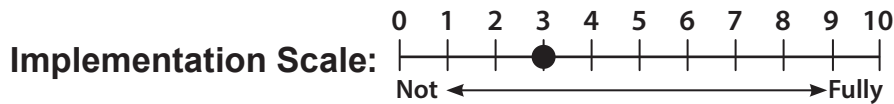
2. The 2011 board-adopted staffing formulas should be used annually in staffing schools. Staffing should be verified annually as part of the staffing plan for the coming school year, and should drive any needed reductions in force.

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



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.

Sources and Documentation

1. Interviews with district staff
2. Board agendas
3. Staffing formulas
4. Collective bargaining agreements
5. Board policies and administrative regulations
6. Position control reports
7. Personnel request form

Findings

1. Board policy and administrative regulations require appointments of new personnel to be approved by the board on the recommendation of the superintendent. 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. The credentials analyst is not included in the routing of this form, which results in assignments being corrected to ensure a match with the credentials.
3. 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 is 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.

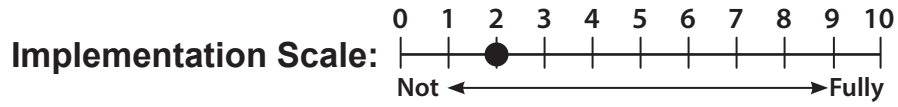
4. Staffing allocations for classroom teaching positions are prepared each year based on specific ratios. For 2013-14, the allocations are based on the following ratios: grades K-3 - 32:1; grades 4-8 - 34:1; grades 9-12 - 40:1. Staffing formulas were adopted by the board in 2011 for principals, administrative assistants at school sites, campus supervisors, assistant principals, counselors, and other staff. Interviews with district staff indicated that current staffing has not been verified using these formulas.
5. 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.
6. The position control budget analyst position was vacant at the time of fieldwork because the incumbent was promoted and the position was not filled. Staff members are unsure where these duties will be permanently assigned.
7. Because timesheets can overdraw the budget account code assigned to a position, they are routed through the business office before being submitted to Payroll. This work is being shifted to the Payroll Department.
8. 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.
9. 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 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.
2. 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.
3. The district should ensure that business office position control functions are clearly assigned to a staff member with the necessary skills and time to carry out the duties.
4. The credentials analyst should be included in the routing of the personnel request form to ensure that assignments of certificated staff match their credentials.

5. 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.
6. See Standard 7.1 for additional recommendations.

Standard Partially Implemented



7.1 Use of Technology

Professional Standard

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

Sources and Documentation

1. Interviews with district staff
2. Position control reports and listings
3. User and system manuals

Findings

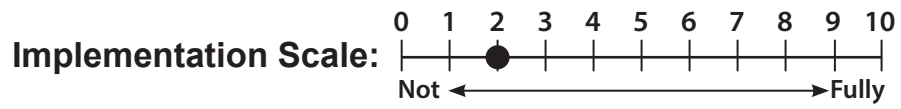
1. The district uses the LACOE software applications HRS for position control and HR functions, and PeopleSoft for budget and business functions. Position control is divided between the two systems, and Excel spreadsheets and manual processes are used to fill the gaps such as vacancy lists, leave accruals, 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. Stipend data is entered into the HRS system in a manner that makes the database unusable. One-time stipends are converted to monthly, which overstates the approved expenditure in the main payroll database by up to 900%.
3. The Payroll Department uses one of the Excel spreadsheets to manage leave accruals and usage for each employee. LACOE is anticipated to offer automated accrual sometime next year.
4. LACOE holds regular user meetings and training sessions on HRS and PeopleSoft, which district staff can attend.
5. 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, and integrating position control and budget.
2. The district should ensure that district staff attend LACOE user meetings and trainings on HRS and PeopleSoft.

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



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)

Sources and Documentation

1. Interviews with district staff
2. User and system manuals
3. Technology training schedules and needs

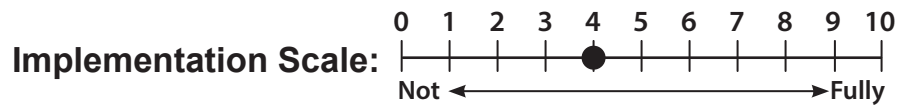
Finding

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. Staff members can regularly attend LACOE training sessions. New HR staff members have not attended training because of the schedule, so their capabilities are limited until they can be trained.

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.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Interviews with principals and department managers
4. Interviews with union leaders
5. Performance evaluation form for classified employees
6. Article XIV: Evaluation Procedures from the classified employees collective bargaining agreement
7. Inglewood Unified School District teacher performance evaluation and assessment form
8. Inglewood Unified School District improvement design – Certificated Collective Bargaining Agreement Appendix B; Inglewood Unified School District final report summary: evaluation and assessment of certificated personnel – Certificated Collective Bargaining Agreement Appendix C
9. Inglewood Unified School District teacher evaluation compliance form (Appendix D) from the certificated collective bargaining agreement
10. Inglewood Unified School District management performance evaluation form
11. Inglewood Unified School District 2012-13 certificated evaluation timelines

Findings

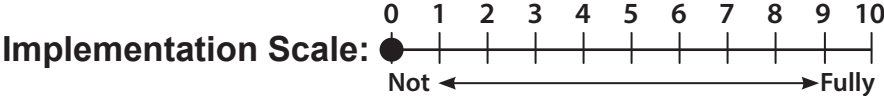
1. The HR Department does not annually provide supervisors with a list of all employees under their supervision and the date of their last evaluations. The HR Department has not included this data in the employee database, or HR module of the position control system. The HR Department does not inform supervisors of evaluations that are due that school year and remind them of the certificated and classified evaluation timelines, procedures, or criteria. No annual trainings occur on effective evaluation techniques.

2. Supervisors do not receive annual trainings on progressive discipline procedures. There is no evidence of any policies and procedures related to employee discipline or written protocols related to non-reelection of certificated staff, probationary release of classified personnel, or the granting of permanency status.
3. 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 progressive discipline measures being needed or used.
4. The success of principals is not measured or monitored, and site administrators have not been annually evaluated. The district uses two principal evaluation forms. 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, if any, evaluation form will be used in the future. The district should also consider developing and implementing a principal evaluation system based on the 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. 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 Not Implemented



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 CBA 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.

Sources and Documentation

1. Interview with the assistant superintendent, HR
2. Interviews with HR staff
3. Interviews with principals and department managers
4. Interviews with union leaders
5. Inglewood Unified School District improvement design – Certificated Collective Bargaining Agreement Appendix B
6. Inglewood Unified School District selection procedure evaluation form
7. Inglewood Unified School District teacher performance evaluation and assessment form - Certificated Collective Bargaining Agreement Appendix A
8. Inglewood Unified School District Improvement Design - Certificated Collective Bargaining Agreement
9. Workers' Compensation claim form (DWC) & notice of potential eligibility
10. Supervisor's report of employee injury/illness revised July 19, 2000

Findings

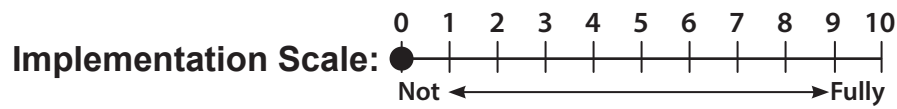
1. Classified evaluation forms are not job specific and criteria are primarily related to work behaviors, or soft job skills. Specifically, classified employees are evaluated on work quality and quantity, work habits, personal relationships, and initiative. Supervisors are not expected to evaluate competency 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.

- Evaluations are either not routinely completed as required or not placed in the personnel file.

Recommendations for Recovery

- 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.
- The district should develop and propose an evaluation article that provides for differentiation, is based on standards, and promotes and acknowledges improved teacher practice.
- The district should ensure that evaluations are completed timely and placed in personnel files.

Standard Not Implemented



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.

Sources and Documentation:

1. Interviews with district staff
2. Board policies and administrative regulations
3. Collective bargaining agreements

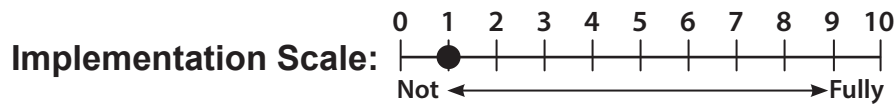
Findings

1. During fieldwork, the Risk Management position that handled Workers' Compensation had been eliminated, and this responsibility was shifted to the director. The director was on leave, and the benefits specialist kept the paperwork moving between the district and the Workers' Compensation insurance carrier since this was the only other person in the department. This situation has constrained the district's ability to appropriately manage the Workers' Compensation program and be proactive in communicating with the employees who are in it.
2. Investigations of Workers' Compensation cases have been completed, resulting in some findings of fraud, but in the past, the district has generally not followed up with the employees involved. The HR Department is assuming responsibility for these follow-up activities until the Risk Management Department regains the capacity.
3. 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 would normally be coordinated by the director of risk management, but since the person in this position is on leave, meetings to accommodate returning employees rely mainly on an outside specialist to coordinate. Staff members indicated that this coordination is being assigned to HR during the director's absence.
4. Administrative regulations and collective bargaining agreements provide an entitlement of up to 60 days of paid leave for Workers' Compensation cases, which is increased to 75 days in cases of assault or battery. Administrative regulations specify that, for management employees, unused leave does not accumulate from year to year. The collective bargaining agreement between the district and the Inglewood Teachers Association specifies that unused leave accumulates from year to year; however, an employee is eligible for up to 75 days of paid leave for that particular accident or illness. FCMAT was unable to determine how these provisions are applied in practice for certificated bargaining unit members.

Recommendation for Recovery

1. The district should temporarily hire an experienced risk manager to fulfill the administrative and management functions for the Risk Management Department while the director is on leave. Existing HR staff are either not properly trained or lack the time to effectively manage the district's risk management programs, especially the Workers' Compensation program, which involves many employees and has a significant financial impact on the district.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with district staff
2. Board policies and administrative regulations
3. Documentation of training provided in management of collective bargaining agreements, grievance processing, and/or conflict resolution
4. Memorandum of understanding (MOU) between Inglewood Teachers Association and the district signed December 4, 2012
5. 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
6. Agreement between the district and the Inglewood Teachers Association, CTA/NEA, dated July 1, 2006, through June 30, 2009

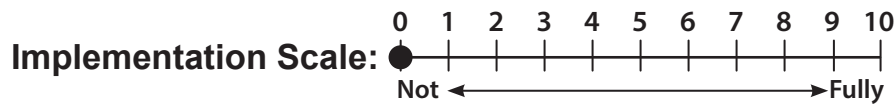
Findings

1. Collective bargaining was recently handled primarily by one or more district-level administrators. The state administrator negotiated without a team and signed a tentative agreement with Inglewood Teachers Association, but the legal standing of this document is in dispute.
2. Even before state administration, site-level administrators were not asked for feedback on the provisions of the collective bargaining contracts or for suggested changes to contract language in preparation for upcoming collective bargaining.
3. The interim state administrator is forming collective bargaining teams that will include representative site administrators for the upcoming labor negotiations.
4. 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.

Recommendations for Recovery

1. The district should ensure that all management interests are represented in bargaining. Specifically, the district should implement its plan to include site administrators in the collective bargaining team.
2. 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



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.

Sources and Documentation

1. Interviews with district staff
2. Board policies and administrative regulations
3. The district's Internet website
4. Documentation of training provided in management of collective bargaining agreements, grievance processing, and/or conflict resolution
5. MOUs between Inglewood Teachers Association and the district signed December 4, 2012
6. 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
7. Agreement between the district and the Inglewood Teachers Association, CTA/NEA, dated July 1, 2006, through June 30, 2009

Findings

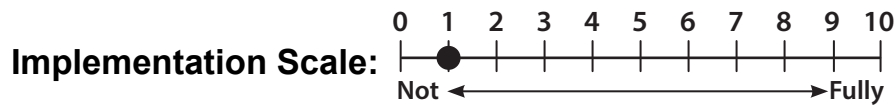
1. The grievance process is documented in the collective bargaining agreements. However, during fieldwork, site administrators did not have the contracts, and they were not available on the district's website. The HR Department was in the process of providing each administrator with a copy.
2. Site administrators did not recall receiving any training on contract management, including the grievance process. HR began this year to provide training to site administrators on the teacher evaluation process, with an emphasis on effective evaluations and improvement plans. In previous years, some sites did not complete teacher evaluations as required.
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.

4. Regular meetings of site principals include a standing agenda item for HR, but the purpose of this item is to discuss a current issue and not for training. Interviewees report that the subject matter is typically reactive, not proactive.

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 should be posted to the district's public Internet website so that all employees and managers have ready access.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with district staff
2. Board policies and administrative regulations
3. The district's Internet website
4. Board agendas and minutes
5. Documentation of training provided in management of collective bargaining agreements, grievance processing, and/or conflict resolution
6. Memorandum of understanding between Inglewood Teachers Association and the district signed December 4, 2012
7. 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
8. Agreement between the district and the Inglewood Teachers Association, CTA/NEA, dated July 1, 2006 through June 30, 2009
9. Public disclosure of proposed collective bargaining agreement with Inglewood Teachers Association dated September 22, 2012, covering the period beginning July 1, 2010 and ending June 30, 2013

Findings

1. Because of the turnover of top district administrators, the FCMAT study team 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 financial 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 effective in 2012-13 (five for teachers and 12 for other staff) are set to expire at the end of this year, with employees' pay restored for 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.
2. 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

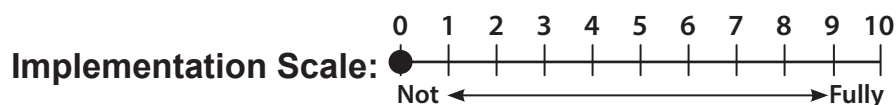


Table of Personnel Management Ratings

Personnel Management Standards		June 2013 Rating
1.1	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The LEA has clearly defined and clarified roles for board and administration relative to recruitment, hiring, evaluation and discipline of employees.</p>	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
1.3	<p>PROFESSIONAL STANDARD – ORGANIZATION AND PLANNING</p> <p>The personnel function has an organizational chart and functions chart and a menu of services that include the names, positions and job functions of all personnel staff.</p>	3
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
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 CALPADS/ CBEDS reporting. The data is reviewed by the appropriate authority prior to certification.</p>	2
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
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

Personnel Management Standards		June 2013 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
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
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
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
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
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

Personnel Management Standards		June 2013 Rating
5.1	<p>LEGAL STANDARD – OPERATIONAL PROCEDURES</p> <p>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
5.4	<p>LEGAL STANDARD – OPERATIONAL PROCEDURES</p> <p>Personnel files contents are complete and available for inspection. (EC 44031, LC 1198.5)</p>	1
5.5	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES</p> <p>Personnel function nonmanagement staff members have individual desk manuals for all of the personnel functions for which they are held responsible, and the department has a process for cross training.</p>	2
5.7	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES</p> <p>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
5.8	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES</p> <p>Personnel staff members attend training sessions/workshops to keep abreast of best practices and requirements facing personnel administrators.</p>	1
5.10	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES</p> <p>Established staffing formulas dictate the assignment of personnel to the various sites and programs.</p>	3
5.11	<p>PROFESSIONAL STANDARD – OPERATIONAL PROCEDURES</p> <p>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

Personnel Management Standards		June 2013 Rating
7.1	<p>PROFESSIONAL STANDARD – USE OF TECHNOLOGY An online position control system is utilized and is integrated with payroll/financial systems.</p>	2
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
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
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
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
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

Personnel Management Standards		June 2013 Rating
10.3	<p>PROFESSIONAL STANDARD – EMPLOYER/EMPLOYEE RELATIONS</p> <p>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
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
Collective Average Rating		1.46

Pupil Achievement

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)

Sources and Documentation

1. Board Policy: 0420(d-f) School Plans for Categorical Block Grants 2008
2. Budgets, 2011-12 and 2012-13
3. Interview with staff member responsible for planning, monitoring program and financial
4. Budgets for categorical and compensatory programs
5. Observation/visits of schools and classrooms
6. Sample school site plans
7. School plan resource allocations, 2012-13
8. State and federal compliance reviews
9. School Accountability Report Cards

Findings

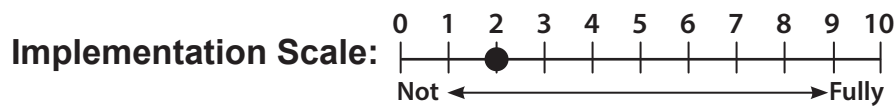
1. In state and federal compliance reviews, the district has not been cited for any noncompliance issues. Planning materials do not indicate supplanting of funds, and the CDE regularly monitors the central office for the appropriate use of federal funds through annually submitted reports and on-site reviews.
2. School-based monitoring is the responsibility of school facilitators. School site plans are approved by school site councils, for those schools that have site councils; however, there is no written calendar for development of budgets or monitoring plans.
3. 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.
4. 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.
5. Although the district has a 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.

6. The central office is unclear regarding the appropriate timing of budget allocations.
7. Little coordination occurs among fund sources.

Recommendations for Recovery

1. A written calendar should be established for development of budgets/plans.
2. A monitoring plan should be developed to ensure that school site plans are aligned to measurable student outcomes.
3. The central office should provide schools with appropriate guidance on the timing of budget allocations to ensure thorough planning for upcoming school years.
4. 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.
5. The district should ensure that 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



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)

Sources and Documentation

1. Board policies: Philosophy and goals in instruction
 - 0100.1(a) Philosophy and Goals 1996_
 - 0101(a) Philosophy, Goals, Objectives and Comprehensive Plans 1996
 - 0400 (a) Nondiscrimination in District Programs and Activities 2008
 - 0402a Nondiscrimination in District Programs and Activities 2008_
 - 0402b and 0402c Nondiscrimination in District Programs and Activities Access for Individuals with Disabilities 2008
 - 0420 (a) Philosophy, Goals, Objectives and Comprehensive Plans: School Plans/Site Councils 2008
 - 0420 (b) (c) Single Plan for Student Achievement 2008
 - 0420 (d-f) School Plans for Categorical Block Grants 2008
2. Observations/visits of schools and classrooms
3. Interviews with district staff

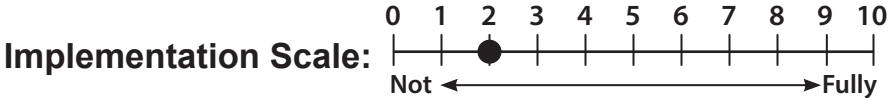
Findings

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 if only the policies were reviewed. 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 that have site councils, school site plans are approved.

Recommendations for Recovery

1. Implementation and execution of policies should occur consistently from school to school throughout the district.
2. Each school should have a school site council composed of teachers, parents, students, and the site principal, all actively engaged in school planning.
3. School site plans should be approved by all site councils.

Standard Partially Implemented



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.

Sources and Documentation

1. Board policies regarding Instruction (6000-6180)
2. Board policies regarding Philosophy, Goals, and Objectives (0100-6000)
3. Interviews with staff
4. Observations/visits of schools and classrooms

Findings

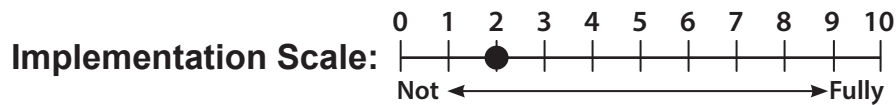
1. Although district policies speak expressly to this standard, neither the practices nor the culture reflect a commitment to implementing systemic reform, innovative leadership, and high expectations to improve student achievement and learning.
2. Student expectations levels are not consistently high 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 some schools, no attention has been given to sustained leadership, raising of expectations, or transforming the culture.
5. Principals lack knowledge and training in systemic leadership and how to change/transform the culture of their school.
6. There is no indication that central office staff has offered innovative leadership.
7. There is no measurable standard to evaluate whether the leadership has been trained in effective instructional strategies to improve student achievement.
8. The central office does not sufficiently monitor leadership in improving student achievement.

Recommendations for Recovery

1. Expectations levels for students should be increased.
2. Expectations for improved student achievement should include measurable achievement goals that are met by all students.

3. The instructional practices used by many staff members should be varied and accelerated to expect higher performance from students.
4. Many initiatives are implemented, but they lack coherence. The initiatives should be evaluated to ensure they are coordinated.
5. Principals should be provided with sustained leadership training on culture change at their schools.
6. The district should establish consistent leadership and staffing at the central office and schools.
7. Principals should be trained to identify instructional strategies to improve student achievement, and the central office should monitor site leadership in this area.

Standard Partially Implemented



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)

Sources and Documentation

1. Board policies:
 - 3000 (a-f) Business and Non-Instructional Operations Concepts and Roles
 - 3100 (a) Business and Non-Instructional Operations Budget 2011
2. Budget, 2012-13
3. Observation/visits of schools and classrooms
4. Interviews with district staff.

Findings

1. Board policy 3000 (a-f) Business and Non-Instructional Operations Concepts and Roles speak expressly to this standard with the following statement.

The governing board recognizes that prudent financial decisions are crucial to the district's ability to provide a high-quality education for students. It is therefore essential that the board establish reliable budget development processes and adopt a responsible budget with spending priorities which reflect the district's vision and goals.

2. Board policy 3100 (a) Business and Non-Instructional Operations Budget 2011, speaks expressly to the standard with the following statement:

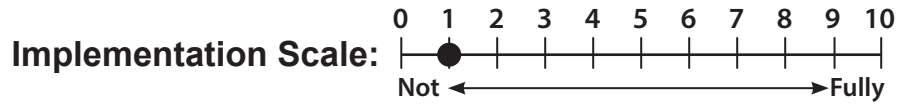
It is the intent of the administration to move the district's budget toward a document that reflects funding decisions based on the district's educational goals and priorities--the type of document commonly referred to as a program-driven budget.

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.
4. No accountability is built into the system to ensure that alignment with measurable student achievement is achieved at each school site.

Recommendations for Recovery

1. The district should establish a program-oriented budget and relate it to academic priorities for the 2013-14 fiscal year.
2. Principals should be trained to develop and monitor the program-orientated budget, also known as a program-driven budget.

Standard Partially Implemented



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.

Sources and Documentation

1. Board policies:
 - 6003 (a) Instruction, Reading/Language Arts Instruction 2008
 - 6004 (a) Instruction, Mathematics Instruction 2006
 - 6005 Instruction, Science Instruction 2005
 - 6010 (a) Instruction, Goals and Objectives 2008
 - 6011 (a) Instruction, Academic Standards 2001
 - 6120 (a) Instruction, Objectives of the Instructional Program (K-12) 1999
 - 6140 (a) Instruction, Curriculum Development and Evaluation 2009
 - 6000.2 (a) Instruction: High School Graduation Requirements (Education Code 51224.5, 51225.3) 2008
2. Observation/visits of schools and classrooms

Findings

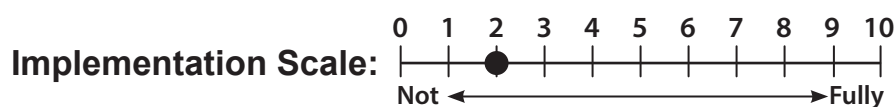
1. The district's board policies speak expressly to this standard.
2. Implementation of instructional materials, intervention programs, aligned assessments, appropriate use of pacing and instructional time, and alignment of categorical programs and instructional support indicate inconsistent application of the standard.
3. Even though instructional materials are appropriate, they are used inconsistently throughout the district.
4. Intervention programs are made available to students, but are used inconsistently throughout the district.
5. There are aligned assessments, but they are inconsistently used by staff in schools and site by site.
6. Teachers lack training in using data from assessments to drive classroom interventions and instruction.
7. Staff use pacing and instructional time inconsistently. Teachers have not had sufficient training and coaching on the pacing strategies and the effective use of instructional time.

8. Principals need training in the use of pacing in classroom instruction.
9. Principals have not had training in techniques for monitoring and evaluating teacher use of classroom assessments to improve student achievement.
10. Alignment of categorical programs needs to be evaluated.
11. There is no selection criteria to ensure that key personnel in instructional support positions are qualified and effective.

Recommendations for Recovery

1. Teachers should receive intensive training in using data from assessments and adjusting, monitoring and individualizing instruction.
2. Principals should be provided with intensive training in ways to monitor and evaluate teachers' use of assessments.
3. Principals should receive intensive training in ways to help teachers use pacing as well as monitoring and evaluating the teachers' use of pacing in the classroom.
4. 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 the funds utilized to employ the instructional staff are used effectively and efficiently.
5. The use and results of categorical programs should be evaluated to ensure measurable growth in student achievement.

Standard Partially Implemented



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)

Sources and Documentation

1. Individual interviews with site principals and director, assessment and IT
2. District Technology Plan 2008-2013
3. Instructional Technology Department trainings
4. Information Technology Network and Computer Operations Training Goals
5. Inglewood Unified School District Professional Development by School, February, 2013
6. Inglewood Unified School District Curriculum Department 2012-2013 Professional Development Activities

Findings

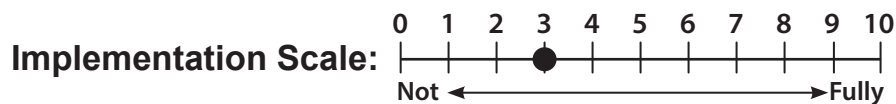
1. The district uses the Aeries Student Information System (SIS) by Eagle software to manage its student data. This system was adopted in 2007 and contains all the relevant student data. This system appears to function as intended and is available to administrators and teachers. In 2007, the district 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, is not fully implemented in most district schools, and therefore, the system’s important functionality is unavailable to K-12 administrators and teachers. As a result, teachers and administrators are unable to access detailed periodic assessment information.
2. Instructional Technology Department staff members lack the skills to work with the technology adopted by the district. The primary reason that the data available in the Aeries SIS system cannot be accessed in Data Director is that the person with primary responsibility for ensuring the two systems communicate does not have the technology skills to ensure the systems function seamlessly together.
3. There is some indication that schools examine student data monthly. Although not every school received professional development focused on analyzing data, nine of 17 schools dedicated time to examining data in February.

4. Although the Curriculum Department staff received some training in the 2012-2013 school year, the training was not clearly focused on the use of data to inform instruction.
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, these 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 close job classes for positions that are outdated and insufficient to meet district needs. This position should also have the flexibility to develop job classes that better reflect those needs and hire new staff to fill those positions.
2. Principals should be provided with professional development to support their ability to use data to inform instructional and curricular decisions at the school sites.
3. Teachers should be provided with professional development through the PIFs 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 data provided by the student information system and Data Director to inform their approach to instruction and the use of curriculum.

Standard Partially Implemented



1.9 Professional Standard – Planning Processes

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

Sources and Documentation

1. Individual interviews with site principals
2. Observations of classrooms
3. Sample teacher evaluation
4. Teacher Performance Evaluation and Assessment Form
5. Collective bargaining agreement between the Inglewood Unified School District and the Inglewood Federation of Teachers (IFT) (2010-2013)
6. Board Policy 0200 (a): District Philosophy, Goals, Objectives, and Comprehensive Plans Goals for the District (2013)

Findings

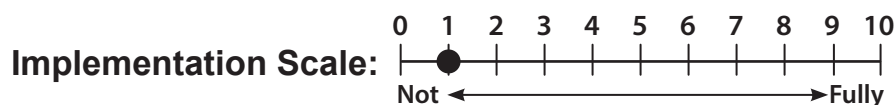
1. The district has a goal of “providing a system of shared accountability for student achievement with clear performance standards and consequences” (Board Policy 0200 (a), approved February 20, 2013).
2. The district/union collective bargaining agreement covers teacher evaluation directly in Article 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” (p. 42). 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 to be 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. Principals, assistant principals and directors have been transferred from their schools or maintained at their schools and positions based on politics and personalities and not on performance of the schools, students, or performance evaluations.

Recommendations for Recovery

1. A clear plan should be developed for evaluating principals. This plan should require administrators to be held accountable for the academic achievement of their students.
2. Teacher evaluations should be restructured to more clearly focus on student achievement and the approach teachers take to foster 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



2.1 Legal Standard – Curriculum

The LEA provides and fully implements 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)

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. Observation/visits of schools and classrooms
3. Interviews with site principals
4. State and local student benchmark data reports
5. Sample school site plans

Findings

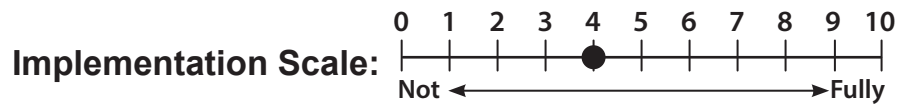
1. Students/classrooms were observed using standards-based and standards-aligned instructional textbooks and ancillary materials for core instruction in reading/language arts, mathematics, history/social science, and science.
2. There was some indication that teacher-created activities are used as part of the instructional program. In some cases, these activities resulted in appropriate learning activities, such as challenging writing assignments. In other cases, they resulted in a misuse of instructional time, such as when upper elementary students were filling in an empty grid with letters surrounding their spelling words to create a “word search.”
3. There appeared to be heavy reliance 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.
4. There was little indication of the use of district-adopted materials available to differentiate instruction in most classrooms observed.
5. Principals described the curriculum adopted for strategic and intensive intervention and reported that the materials provided support for underachieving students.

Recommendations for Recovery

1. The district should work with teachers to identify areas in the district-adopted text 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 examining data on the progress of underperforming students to ensure that the materials provide them with high levels of assistance.

Standard Partially Implemented



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)

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. LEA Plan
3. Observation/visits of schools and classrooms
4. Interviews with site principals
5. Interview with district staff with responsibility for this standard
6. State and local student benchmark data reports
7. Sample school site plans
8. List of adopted textbooks 2012-2013, grades 1-12
9. IUHS, Morningside High School and City Honors High School list of courses
10. IUHS, Morningside High School and City Honors High School career/course plan of study
11. District graduation requirements and A-G requirements

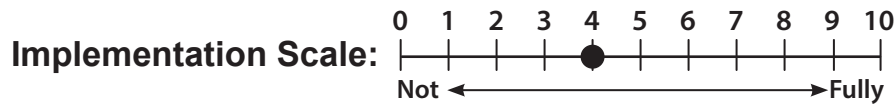
Findings

1. Interviews with site principals indicated that the district has been clear about the materials to be used to instruct in core subject areas.
2. Classroom observations indicate that in most cases, teachers use district-adopted materials to instruct students.
3. Principals and district staff report that teachers need assistance in using effective instructional strategies to deliver the curriculum.
4. Principals and district staff indicate that internal challenges related to the content and use of formative assessments do not fully support the assessment of 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 engage in frequent classroom walk-through visits to ensure that district-adopted materials are used as intended to provide core instruction to students at all levels of achievement.
3. The district benchmark formative assessments should be re-examined to ensure that they do not contain errors, do not change frequently, and can be used as a diagnostic tool for teachers to inform their instruction.
4. Principals and teachers at school sites should ensure that students take state and local assessments seriously, and that results are analyzed to identify students' strengths and growth areas at least quarterly.

Standard Partially Implemented



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.

Sources and Documentation

1. Individual interviews with site principals
2. Interview with director of assessment and IT
3. Benchmark testing dates 2011-2012
4. Inglewood Unified School District Comprehensive Assessment Calendar (2012-2013)

Findings

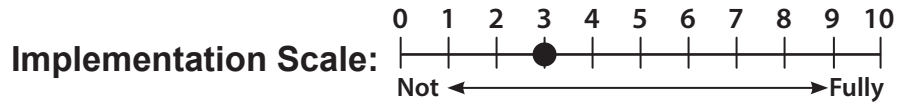
1. While the district has regularly administered periodic assessments, they are not used to assess the strengths and weaknesses of the instructional program or to guide curriculum development.
2. Developing and administering the periodic assessment is the responsibility of the assistant superintendent for curriculum and instruction and is not within the purview of the director, assessment and IT.
3. The periodic assessments are apparently created by the textbook publishers and are not in alignment with the California Standards or the California Standards Test (CST).
4. It is unclear how these assessments differ from the end-of-unit assessments administered by teachers in conjunction with their district-adopted textbooks (at the elementary level).
5. Because of the constraints created by the failure to fully implement Data Director, 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. The periodic assessment should be a joint responsibility of curriculum and instruction and the director, assessment and IT.
2. The periodic assessments used should not depend on the district-adopted textbooks, but should be correlated to the California Standards Tests.
3. Data Director 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 periodic assessment data. For instance, the data and reports provided to the teachers are not used to assess the strengths and weaknesses of the instructional

program or to guide curriculum development. Nor are the data reports successfully and consistently used to monitor and adjust instruction in the classroom. For this to occur, district administration should work with the classified and certificated bargaining units, as necessary, as well as the director of assessment and IT to construct IT job descriptions that serve the district's technology needs, as well as close positions that do not require the technology skills necessary to support the district's technology needs.

Standard Partially Implemented



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.

Sources and Documentation

1. Individual interviews with site principals and director, assessment and IT
2. District Technology Plan 2008-2013

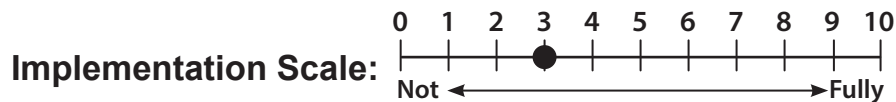
Findings

1. The district has a technology plan that includes integrating technology into curriculum and instruction at all grade levels to help students meet or exceed state standards and local goals.
2. It is impossible to determine how much of the technology plan has been implemented. The director of IT has not been in that position long and lacks the support needed to fully implement the plan. Changes were made to some plan elements before the director took the position.
3. The director of assessment and IT is directly responsible for all aspects of state testing, including obtaining and distributing tests to schools, entering all data that is forwarded to the state, and ensuring all testing procedures are followed. As a result, the director has little or no time to focus on implementing a district technology plan.

Recommendations for Recovery

1. The district should fully assess its progress towards implementing the technology plan.
2. District administration should work with the classified and certificated bargaining units, as necessary, as well as the director of assessment and IT to close existing job classes that are out of date and do not support the district's technology plan implementation, as well as develop job descriptions that will better meet district needs. This position also should be supported in efforts to remove ineffective personnel and hire qualified staff.
3. The director of assessment and IT should be provided with the support necessary to facilitate the implementation of a districtwide technology plan.

Standard Partially Implemented



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)

Sources and Documentation

1. Board policies:
 - 0400 (a) Nondiscrimination in District Programs and Activities 2008
 - 0402a; Nondiscrimination in District Programs and Activities 2008
 - 0402b; 2012 and 0402c Nondiscrimination in District Programs and Activities Access for Individuals with Disabilities 2008
2. Observation/visits in schools and classrooms
3. Saturday school brochure for attendance recovery - elementary, middle and high school students
4. Credit Recovery Program statistics: sites, dates, number of students, names of teachers

Findings

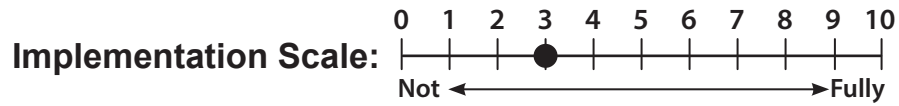
1. District policy as well as interviewed staff profess to provide all students with equal access to educational opportunities regardless of race, gender, socioeconomic standing, and other factors.
2. The district's board policies demonstrate a commitment to equally serving the needs and interests of all students, parents, and family members.
3. However, the practices and staff do not consistently demonstrate the commitment to equally serving the needs and interests of all students, parents and family members.
4. Specifically, not all schools/practices/staff are open and welcoming to Latino/Hispanic parents.

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 serving the needs and interests of all students, parents, and family members.

2. All staff and practices should be monitored and evaluated regularly to ensure that this commitment is made and implemented.
3. The district should ensure that all front office personnel create a welcoming environment for students and parents.
4. All schools should have bilingual staff members in the front office.

Standard Partially Implemented



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).

Sources and Documentation

1. Board policies:
 - 6000.2 (a) Instruction: High School Graduation Requirements (Education Code 51224.5, 51225.3) 2008
2. Master list of course offerings and teacher assignments (master schedules) in each high school
3. Observation/visits of schools and classrooms
4. Interviews with site principals

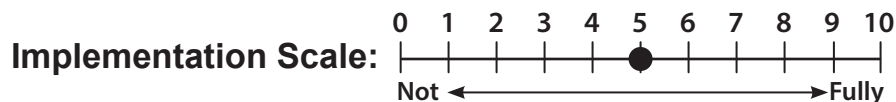
Findings

1. All courses are made available so students can meet graduation requirements as well as A-G courses for acceptance to a 4-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 rigorous enough 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



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)

Sources and Documentation

1. Board policies:
 - 6000.2 (a) Instruction: High School Graduation Requirements 2007
 - 6000.1 (a) Instruction: Courses of Study 2008
2. List of high school courses, Inglewood Unified published graduation requirements
3. Hillcrest Continuation High School graduation requirements: List of alternative routes/courses/options/observations in schools for students to complete the prescribed course of study required for high school graduation
4. Hillcrest Continuation High School master schedule 2012-2013
5. Alternative routes to graduation requirements from Inglewood High School
6. Alternative routes to graduation requirements from City Honors High School
7. Alternative routes to graduation requirements from Morningside High School
8. Observation/visits of Hillcrest Continuation High School and all classrooms
9. Saturday School Brochure (Academic Attendance Recovery Coordinated Program)
10. IUHS online credit recovery statistics

Findings

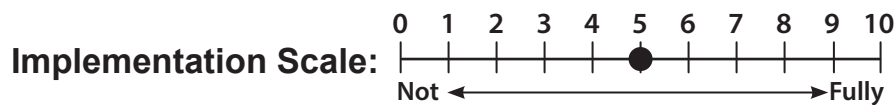
1. Students may recover credits or improve D grades by completing the UC-approved course work online through the licenses with Edgenuity, formerly Education 2020.
2. The district provides an alternative means for students to complete the prescribed course of study required for high school graduation at each of its high schools.
3. There are many optional programs in the students' home schools, as well as alternative means such as Saturday school and Hillcrest Continuation High School, for students.
4. Hillcrest Continuation High School's location and facility is in overall poor condition.
5. A visit to every classroom and all eight teachers at Hillcrest Continuation High School found that although the program and staff intentions are good, the quality of the facility, most teachers, and the pedagogy are marginal.

6. There are teachers assigned to the alternative school/program, Hillcrest Continuation High School, the district's continuation school, whose experience has focused on and is better suited for elementary classrooms. They have little experience, training, or interest in a high school or alternative setting.
7. 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 revamp academic program delivery at Hillcrest Continuation High School.
2. The qualifications of Hillcrest teachers should be reviewed to determine whether the most effective are assigned within their level of experience and expertise.
3. The district should find a more suitable location for the Hillcrest Continuation High School.
4. Expectations for students and rigor in the classrooms should be increased.

Standard Partially Implemented



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)

Sources and Documentation

1. Board policies:
 - 0430 (a) Philosophy, Goals, Objectives, and Comprehensive Plans: Comprehensive Local Plan for Special Education
 - 6171 Identification and Evaluation of Individuals for Special Education 2007
2. Special Education Policies and Procedures, Parts 1, 2, 3, 4 (2011-2012) authored and implemented in response to the CDE verification review of 2011
3. Interviews with staff
4. Observations/visits of schools and classrooms

Findings

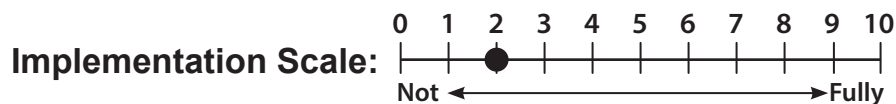
1. The district has adopted systematic procedures for identifying, screening, assessing, planning, implementing, reviewing, and performing triennial assessments of students with special needs (board policies 0430, 6171).
2. The district has written policies and procedures to ensure that special education processes are conducted according to federal and state laws and that the staff is provided with appropriate ongoing training to ensure proper implementation.
3. When compared with statewide averages, extensive numbers of students receive special education speech services from the county office of education.
4. The district had a CDE special education verification review in April 2011, resulting in more than 500 noncompliant items that required systemic corrective actions.
5. The district has completed the assigned corrective actions from the CDE verification review. Procedures have been written and training has been provided.
6. In April 2012, the CDE conducted a follow-up review and concluded that all systemic and individual student findings of noncompliance were corrected.
7. In December 2012, the district received a letter of commendation from CDE for its efforts to complete the verification review and efforts to correct all noncompliant matters. However, because the district has a history and culture of lack of accountability, there is concern that adequate attention will not be given to continued compliance or adherence to all newly installed policies and procedures.

8. The Special Education Department lacks monitoring systems to ensure that identification procedures are successfully implemented.
9. The district's special education student identification rate for 2011-12 was 13%, which exceeds the statewide average of 10%.

Recommendations for Recovery

1. The district should establish new review procedures/programs or schedules of internal monitoring to ensure compliance with special education policies and procedures, in addition to the day-to-day work of district administrators.
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. 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.
6. 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.
7. 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 adhere to all newly implemented policies and procedures.

Standard Partially Implemented



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.)

Sources and Documentation

1. Board policies:
 - 0430 (a) Philosophy, Goals, Objectives, and Comprehensive Plans: Comprehensive Local Plan for Special Education
2. Observations/visits in schools and classrooms
3. Interviews with staff
4. Special Education Policies and Procedure, Parts 1, 2, 3, 4 (2011-2012) authored and implemented in response to the CDE verification review of 2011
5. Special education student accommodation plans

Findings

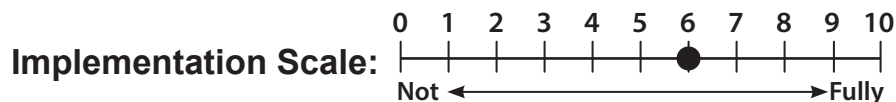
1. The district has adopted systematic procedures for identifying, screening, assessing, planning, implementing, reviewing, and performing triennial assessments of special needs students (board policies 0430, 6171).
2. The district has written policies and procedures to ensure that special education processes are conducted according to federal and state laws and that staff is provided with appropriate ongoing training to ensure proper implementation.
3. 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 Individuals with Disabilities Education Act (IDEA). However, several principals mentioned 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 had a CDE special education verification review in April 2011, resulting in more than 500 noncompliant items that required systemic corrective actions. The year after that review, the new director of special education established necessary policies (see district submitted policies and procedures , parts 1-4) to address the noncompliance and systemic corrective actions; provided guidance to staff; reorganized the special education department; hired new specialists; established intensive in-service/professional development activities (see submitted information).

5. In April 2012, the CDE conducted a follow-up review and concluded that all systemic and individual student findings of noncompliance had been corrected. In December 2012, the district received a letter of commendation from CDE for its efforts to complete the verification review as well as to correct all noncompliance matters.
6. The CDE has formally excused the district from participating in the district Special Education Self Review (SESR) in 2012-13.
7. The district and its special education leadership have taken significant steps to ensure all the identified, noncompliant matters prior to 2011 were remedied.
8. The elements required for special education programs are implemented based on the extensive review by the FCMAT study team of the requested documents, interviews of staff, and observations/visits of the schools and classrooms. These include elements such as policies, procedures, California legal requirements, IDEA, classifications and reclassifications, class sizes, use of student and teacher assistants in the classrooms, modifications for handicapped students, etc. However, the district has a history and culture of lack of accountability, so there is concern that adequate attention will not be given to continued compliance or adherence to all newly installed policies and procedures.
9. FCMAT does not know of any new review procedures/programs or schedules of internal monitoring that have been considered or implemented to ensure compliance, except for the day-to-day work of district administrators.

Recommendations for Recovery

1. The district should ensure that each classroom adheres to special education policies and requirements.
2. Unannounced audits of classrooms and IEPs should be completed.
3. Quality assurance procedures should be established so that the district/staff continue to adhere to all newly implemented policies and procedures.

Standard Partially Implemented



3.13 Professional Standard – Instructional Strategies

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

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. Observation/visits of schools and classrooms
3. Interviews with site principals
4. Interview with district staff with responsibility for this standard
5. State and local benchmark assessment results
6. Professional development agendas
7. Sample school site plans

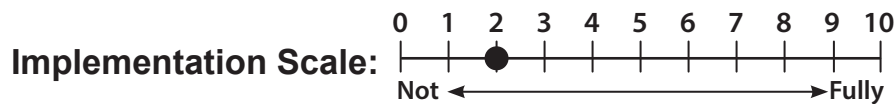
Findings

1. District students are engaged in classwork to varying degrees. At some schools, students perform meaningful work designed to increase knowledge and skills, but at others, particularly in middle school grades, they do not appear to be engaged at all.
2. Classroom observations and information provided by site principals indicate that teachers should improve their use of instructional strategies to increase student engagement and their ability to apply knowledge and skills to academic tasks.
3. In most schools, the principal appears to have little influence on classroom practices that result in high levels of student engagement. This indicates a minimizing of the principal's role in improving school practices as documented in the "Effective Schools" research (Lezotte).
4. 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 an appropriate grade level standard, and performing the math problem-solving included in grade-level content standards.
5. 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 for years.

Recommendations for Recovery

1. The district should involve district staff, site principals, and teacher leaders in developing a common definition of “student engagement in learning” and clarify what students “should be able to do to demonstrate their knowledge and skills at each grade level.”
2. With the implementation of Common Core State Standards, teachers will need to be trained and provided with support such as collaborative planning time to understand the implications and take concrete steps to implement 21st Century learning strategies in classrooms.
3. The district practice of frequently moving principals from school to school should be re-evaluated. Principals who remain at a school longer can more easily build a culture and exercise leadership to improve instructional practices.
4. District and site leaders should re-evaluate practices to increase the accountability of administrative, certificated, and classified staff members so that all district employees are held to high standards in support of quality instruction for students.
5. Student performance on state and benchmark assessments should be reviewed as part of the accountability measures in evaluating employee performance.

Standard Partially Implemented



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)

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. Title III Year 4 Plan
3. Documentation from Los Angeles County Office of Education reviews of the district's ELD Program
4. Observation/visits of schools and classrooms
5. Interviews with site principals
6. Interview with district staff with responsibility for this standard
7. School schedules indicating ELD and intervention periods
8. Teacher assignments for instruction of students with disabilities
9. State assessment results
10. Sample schedule of individualized education plan (IEP) meetings
11. Professional development agendas
12. Sample school site plans

Findings

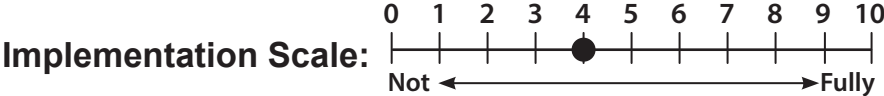
1. Underperforming students, students with disabilities (SWD), and English language learners (ELL) are placed in classes where instruction in standards-based curriculum is provided.
2. Student study teams (SSTs) are used effectively at some sites and ineffectively at others to identify students and develop an intervention plan.
3. There is little clarity regarding a Response to Intervention (RTI) model implemented in the district.
4. Teachers regularly attend IEP meetings so that they are apprised of individual students' learning needs and are made aware of accommodations and modifications needed.

5. Teachers are provided with class lists indicating which students are identified as SWD or ELL.
6. The principal and PIFs develop lists for teachers of students needing interventions based on identified criteria such as performance on state and local assessments.
7. The district 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.
8. In some schools, teachers regularly use SDAIE and other strategies to help student's access core curriculum, but in others, they do not.
9. Classroom assignments have little differentiation based on students' identified learning needs as an SWD, ELL, or underperforming student.
10. Although the district received a letter of commendation from CDE in December 2012 for its efforts to correct all noncompliance matters, 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.
11. Effectiveness should be increased in the intervention programs provided to students based on continued poor performance as reflected in academic assessments.

Recommendations for Recovery

1. The district should review its Response to Intervention (RTI) program, including the SST process.
2. District staff should ensure that principals and PIFs clearly understand expectations and measures of accountability for implementation of RTI and ELD.
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 accommodations required for SWD, ELL, and other underperforming students.
5. Principals should regularly observe classrooms to ensure that SDAIE and other strategies are used to assist ELL students to access the core curriculum.
6. Principals should develop a schoolwide schedule identifying when ELD, intervention classes, and mainstreaming of SWD occur.
7. Principals should hold PIFs accountable for ensuring that intervention programs occur regularly and are effectively implemented.

Standard Partially Implemented



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)

Sources and Documentation

1. Individual interviews with site principals
2. Interview with director, assessment and IT
3. All district instruction policies and philosophy, goals, and curriculum policy documents including Board Policy 6146: Instruction – Elementary/Middle School Promotion Requirements, Policy 6151.1: Instruction – Class Assignment, and Policy 6162.5(a): Instruction – Student Assessment

Findings

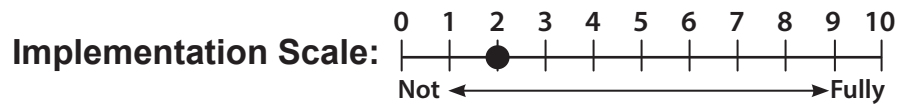
1. The district appears to make the most use of the end-of-unit assessments at the elementary grade level to make appropriate placements in intervention and uses SSTs to identify students in need of other special support programs.
2. It is unclear what is used at the secondary level to make placement decisions.
3. It is unclear that other assessments are used in any methodical way to make appropriate grade-level placements or placement in intervention and other special support programs.
4. The district has two systems for accessing student data, Aeries and Data Director. Communication between these two data systems is limited (apparently because the individual responsible for ensuring the two systems are working together lacks the capacity to complete this task).
5. 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. A comprehensive review of the available assessment systems should be completed.
2. Professional development should be provided to principals and PIFs to ensure they are aware of the assessment systems and know when and how they should be used.
3. Teachers should be provided with 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



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.

Sources and Documentation

1. Title III Year 4 Plan
2. Documentation from Los Angeles County Office of Education reviews of the district's ELD Program
3. Observation/visits in schools and classrooms
4. Interviews with site principals
5. Interview with district staff with responsibility for this standard
6. School schedules indicating ELD instructional periods
7. State assessment results
8. Professional development agendas
9. Sample school site plans

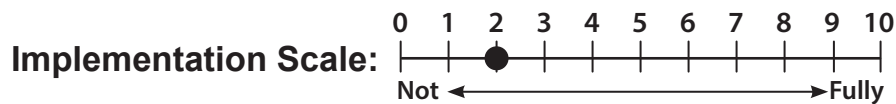
Findings

1. Classroom observations at school sites indicate that there is a great deal of variation in the ELD delivery model.
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.
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.
5. In some cases, the PIF 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 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. Monitoring of English language learners and reclassified students should be increased (R-FEP) to ensure they continue to make academic progress.
4. Site principals and teachers should be held accountable for complying with state and federal regulations on instructional support for English language learners.
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



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.

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. Observation/visits in schools and classrooms
3. Interviews with site principals
4. Interview with district staff with responsibility for this standard
5. School schedules indicating ELD and intervention periods
6. Sample school site plans

Findings

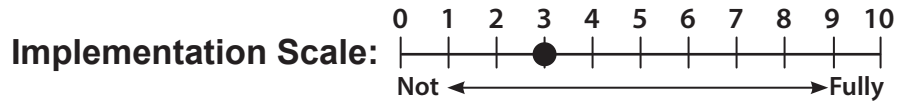
1. Each school has been assigned a PIF funded from Title I, Title II, and Title III. Based on these funding sources, PIFs are placed at each school to help underperforming students, improve teacher quality, and assist English language learners. In some cases, the PIF appears to function more as an assistant to the principal than to support students and teachers as intended by the funding source.
2. Based on principal interviews, some PIFs have the qualifications needed to perform the job, but others appear to be lacking in the necessary skills.
3. 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.
4. PIFs are not typically used to coach teachers or model lessons as expected based on their Title II funding.

Recommendations for Recovery

1. The district should revisit the purpose of the PIFs with site principals to ensure that their major focus is tied to the purposes of the funding sources (Title I, Title II, and Title III that support their positions).
2. Principals should ensure that PIFs are held accountable for effectiveness in their designated role. District staff should ensure that principals allocate duties to PIFs based on their intended purpose on site.

- To improve the effectiveness of classroom instruction, PIFs should increase their role in modeling lessons and coaching teachers on using effective instructional strategies at school sites.

Standard Partially Implemented



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)

Sources and Documentation

1. Course offerings at each high school
2. Career Plan of Study Course Sequence at Inglewood High School: Visual Performing Arts Business Entertainment Academy
3. 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)
4. Course/program offerings at the Southern California Regional Occupation Center Career Technical
5. Morningside High School STEM Program
6. Morningside High School Math/Science Health Magnet
7. Elective course/program offerings at Morningside High School, including business technology, culinary arts, media design, medical assistant, and industrial arts coursework
8. Elective course/program offerings at Inglewood High School, including business practices, SCROC business occupations, JROTC, SROC silk screening, and graphic design coursework
9. Interviews with principals
10. Visits/observation of academies at schools

Findings

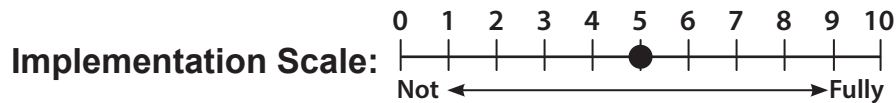
1. The district in practice meets the FCMAT standard (3.22) of offering multiyear, comprehensive high school programs of integrated academic and technical study that is organized around a broad theme, interest area, or industry sector.
2. The district provides students with the necessary courses to meet high school graduation requirements, and provides support for all students to complete UC and CSU required courses, offers students a variety of academies, as well as offers a variety of programs at Southern California Regional Occupation Center (SCROC).

3. The district has policies (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.

Recommendations for Recovery

1. The district should ensure that the degree of execution and delivery of the programs and courses are consistent from school to school.
2. The district should improve rigor in the classrooms.

Standard Partially Implemented



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.

Sources and Documentation

1. Individual interviews with site principals and director, assessment and IT
2. Benchmark testing dates 2011-2012
3. Inglewood Unified School District comprehensive assessment calendar (2012-2013)
4. All district instruction policies and philosophy, goals, and curriculum policy documents including Board Policy 6146: Instruction – Elementary/Middle School, Promotion Requirements, Policy 6151.1: Instruction – Class Assignment, and Policy 6162.5 (a): Instruction – Student Assessment

Findings

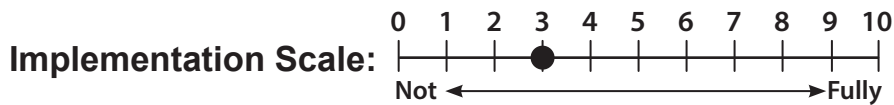
1. The district has end-of-unit assessments that are regularly administered at the elementary grades. These assessments are part of the district-adopted curricular packages. The assessments are administered with the frequency expected by each of the curricular packages in both ELA and math.
2. End-of-unit assessments (formative assessments) are used to varying degrees by teachers and principals to inform and direct instructional practices as a part of an ongoing process of continuous improvement. The degree of use 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 does not appear to have 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 consistently aligned to the California Standards or the California Standards Test (CST).
5. The development and administration of periodic assessment is the responsibility of the assistant superintendent for curriculum and instruction and is not within the purview of the director, assessment and IT.
6. It is unclear how periodic assessments differ from the end-of-unit assessments administered by teachers in conjunction with their use of district-adopted textbooks (at the elementary level).

7. Because of the constraints created by the failure to fully implement Data Director, 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. Principals should receive professional development and ongoing support to be able to support the use of formative and summative assessments to direct instruction as part of ongoing improvement.
2. 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.
3. The district should discuss the importance and use of data and share and implement changes at schools during department, professional learning community, or other meetings and professional development opportunities at school sites.
4. The periodic assessment should be a joint responsibility between Curriculum and Instruction and the director, assessment and IT.
5. Periodic assessments should be used that do not depend on the district-adopted textbooks and should be correlated to the California Standards Tests.
6. Data Director 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



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.

Sources and Documentation

1. Individual interviews with site principals and director, assessment and IT
2. Inglewood Unified School District comprehensive assessment calendar (2012-2013)

Findings

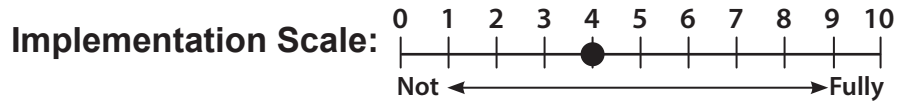
1. The district has end-of-unit and periodic assessments, and teachers regularly administer both. The district has a schedule clearly indicating when assessments should be completed.
2. The district has Aeries SIS to provide access to student-level data and Data Director for student assessment data. These two systems do not work together sufficiently to allow teachers and administrators to compile student-level data from Aeries with periodic assessment data in Data Director. Data Director is also not being used with full functionality because of IT staffing limitations. As a result, teachers and administrators have access to only aggregated data for periodic assessments, and they use periodic assessment data infrequently or not at all. However, teachers, PIFs, and administrators use end-of-unit assessment data to inform instruction during professional development. The skill used to analyze data varies significantly, and the extent to which teachers are equipped to use the data to inform instructional and curricular decisions also varies.

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 close job classes for positions that are outdated and insufficient to meet district needs. Flexibility should also be provided to develop job classes that better reflect district needs; new staff should be hired to fill those positions.
2. For this to occur, district administration should work with the classified and certificated bargaining units, as necessary, as well as the director of assessment and IT to construct IT job descriptions that serve the district's technology needs, as well as close positions that do not require the technology skills necessary to support the district's technology needs.
3. Principals should be trained to support their ability to use data to inform instructional and curricular decisions at the school sites.
4. Teachers should be trained through the PIFs to support their ability to work with student-level data to inform instructional and curricular decisions.

- The district should clarify who is responsible for ensuring that teachers and administrators use the data provided by the SIS and Data Director systems to inform their approach to instruction and the use of curriculum.

Standard Partially Implemented



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.

Sources and Documentation

1. Individual interviews with site principals
2. Observations of classrooms at various schools
3. Instructional intervention schedules from various schools
4. Board policies regarding instruction, philosophy, goals, and curriculum, including Board Policy 6146: Instruction – Elementary/Middle School Promotion Requirements; Policy 6151.1: Instruction – Class Assignment; Policy 6162.5(a): Instruction – Student Assessment; Policy 6171: Instruction – Identification and Evaluation of Individuals for Special Education
5. Inglewood Unified School District Special Education Department Verification Review 2010-2011

Findings

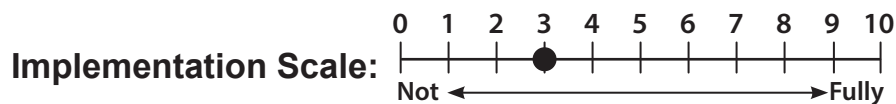
1. School staff primarily use end-of-unit assessments to determine students' academic progress. End-of-unit assessments are also used to guide instructional decisions, and the need for intervention or acceleration. Other forms of assessment may be used when appropriate, and student study teams may be used, but the frequency of use is unclear.
2. It is unclear that all students are adequately assessed to determine their needs. Different schools use data with different levels of sophistication and frequency. In addition, the quality of instruction throughout classrooms and schools is so uneven that it would be difficult to know if student academic outcomes are the result of a specialized need or poor instruction.
3. Elementary schools use Imagine Learning, I Can Learn, and Read 180 as three forms of intervention for students who need additional instructional support. Read 180 is a research-based intervention.
4. Schools have intervention schedules that include the entire range of content areas (e.g., ELA, social studies, math, and science).
5. There was little evidence of differentiated instruction or close monitoring of students in 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 assessments that are supposed to be used to assess students should be reviewed, and that information should be disseminated 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. Professional development and ongoing support should be provided to principals so that 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



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.

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. Observation/visits in schools and classrooms
3. Interviews with site principals
4. Interview with district staff with responsibility for this standard
5. State assessment results
6. Professional development agendas
7. Sample school site plans

Findings

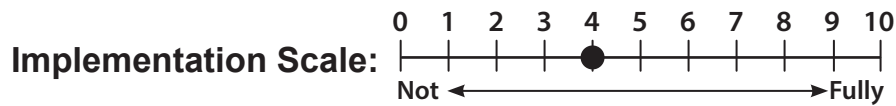
1. District staff visits school sites throughout the year to walk through classrooms and observe instructional practices, compliance with program requirements, etc. Feedback from these monitoring walks typically focuses on compliance rather than quality.
2. Site principals include observation of classroom instruction in their regular weekly schedule. However, time spent in classrooms is minimized because of disciplinary concerns or other issues.
3. Some principals regularly provide feedback to teachers about the quality of instructional strategies and appropriate content observed, but this does not appear to be the norm.
4. The district does not have a clear expectation regarding how frequently principals should monitor programs and discuss the results of observations with other principals.
5. District meetings typically are used to provide information to principals instead of allowing an open discussion about the quality of instructional practices in a format such as a professional learning community that fosters collaboration and problem-solving among principals.

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 2013-2014. The revised definition of “fidelity” of program implementation developed by the California Department of Education in January 2013 should be included in the discussion

2. District meetings should provide a forum for principals in a professional learning community setting that allows for discussing openly, identifying challenges, sharing ideas, and formulating “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.
4. Training should be provided to principals in determining how to minimize discipline issues and other interruptions that prevent them from spending appropriate time observing instruction and engaging in other activities to support their role as instructional leaders.
5. District staff should help principals increase their focus on instructional leadership by clarifying expectations and providing support to principals to minimize noninstructional distractions.

Standard Partially Implemented



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.

Sources and Documentation

1. Board policies:
 - 0430 (a) Philosophy, Goals, Objectives, and Comprehensive Plans: Comprehensive Local Plan for Special Education
2. Special Education Policies and Procedures, Parts 1, 2, 3, 4 (2011-2012) authored and implemented in response to the CDE verification review of 2011
3. Correspondence from CDE dated May 24, 2011; November 21, 2012; December 6, 2012
4. Samples of training provided to staff by the SELPA; teacher sign-in attendance sheets at training

Findings

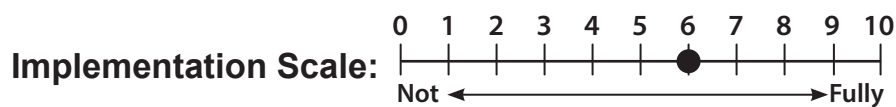
1. The district has adopted systematic procedures for identifying, screening, assessing, planning, implementing, reviewing, and performing triennial assessments of students with special needs (board policies 0430, 6171).
2. The district has written policies and procedures to ensure that special education processes are conducted according to federal and state laws and that staff is provided with appropriate ongoing training to ensure proper implementation.
3. 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.
4. The district had a CDE special education verification review in April 2011, resulting in more than 500 items of noncompliance that required systemic corrective actions.
5. The year after that review, the new director of special education established necessary policies (see district submitted policies/procedures , parts 1-4) to address the noncompliance and systemic corrective actions; provided guidance to staff; reorganized the Special Education Department; hired new specialists; and established intensive in-service/professional development activities.
6. In April 2012, the CDE conducted a follow-up review and concluded that all systemic and individual student findings of noncompliance were corrected.

7. In December 2012, the district received a letter of commendation from CDE for its efforts to complete the verification review and correct all noncompliance matters.
8. The CDE formally excused the district from participating in the district Special Education Self Review (SESR) in 2012-13.
9. The district and its special education leadership have taken significant steps to ensure that all the identified, noncompliant matters prior to 2011 were remedied.
10. 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 adhere to all newly implemented policies and procedures.
11. FCMAT does not know of any new review procedures/programs or schedules of internal monitoring that have been considered or implemented to ensure compliance, except for the day-to-day work of district administrators.

Recommendations for Recovery

1. The district should establish a process of ongoing evaluation to ensure implementation of special education policies and procedures.
2. New review procedures/programs/schedules of internal monitoring should be developed.
3. The district should conduct unannounced evaluations of processes in classrooms.
4. In-service sessions should be conducted at each school for staff to review policies/procedures in specific areas identified as needed by principals.
5. Principals should assume responsibility for completing spot reviews of the policies and procedures being implemented at each school.

Standard Partially Implemented



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.

Sources and Documentation

1. The Strategic Plan Summary 2008-2013
2. Observation/visits in schools and classrooms
3. Interviews with site principals
4. Interview with district staff with responsibility for this standard
5. State assessment results
6. Professional development agendas
7. Sample school site plans

Findings

1. School Improvement Grants were used to provide training in topics such as Response to Intervention (RTI), Elements of Effective Instruction (EEI), Sheltered Instruction Observation Protocol (SIOP), and Common Core State Standards (CCSS). All teachers are invited to these trainings, but not all attend.
2. The district does not have a protocol for tracking teachers' attendance at professional development trainings. As a result, some teachers receive adequate training and others do not.
3. In the last few years, the district has arranged for training on a variety of strategies and topics, but it does not appear to have a focused plan for professional development based on need that is supported by data.
4. Information about professional development training is not always provided in a timely manner across the district.
5. Because of budget cuts, some requests to attend training to increase the skills of principals and teachers have been rejected.

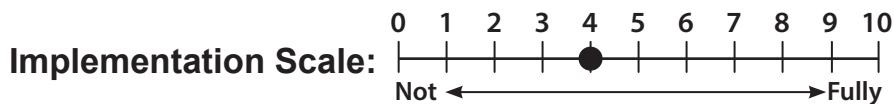
Recommendations for Recovery

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, the district 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 appropriate groups, c) ongoing follow-up on implementation of strategies learned, and d) identification of “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 on an annual professional development calendar. 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.
3. The approach described above should be used implement Common Core State Standards in 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 develop a protocol for tracking teachers’ attendance at professional development trainings to ensure consistent, adequate training standards.
6. The district should examine its approach to supporting new site principals to ensure that they receive the support and training needed.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with director of ELL and GATE programs
2. Individual interviews with site principals
3. Observation/visits in schools and classrooms
4. Professional development plan
5. Professional development calendar
6. Budgets for categorical and compensatory programs
7. LEA Plan
8. Sample school site plans
9. School plan resource allocations, 2012-13

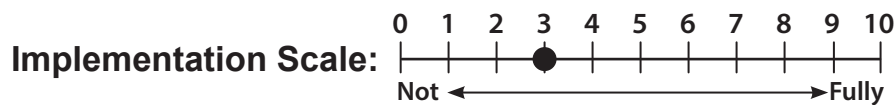
Findings

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. PIFs are used to perform clerical work related to providing data printouts for teachers, but 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 the data provided is not always available in a format conducive for analysis by teachers. As a result, teachers frequently do not use it to improve instruction.
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.

Recommendations for Recovery

1. Teachers should receive 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. As funds allow, release time for teachers at school sites should be scheduled at least twice a year to hold in-depth discussions by department and/or grade level with the principal to, a) analyze the results of state and local student performance data, b) identify changes needed in the instructional program to provide additional support to students, and c) identify the support needed by the site principal or PIF.
3. 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 support needed by the site principal or PIF.
4. Because PIF positions are funded substantially from Title I and Title II funds, the activities of the PIF should be targeted to identify the needs of students and teachers resulting from the data collaboration discussions.
5. 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.

Standard Partially Implemented



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.

Sources and Documentation

1. Individual interviews with site principals
2. Curriculum Department 2012-2013 Professional Development Activities Calendar
3. Various “by school” professional development calendars
4. Cumulative Detail Report, General Fund for Professional Development Budgets (Title II Teacher Quality, Title I, Title III)

Findings

1. While the district has a substantial amount of professional development both budgeted and underway, it is unclear that these resources are used in a way that is coherent or likely to improve teaching or student achievement. For example, a single school may have five different forms of professional development simultaneously (e.g., CELDT training, Imagine Learning Training, SMART Board Training, Accelerated Reader Training, Teach Like a Champion Training).
2. These professional development opportunities mostly contain or focus on research-based strategies for improving student learning (and possibly teaching), but they are not sustained and ongoing. They are not structured as anything except a single workshop. Research on effective professional development suggests that single workshops are the approach least likely to improve teaching or student learning outcomes.
3. A number of consultants appear to be used throughout the district (e.g., New Directions, A2Z Educational Consultants, and CORE) and these do not appear to be coordinated efforts. It is unclear what these consultants do to build the capacity of the principals and/or the teachers at their school sites.
4. The professional development offered to teachers does not appear to have any underlying theory of action. A number of different resources appear to be directed at schools simultaneously without a clear plan for how they are expected to work together in a way that builds teachers’ and principals’ capacity.

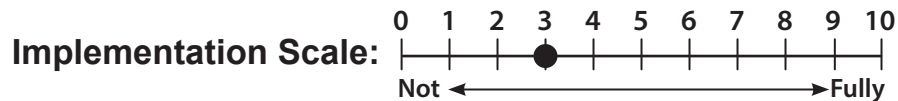
Recommendations for Recovery

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. In addition, the district should try to do fewer things at one time. When there are too many different initiatives at one time, none receives the attention, resources, or support needed for success.

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



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 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))

Sources and Documentation

1. Interview with director, assessment and IT
2. CALPADS documentation for in-service
3. Interview with CSIS staff

Findings

1. Past CALPADS submissions had errors and other issues due to the Aeries Student Information System not being as accurate as necessary. Although the CALPADS deadlines were met, it was due to assistance from CSIS.
2. The district assigns and maintains statewide student identifiers and maintains all data to be reported to CALPADS and OPUS necessary to comply with NCLB.
3. 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.
4. CSIS has helped the district with submissions in the past, but some of the reported data was not accurate, and the district has not been able to correct it in a timely manner. For example, the district's SIS data was inaccurate for the fall 2, 2012 CALPADS submission. This process took several weeks, and although the final deadline was met, the district reported many English learners as not receiving EL services. Although CSIS attempted to help the district correct this data in the amendment window provided, the district was slow to respond to communications about the problem and ran out of time to make corrections.

Recommendations for Recovery

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

- School site leadership and program staff, such as the director of special education, the district EL coordinator, and the food service director, should be held accountable for reviewing certification reports and making sure the counts accurately reflect the students at their specific schools or in their programs.

Standard Partially Implemented

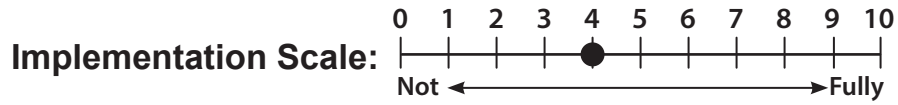


Table of Pupil Achievement Ratings

Pupil Achievement Standards		June 2013 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
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
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
1.5	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
1.6	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
1.8	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
1.9	PROFESSIONAL STANDARD – PLANNING PROCESSES The LEA holds teachers, site administrators, and LEA personnel accountable for student achievement through evaluations and professional development.	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

Pupil Achievement Standards		June 2013 Rating
2.3	<p>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)</p>	4
2.4	<p>PROFESSIONAL STANDARD – CURRICULUM The LEA has developed and implemented common assessments to assess strengths and weaknesses of the instructional program to guide curriculum development.</p>	3
2.5	<p>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.</p>	3
3.1	<p>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)</p>	3
3.6	<p>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).</p>	5
3.7	<p>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)</p>	5
3.10	<p>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)</p>	2
3.12	<p>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.)</p>	6

Pupil Achievement Standards		June 2013 Rating
3.13	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES</p> <p>Students are engaged in learning, and they are able to demonstrate and apply their knowledge and skills.</p>	2
3.15	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES</p> <p>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)</p>	4
3.16	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES</p> <p>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)</p>	2
3.17	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES</p> <p>Programs for English-language learners comply with state and federal regulations and meet the quality criteria set forth by the California Department of Education.</p>	2
3.18	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES</p> <p>The LEA employs specialists for improving student learning, including content experts and specialists with skills to assist students with specific instructional needs.</p>	3
3.22	<p>PROFESSIONAL STANDARD – INSTRUCTIONAL STRATEGIES</p> <p>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)</p>	5
4.3	<p>PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY</p> <p>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.</p>	3
4.4	<p>PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY</p> <p>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.</p>	4

Pupil Achievement Standards		June 2013 Rating
4.5	<p>PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY</p> <p>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.</p>	3
4.10	<p>PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY</p> <p>The LEA and school site administration monitor fidelity of program implementation in the delivery of content and instructional strategies.</p>	4
4.12	<p>PROFESSIONAL STANDARD – ASSESSMENT AND ACCOUNTABILITY</p> <p>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.</p>	6
5.1	<p>PROFESSIONAL STANDARD – PROFESSIONAL DEVELOPMENT</p> <p>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.</p>	4
5.3	<p>PROFESSIONAL STANDARD – PROFESSIONAL DEVELOPMENT</p> <p>The LEA provides opportunities and ongoing support for teachers to collaborate on the analysis and improvement of curriculum, instruction, and use of assessment data.</p>	3
5.5	<p>PROFESSIONAL STANDARD – PROFESSIONAL DEVELOPMENT</p> <p>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.</p>	3
6.1	<p>LEGAL STANDARD – DATA MANAGEMENT/ STUDENT INFORMATION SYSTEMS</p> <p>The LEA assigns and maintains Statewide Student Identifiers and maintains all data to be reported to the California 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))</p>	4
Collective Average Rating		3.23

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)

Sources and Documentation

1. Interview with interim state administrator
2. Interviews with district administrators
3. Interviews with district and school site staff members
4. Board policies and administrative regulations
5. Statements of economic interest for January 1 – December 31, 2012
6. Business Services Division organizational chart, undated
7. Accounting Department manual, undated
8. Budget Department manual, undated
9. CALPADS in-service documentation, dated August 12, 2011
10. Civic center procedure manual, undated
11. Food Services Department manual, undated
12. Reprographics/mail center procedures manual, dated August 2012
13. Maintenance Operations & Transportation Department manual, undated
14. Payroll procedure manual, undated
15. Purchasing Department manual, undated
16. Risk Management Department manual, undated
17. Audited financial statements for the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012

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 22 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, and district practice. 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 utilizing attorneys to ensure that current law is followed; however, a more economical approach is to contract with a third party to identify policies that are missing or out of date. Interviews with district staff indicated that the district has had a contract with the California School Boards Association (CSBA) for a subscription to its Gamut manual maintenance; however, because of recent district turmoil, the updates were not processed and questions have arisen regarding the viability of some board policies. As a result, the district recognized that this area needs immediate attention and contacted CSBA to participate in a three-day policy development workshop. This workshop will 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 this process, it will be important to include district's senior 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 a certificated, classified or management employee. The district's website provides a link to board policies and administrative regulations 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 for this conduct such as reporting to law enforcement, and a prohibition against retaliation.

The district does 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 Policy 2914 and 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 specifies that the following positions are responsible for filing Form 700 annually in addition to its board members:

- Superintendent
- Chief Operations Officer
- Associate Superintendents of
 - i. Academic Services
 - ii. Human Resources
- Directors of
 - i. Maintenance, Operations and Transportation
 - ii. Fiscal Services
 - iii. Adult Education and Career Technical Education
 - iv. Risk Management
 - v. Food Services
- Administrator – Categorical Programs
- Executive Directors of
 - i. Curriculum and Instruction
 - ii. Pupil Personnel Services/Special Education
 - iii. School Improvement

For the calendar year 2012, only the district's board members have filed Form 700.

4. District staff and administration indicated that vendors were not necessarily hired based on qualifications and/or cost, and employees were also hired or promoted based on attributes other than qualifications. Many district staff members of varying levels reported that even with the change from a superintendent/board to a state administrator, they believe this culture has not shifted to any great extent. One employee related example they cited is the recent promotion to a management position of a person who they believe lacks the appropriate experience or credentials.

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 release of the district's superintendent, the appointment of a state administrator, the

resignation of the state administrator, the appointment of an interim state administrator, a vacancy of the CBO position, a new position of business and fiscal services coordinator replacing the director of fiscal services position. All these changes can prompt confusion among employees about the expectations of each employee in these management 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. 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 at the district because of the current economic situation the number of furlough days implemented for staff. The third factor, rationalization or lack of integrity, has reportedly been prevalent in the past, and employees who perpetrated questionable acts were allowed to return to the same positions where these acts were 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. Some contained duplicative material, which can be confusing if this includes conflicting information.

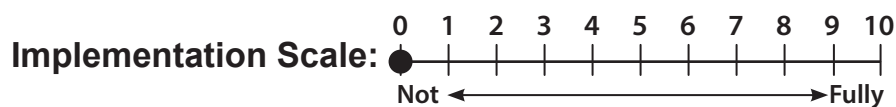
In the district's audited financial statements for the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012, the auditor's opinion included a paragraph regarding the district's ability to continue as a going concern. It also included an audit finding expressing the auditor's apprehension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

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 senior 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 annually file statements of economic interests/Form 700.
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 establish 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 the district with another level of oversight to help ensure proper operations and adequate follow-up to audit findings.

Standard Not Implemented



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. (SAS-55, SAS-78)

Sources and Documentation

1. Interview with interim state administrator
2. Interviews with district administrators
3. Interviews with district and school site staff members
4. Business Services Division, Curriculum Department, Education Services Division, and Human Resources Department, organizational charts, undated
5. Inglewood Community Adult School 2011-12 organizational chart
6. Albert Monroe Magnet Middle School 2012-13 organizational chart
7. Department of Special Education office staff list, undated
8. Accounting Department manual, undated
9. Budget Department manual, undated
10. Food Services Department manual, undated
11. Reprographics/mail center procedures manual, dated August 2012
12. Maintenance Operations & Transportation Department manual, undated
13. Payroll procedure manual, undated
14. Purchasing Department manual, undated
15. Risk Management Department manual, undated

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 ones for the community adult school and 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. Many of the department manuals provided contained departmental organizational charts that needed to be revised to reflect the current organizational structure.

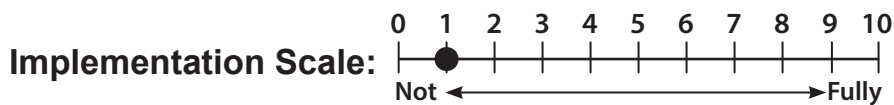
2. The district’s administrators and management staff indicated they knew who their supervisor is and understand the concept of chain of command; however, this was not necessarily the case with the positions below the director level. Some district staff expressed confusion regarding the change in the position from the director of fiscal services to business and fiscal services coordinator, which personnel report to this person, and what duties were assigned.

District administrators, staff and site personnel reported that employees or the public sometimes circumvented the chain of command, directly approaching board members with their concerns. However, with the interim state administrator and the board operating in an advisory capacity, this occurs less frequently.

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. All employees should be trained in the concept of chain of command.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with interim state administrator and central office department managers
2. Interviews with principals and school site staff members
3. District's website
4. Sample cabinet agendas

Findings

1. The district lacks a systematic process for effective communication between the Business and Operational departments and between central office departments and school sites. Compounding this is the frequent turnover in administrative and management positions over the last several years.

In the last three years, the district has had two superintendents, three chief business officials, two special education directors, three directors of fiscal services, two payroll supervisors, a state administrator replaced with an interim state administrator, several new principals, and many other management changes. The instability of management personnel has a direct effect on communication quality districtwide.

2. Several administrators and site staff personnel cited a general lack of cohesiveness organizationally and dysfunctional communication systems that inhibit decision-making, especially on budgetary issues. Even though most managers indicated they have online access to financial system reports, they have not received adequate training on which reports to review and how to interpret the information.
3. The interim state administrator recently hosted the first community meeting with a FCMAT representative and a state official on May 28, 2013. This information meeting was designed to provide the community with an opportunity to hear and discuss proposed plans for the district's recovery plan. It will be imperative for the interim state administrator to keep the community informed and up to date on the challenges facing the district during this recovery period and the progress on new educational programs for students.

4. The cabinet consists of the assistant superintendent, human resources; assistant superintendent, academic services; and the interim state administrator and meets weekly. The executive director of school improvement and transformation is occasionally requested to attend.
5. The assistant superintendent, academic services was hired in January 2013 and has made significant progress with establishing monthly meetings with school sites to address educational issues. The following meeting schedule is focused on expectations, accountability, planning and transformation:
 - Principal meeting – monthly mandatory meetings for a half day
 - Directors/division team meeting - biweekly as a group
 - Directors meeting – biweekly individually

These meetings are designed to discuss educational issues and concerns as a group, and individual director meetings are focused on departmental issues where goals for improvement and transformation are discussed.

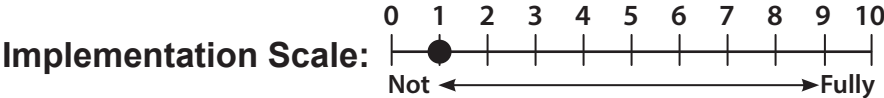
6. The district has several operating manuals available for employees to reference. In addition to these resources, the district should implement training to reinforce district policies and procedures. At least annually, the central office departments should update the procedure manuals and ensure that each school site and department have the latest version.

During the last fiscal year, the district has implemented online requisition training hosting several training events for school sites and auxiliary departments to attend. The district should offer follow up training now that the system is fully implemented to address any questions and concerns from users.

Recommendations for Recovery

1. The district should develop a systematic process for effective communication between the Business and Operational departments and between central office departments and school sites.
2. All managers and designated personnel should be provided with online read-only access to the financial system. Training should focus on which reports to review and how to interpret the information.
3. The district should conduct regularly scheduled community meetings that provide current information on the district's recovery plan.
4. Each school site and department should have the latest version of district-provided procedure manuals.
5. The district should conduct additional training for online requisition processing.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with interim state administrator and central office department managers
2. Interviews with principals and school site staff members
3. District's website – board minutes and board agendas

Findings

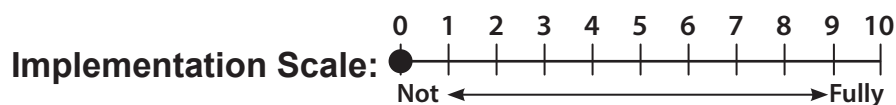
1. Board agendas and subsequent board minutes include information on any fiscal impact of requests being considered by the board before ratification, approval or denial. Board agendas also include a summary of batched purchase orders, but not a detailed list of those purchase orders.
2. Education Code Section 17604 requires all contracts and purchase orders to be approved by the state administrator 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.
3. Online board minutes refer to financial exhibits that are not available to view. A review of these exhibits retrieved from district staff found that they do not include a narrative discussion or a list of assumptions used. Revenues, expenditures, other sources and uses are consolidated into one number by major category in the current period. No detail on major object codes is provided, and multiyear projections and cash flow statements are not included. These financial presentations should provide vital information to discuss the district's ability to continue as a going concern.
4. Discussions at board meetings regarding the district's financial situation are brief, providing limited information about the severity of the fiscal crisis. Board minutes from October 2012 through March 2013 do not acknowledge multiyear projections or cash flow. Instead, the minutes include brief general statements on the deficit and negative budget certification to the county office.

5. Board minutes do not reflect discussion by the interim state administrator or the board on the realignment of educational goals and objectives as part of the overall plan to reduce deficit spending and correct the structural budget deficit.
6. There is no evidence that the advisory board participates in budget development or understands the budget and the severity of the district's financial situation. The district should schedule study sessions that provide board members with narrative executive summaries and detailed information. Board members could benefit from budget training to help them better understand the entire budget process and make informed decisions.
7. Information should be provided to the advisory 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 more than five years old, and some in the business operations section exceed 10 years. The interim state administrator 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.
3. Board agenda back-up documents should include a detailed narrative discussion and list of assumptions used in the budget. Revenues, expenditures, other sources, and uses should not be consolidated into one number in the current period by major category. Instead, the presentation should include at a minimum a budget overview, current assumptions, enrollment projections, year-over-year trends, multiyear financial projections, cash flow actuals to date and current year projections and status on the emergency state appropriation balance at each reporting period.
4. 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



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.

Sources and Documentation

1. Interviews with the interim state administrator
2. Interview with the business and fiscal services coordinator
3. Interviews with school site and district level personnel
4. Interview with bargaining unit leadership
5. Annual audit dated June 30, 2012
6. Board minutes and board agendas

Findings

1. The district does not have a formal staff development plan for the Business Division. Sporadic training occurs, but is not consistent or targeted to specific district goals and/or objectives. The district should evaluate areas that represent the deficiencies identified in the annual audit reports or other regulatory agency reviews such as Coordinated Review Efforts (CRE) conducted by the CDE, Child Nutrition Division; abnormalities with attendance reporting and enrollment procedures; California Longitudinal Pupil Achievement Data System (CALPADS) reporting; and the new requirements related to the Common Core initiative.
2. Because of the high rate of administrative turnover, particularly of senior management positions, the district has provided limited training opportunities to school site personnel who are responsible for enrollment, attendance and CALPADS reporting.
3. One Aeries training session was attended by one information technology staff member and two employees from City Honors, a dependent charter school. However, the district has recognized for at least the last two years that most school sites have difficulty in properly reporting enrollment and attendance to the district office for projecting and reporting. According to the Information Technology Department, approximately 30,000 errors had to be corrected for CALPADS reporting during the fall 2012 submission. The district should ensure that appropriate resources are identified to support districtwide training for enrollment, attendance and CALPADS. Each of these areas has significant financial impacts.

- The business and fiscal services coordinator was promoted from another district position this fiscal year. This employee has never worked in a school district business office and lacks any previous experience in governmental accounting. Ideally, the chief business official (CBO) would provide guidance, mentoring, training and proper oversight of the work product, but because the CBO was promoted to interim state administrator, the business and fiscal services coordinator has not received adequate training or guidance. For a district in severe financial condition, it is imperative that the interim state administrator provide the necessary support in the absence of a qualified CBO. FCMAT provided guidance and assistance during budget development; reviewed and provided training with cash flow projections, and reviewed the district's multiyear assumptions for the 2013-14 adoption budget.

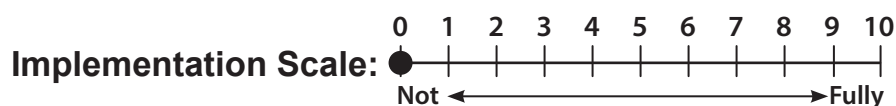
The district has used \$29 million of the \$55 million emergency state appropriation in less than one year. Additional complications exist with bargaining unit negotiations that will require legal intervention to negotiate a settlement before the remaining state appropriation balance is utilized.

All these critical issues require an exceptionally trained fiscal officer to manage the budget and cash flow during this period. The district should request that the county office provide it with fiscal training and guidance, and that the CDE immediately select a permanent state administrator so that the district will have a separate CBO instead of one person filling two significant positions.

Recommendations for Recovery

- A formal staff development plan for the Business Division targeted to specific district goals and/or objectives should be developed. The district should evaluate areas that represent the deficiencies identified in the annual audit reports or other regulatory agency reviews.
- Appropriate resources should be identified to support districtwide training for enrollment, attendance and CALPADS.
- The district should provide the necessary support for the business and fiscal services coordinator while the chief business official is also being utilized as the interim state administrator.
- The district should request that the county office provide it with fiscal training and guidance, and that the CDE immediately intervene to address the critical issues regarding negotiations and the selection of a permanent state administrator.

Standard Not Implemented



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.

Sources and Documentation

1. Interviews with the interim state administrator
2. Interview with the business and fiscal services coordinator
3. Interviews with school site and district level personnel
4. Annual audit dated June 30, 2012
5. Board minutes and board agendas

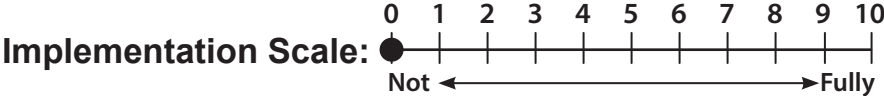
Findings

1. The district does not have a formal staff development plan for Business Services to provide training to school sites and/or departments. Periodic training occurs, but is not consistent or targeted to specific district goals and/or objectives.
2. The district does not have coordinated training opportunities with a formal professional development plan for business office staff members to provide training and oversight to associated student body (ASB) clerks. Unfortunately, business office staff do not have experience with this type of training. 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.
3. The district does not have a training plan that is evaluated annually. The plan should include a measurement matrix to help management evaluate targeted training opportunities by comparing them to productivity and performance objectives.

Recommendations for Recovery

1. A formal staff development plan should be developed for the Business Department that is targeted to specific goals and objectives.
2. The district should conduct a needs assessment for business office personnel and ASB to develop a professional development plan that includes a measurement matrix for the evaluation of productivity and performance objectives.

Standard Not Implemented



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.

Sources and Documentation

1. Interviews with business and fiscal services coordinator
2. Annual audit report for the fiscal years ending June 30, 2011 and 2012

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 administrator 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 the finding from occurring in the future.

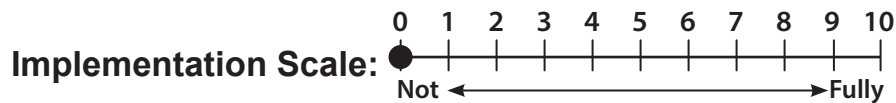
2. Management is responsible for resolving any findings and recommendations as a result of the district's annual independent audit. This is especially critical if the district's findings are in accordance with Education Code Section 41344, which may require the repayment of a penalty arising from an 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:
 - The document should identify each department and staff assigned to address each specific audit finding.
 - The worksheet should identify when the audit finding was discussed with the affected department, a proposed audit finding resolution date and actual date of audit finding resolution.
 - When completed, the document should be signed and dated by each department, 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.

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 who is not a district employee. The audit committee should be established and set specific procedures for the internal auditor to use subject to approval by the state administrator.
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 policy and procedures.
 - The internal auditor’s findings should be reported to the internal audit committee, which in turn reports to the state administrator and the board.
3. The district should develop an audit finding policy and administrative regulation and incorporate an audit finding resolution worksheet as part of the procedure.

Standard Not Implemented



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.

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the business and fiscal services coordinator
3. Interviews with board members
4. 2012-13 adopted and revised budget report to the board
5. 2012-13 first and second interim budget reports to the board
6. 2011-12 first, second and third interim budget reports to the board
7. 2010-11 and 2011-12 unaudited actuals financial report to the board
8. Daily cash balance reports
9. Board Information Letters
10. Board meeting agendas
11. Matrix of CSBA Masters in Governance Program completion as of February 23, 2013

Findings

1. The district's Board Information Letters served as a weekly communication between the board and the superintendent; however, they have ceased since state administration began. These letters included information items for the board as well as answers to questions that individual members had asked so that the entire board could be informed. This forum allowed board members to gather information from various departments and included responses to questions to the chief business official (CBO) on budget-related matters. The minutes of board meetings also reflected exchanges between the board members and the CBO related to budget/financial questions.
2. Questions that board members directed to the superintendent and were included in these letters showed that the board understood that many decisions incur a cost to the district. However, the connection between the individual costs, how they accumulate, affect the

budget and deficit spending, influence fiscal solvency, and affect student achievement was not demonstrated.

3. 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:
 - Board budget workshops provided during the superintendent's report at its April 21, 2008 and August 15, 2012 special board meetings.
 - Board Information Letters report that cash flow issues were discussed and the board received daily cash balance reports. Examples of the daily cash report show that the cash balance of each fund was reported to the board for several days as a monitoring tool, but did not include projections of the remaining months of the fiscal year to provide the board and the community with the district's cash flow expectations and allow them to see the full impact of budget decisions.

A review of the cash flow reports submitted to the board along with the district's 2011-12 first, second and third interim reports, 2012-13 adopted budget, 2012-13 revised adopted budget and 2012-13 first and second interim reports found the following:

- Some reports such as its 2011-12 second interim, 2012-13 adopted budget, 2012-13 revised adopted budget and 2012-13 second interim omitted a cash flow report in its entirety.
- The remaining reports did not state which months reported actual receipts and expenditures and which used projections.

An analysis of the single cash flow report provided for the 2012-13 fiscal year, which was included in the first interim report, found that revenues and expenditures did not match that of the current year projected budget. Revenues were overstated by \$3 million and expenditures were understated by \$300,000. Additionally, balance sheet transactions did not match those reported in the 2011-12 unaudited actuals report, and accounts receivable were overstated by \$2 million. After application of the over- and understatements, the district's year-end cash balance (including accruals and adjustments) would have decreased from \$4.6 million to negative \$600,000. This \$5.2 million decrease in cash would have increased the negative cash balances reported by the district for March through June 2013.

- Three board members graduated from the California School Boards Association's masters in governance program. One of the remaining two board members needs to complete one module and the other remaining board member has not received the training.
4. A review of the board agendas shows that the board was provided with the standardized account code structure (SACS) forms; however, deficiencies in the information were noted as follows:
 - Cash flow reports did not state which months reflected the actual revenues and expenditures in the report.

- Cash flow reports were missing.
- The assumptions used in the district's multiyear financial projections (MYFPs) were limited or nonexistent.
- Criteria and standards reports were missing.

Having complete 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 could help the board focus on district and student needs. 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). This highlights the need for continuity in administrative personnel and for additional financial analysis when there are changes in personnel.

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.

5. A comparison of the 2010-11 unaudited actuals with the 2011-12 unaudited actuals for the general fund found the following:
 - A decrease of \$15,076,000 in total revenues primarily because of decreases in federal revenues (ARRA and SFSF), revenue limit funding, and unrestricted state revenues.
 - A decrease of \$10,700,000 in expenditures for salaries and benefits
 - A decrease of \$1,500,000 in books and supplies
 - A decrease of \$734,000 in other outgo
 - A decrease of \$960,000 in contribution to restricted programs

Even with \$13 million in expenditure reductions from 2010-11 to 2011-12, deficit spending grew from \$878,000 in 2010-11 to \$3,341,000 in 2011-12, an increase of 280%.

The district's 2012-13 second interim report projects \$17.8 million in deficit spending in fiscal year 2012-13 before the addition of \$29 million from the first draw on the emergency state appropriation. The remaining \$26 million of the state appropriation is anticipated to be used in 2013-14 to offset deficit spending of \$16.9 million. The infusion of state appropriation funds allows the district's ending fund balance to increase to approximately \$23.2 million in 2014-15; however, expenditures were not reduced.

District estimates completed before 2013-14 budget adoption, which did not include budget reductions from a recovery plan, reflected \$17.2 million in deficit spending for 2014-15, reducing the fund balance to \$6 million. The fund balance cannot support a continuing annual deficit of \$16 million to \$17 million. Consequently, expenditures reductions and/or revenue increases will be necessary to avoid a negative fund balance for the 2015-16 fiscal year.

6. 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. FCMAT's review of the district's documentation and board agendas did not determine whether any articles of the collective bargaining agreements were being opened for negotiations for the 2013-14 fiscal year.

In December 2012, the prior 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 is in dispute and may proceed to litigation.

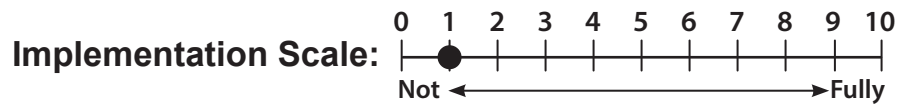
In accordance with SB 533, the FCMAT study team has begun to draft a fiscal recovery plan with assistance from the interim state administrator that will seek to balance the district's budget and achieve fiscal solvency.

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. 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.
5. 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.
6. The district should encourage board members to complete the CSBA's masters in governance program.

- 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 Partially Implemented



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.

Sources and Documentation

1. Interview with interim state administrator
2. Interview with the business and fiscal services coordinator
3. Interviews with business department staff
4. Interviews with school site and department administrators
5. Audited financial statements for the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012
6. Board policies and administrative regulations
7. Board meeting minutes
8. Budget advisory committee meeting agendas and minutes

Findings

1. Most site and department administrators reported one of the following:
 - They did not work for the district when the 2012-13 budget was constructed and have no knowledge of how it occurred.
 - They were present for development of the 2012-13 budget, but had no input into how their budgets were developed.
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, it is unknown how involved the prior CBO was in developing the 2012-13 budget. Interviews of the new business and fiscal services coordinator indicated that the 2013-14 budget process had not begun at the time of FCMAT's fieldwork, but meetings are planned with each site principal. The coordinator has never developed a budget, and the district planned to ask the retired director of fiscal services to help with the budget as well as requesting that FCMAT oversee budget development.

3. While the Budget Department may believe that sites and departments were included in developing their budgets, the sites/departments disagreed. Consequently, this level of 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, timesheet 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 plan.
- Information on account coding, how to read it, and how these codes translate into what items can be spent in each object category.
- Detailed information on how each funding source is to 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 attached. 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.

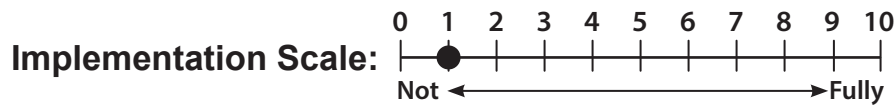
4. The district formed a budget advisory committee (BAC) to help make budget improvements for the 2012-13 fiscal year. The 2012-13 committee consisted of 21 members including a board member, two business office administrators, two representatives from the classified bargaining unit, four from the certificated 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 the 2013-14 budget.

5. It was reported that in the past, the board’s input was not sought during the budget development process. Instead, the board was presented with the budget and discussion was held during the adoption 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. It is finding number 2012-1 and 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.

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

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with interim state administrator
2. Interview with business and fiscal services coordinator
3. Interviews with department and site administrators
4. Staffing formulas, revised February 25, 2011
5. Budget calendar
6. 2012-13 revised budget report to the board
7. 2012-13 first and second interim budget reports to the board
8. 2011-12 unaudited actuals financial report to the board
9. 2011-12 Form CAT
10. Data Quest Time Series – Public School Enrollment
11. Board policies and administrative regulations

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 2012-13. There is also no indication that the district developed or used any list of priorities for budget resource allocations and expenditure reductions for its 2012-13 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.

2. The district has continued to experience turnover in its Business Department with the resignation of the assistant superintendent of business services and the hiring of a new assistant superintendent, who also serves as interim state administrator since the release of the previous state administrator. The district created a new position of business and fiscal services coordinator and filled that position. This position is intended to replace the former director of fiscal services; however, the person filling it has no experience in developing a budget. The district asked the retired director of fiscal services to mentor the coordinator and requested that FCMAT oversee this process. The district's budget technicians are assigned to handle categorical programs and have experience in that part of the budget process.

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

3. The sites indicated they are not informed about carryover, and the business office staff reported that they are; however, they differ on when carryover is included in the budget. Some report that this occurs in October, others December or January, and yet others at second interim. A review of the 2011-12 Form CAT showed that three programs had carryover; Title I (\$81,881), Title II, Part A (\$186,883.29) and Title III LEP (\$198). An analysis of variances from the 2012-13 revised adopted budget to the 2012-13 first interim report to the 2012-13 second interim report in these three programs shows the following:

- Title I's revenues decreased between the 2012-13 revised budget and the first interim report and increased at the second interim report, which could mean that carryover was added prior to the second interim report.
- Title II, Part A's revenues show the same pattern as that of Title I; however, the increase from first to second interim was \$20,485, which is much less than the \$186,883 reported as carryover in the 2011-12 Form CAT.
- Title III LEP's revenues follow the same pattern as that of Title I and Title II, Part A. Like Title I, the carryover amount is smaller than the increase between first and second interim report, which could mean that carryover was shown in the second interim report.

The 2011-12 Form CAT also shows that two programs, lottery instructional materials and EIA SCE, increased their fund balance over that fiscal year by approximately \$144,000 and \$743,000, respectively. This indicates programs 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 2012-13 revised adopted budget with the second interim report found that without state emergency appropriation proceeds, the district's deficit spending increases by 170%. This rise in spending comes primarily from four increases; \$2.9 million for salaries and benefits, \$3.9 million for services and other operating expenditures, \$1.6 million for other outgo, and \$4.7 million for contributions to other restricted resources. Salaries and benefits also rise from 80.67% of total revenues in the revised budget to 85.68% of total revenues at second interim.

The district's multiyear financial projection included in its 2012-13 second interim report shows that the district intends to draw down \$29 million in 2012-13 and \$26 million in 2013-14 from the emergency state appropriation proceeds. While this provides the district with a fund balance increase over these two years, it also masks the underlying problem of deficit spending. Without state proceeds in 2014-15 to mask the problem, the district would have \$17.2 million in deficit spending and a fund balance reduction of from an estimated \$23.2 million to \$6 million to start fiscal year 2015-16 if budget reductions are not implemented. Without significantly reducing expenditures and/or increasing revenues to balance its budget, the district will have a negative fund balance at the end of the 2015-16 fiscal year.

- Form ICR, which is included in the district's 2011-12 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 3.34% for 2011-12. Indirect rates used in programs varied from 1.91% to 3.94%, 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, 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 2011-12 unaudited actuals found the following:
 - Programs that included indirect rates higher than those allowed by law were transportation, Carl Perkins Career and Technical Education, EIA, child development prekindergarten and family literacy full-day option, and child development prekindergarten and family literacy program support.
 - Some categorical programs charged a rate that was less than that allowed.
 - Some categorical programs were not charged indirect costs.
- 5. The district budget calendar is actually a list of financial reports due to the county office. During FCMAT's fieldwork, no budget calendar had been developed for the 2013-14 budget development process. An actual budget calendar should identify the budget cycle and include critical tasks, the staff member or department assigned to complete them, and the date that the task will take place or is due. The budget calendar should include statutory deadlines such as the deadline for making the proposed budget available for public inspection and for presenting the budget to the board.
- 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. The cohort survival method groups students by grade level upon entry and tracks them through each year they stay in school. This method evaluates the longitudinal relationship of the number of students passing from one grade to the next in a subsequent year. This closely accounts for retention, dropouts

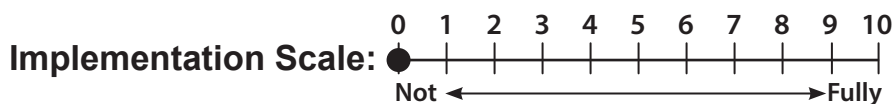
and student transfers to and from the district grade by grade. Although other enrollment projection methods are available, the cohort survival method is usually the best choice for school districts because of its sensitivity to incremental changes in several key variables. For kindergarten enrollment, the district has chosen to duplicate the current year's enrollment. Some districts utilize birth rate statistics to estimate kindergarten enrollments while using the cohort survival method for the rest of the grades.

For the two subsequent years, the district assumes a 2% enrollment decline. In reviewing the district's CBEDS enrollment, the district declined 18% over the past five years and 6% over the last two years. Therefore, an assumption of a 4% to 6% decline would be a more conservative estimate of enrollment in future years.

Recommendations for Recovery

1. The district should develop and document processes and strategic planning objectives to be used during the 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 business and fiscal services coordinator 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 administrator.
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. The budget calendar should include all critical tasks, indicate which staff member will complete them, and provide deadlines for completion.
7. The use of birth rates as a method for determining kindergarten enrollment for the budget year should be investigated.

Standard Not Implemented



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))

Sources and Documentation

1. Interview with interim state administrator
2. Interview with business and fiscal services coordinator
3. Interview with the Los Angeles County Office of Education, Division of Business Advisory Services
4. Los Angeles County Office of Education budget review letters, dated July 18, 2012 and October 5, 2012
5. Board meeting minutes

Findings

1. At its June 27, 2012 meeting, the board held a public hearing and adopted the district's 2012-13 budget within the statutory timelines established by California Education Code (EC) Section 42103. However, the minutes do not include the time the meeting was adjourned to conduct the public hearing or when the public hearing concluded. County office staff indicated that the budget was received before the July 1 deadline.

On July 18, 2012, the county office disapproved the district's budget stating as follows:

- The budget did not do the following:
 - Comply with the state criteria and standards established pursuant to Education Code Section 33127
 - Allow the district to meet its financial obligations during fiscal year 2012-13.
 - Allow the district to operate consistently with a financial plan that will enable it to satisfy its multiyear financial commitments.

The letter also made recommendations to the district and required the board to adopt the revisions and submit a revised budget by September 8, 2012. The county office's letter did the following:

Made recommendation to develop a deficit reduction plan that restores and maintains a positive fund balance and submit this plan with the revised adopted budget.

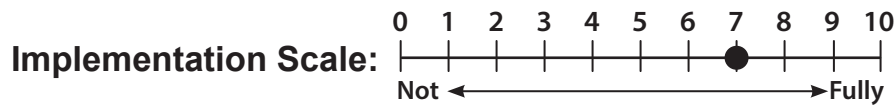
- Stated that the reserve for 2012-13, 2013-14 and 2014-15 did not meet the minimum requirements of the state's criteria and standards and was used as the basis for the county's disapproval of the budget.
 - Acknowledged that the district projected a negative ending cash balance for 2012-13. The county expressed concern that the negative cash balance could be even larger and that it was "extremely concerned over the District's ability to meet all of its financial obligations for the current fiscal year, including the District's obligation to meet its payroll expense." The letter further recommended that the district pursue opportunities to preserve and manage its available cash.
 - Made a recommendation for the district to revise its fiscal stabilization plan to restore and maintain the required fund balance reserve and positive cash balance, which should be included in the revised adopted budget.
 - Required the district to submit an update on its contingency plan to offset a potential mid-year reduction in 2012-13 if the governor's tax initiative failed in November with the revised adopted budget.
 - Required the district to obtain approval from the county office of the district's audit contract.
 - Included reminders to the district regarding debt issuance by districts with qualified interim report certifications per Education Code Section 42133(a) and the requirement to supply the county office with any studies, reports, evaluations, or audits that include evidence that the district is in fiscal distress according to Education Code Section 42127 and 42127.6.
2. On September 12, 2012, the board held a public hearing and approved the revised adopted budget for 2012-13. The budget was delivered to the county office on September 17, 2012, which was nine days past the September 8 deadline. The county office then issued a second budget review letter on October 5, 2012, noting that the district projected a negative reserve for economic uncertainty and negative ending cash balances for the current and two subsequent years. The letter also included information on SB 533, signed by the governor on September 14, 2012, authorizing an emergency state appropriation for the district. As a result of these circumstances, the county office recommended to the state superintendent of instruction that Education Code Section 42127(a) be waived calling for the formation of a budget review committee.
 3. Senate Bill 4 of the 2009-10 Third Extraordinary Session (SBX3 4) included several changes to law and provided local educational agencies (LEAs) with unprecedented budgeting flexibility. As a condition for receiving Tier III flexibility funding under SBX3 4, an LEA is required to take testimony from the public at a regularly scheduled public hearing, discuss and approve or disapprove the proposed use of funding, and make explicit the purpose of the funds. The bill allows the public hearing to take place at the board meeting that includes the budget adoption. On October 8, 2011, Governor Jerry Brown signed AB 189, which requires the mandatory public hearing to be held

before and independent of the meeting where the board adopts its budget. A review of the board meeting minutes for June 11, 2012 indicated that the district held the requisite public hearing regarding use of Tier III flexibility funding and included for discussion the explicit purposes of the funding.

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 Partially Implemented



6.2 Budget Adoption, Reporting, and Audits

Legal Standard

Revisions to expenditures based on the state budget are considered and adopted by the 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))

Sources and Documentation

1. Interview with the interim state administrator
2. Interview with the business and fiscal services coordinator
3. School Services of California dartboards for 2012-13 May revision and 2012-13 adopted state budget
4. Adoption budget report, 2012-13
5. Board meeting agendas

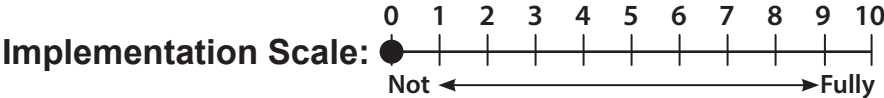
Findings

1. On June 27, 2012, Governor Jerry Brown approved AB 1464 (Chapter 21), the Budget Act of 2012, giving the state two consecutive years of on-time budgets. Therefore, changes to budgets as a result of the act were required to be made available to the public on or before August 11, 2012.
2. District staff were unable to provide FCMAT with documentation indicating revisions were made to the district's budget based on the approval of Assembly Bill (AB) 1464, the Budget Act of 2012. Board agendas for the June 27, July 2 and July 25, 2012 board meetings did not include presentation of this item, and because of the district's change in CBOs, it is unknown why the necessary revisions were not made. A comparison of School Services of California's dartboard prepared for the 2012-13 adopted state budget and the assumptions included in the cover sheet provided to the board for the June 27, 2012 budget adoption shows that changes would have been necessary in the following areas from the May revise to the state budget approval:
 - Trigger cuts changed from a flat \$441 per ADA plus the applicable year's COLA to a 28.814% deficit factor.

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



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.

Sources and Documentation

1. Interview with the business and fiscal services coordinator
2. First, second and third interim reports, 2011-12 and first and second interim financial reports, 2012-13
3. Los Angeles County Office of Education budget review letters regarding 2011-12 first, second and third interim and 2012-13 first interim financial report
4. Interview with the Los Angeles County Office of Education, Division of Business Advisory Services
5. Board meeting minutes

Findings

1. The county office's review letter for the district's 2011-12 first interim budget report was dated January 17, 2012, and county office records indicate that it received the hard copy of the report on December 15, 2011. 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. The district's December 14, 2011 board meeting minutes indicate approval of the first interim report, and the meeting date complies with EC 42130.

The 2011-12 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:

- Considerable concerns were expressed over the district's inability to meet cash requirements for the current and two subsequent years.
- There was a continued necessity for the district to have a fiscal advisor based on its level of fiscal distress.
- The supplemental information submitted with the first interim report showing the potential reductions in spending and cash position had not yet been implemented and therefore left the district noncompliant with state criteria and standards.

- Deficit spending was projected for the current and two subsequent years, leaving the reserve for economic uncertainties below the minimum level required by the state's criteria and standards in the two subsequent years.
 - Declining enrollment continued, with a projected loss of 1,177 ADA from 2011-12 to 2013-14.
 - The district's county school facilities fund loaned the general fund \$7 million, and as of December of 2011, the general fund had yet to repay the \$5 million due by June 2012.
 - The district received a class size penalty waiver, but needed to make appropriate adjustments to its staffing and expenditure forecast to reflect the one-time waiver.
 - The California State Teachers' Retirement System (CalSTRS) audit found that 34 members' earnings and 20 retired members' defined benefit program earnings were reported incorrectly, resulting in \$518,000 owed to CalSTRS.
 - Mid-year trigger cuts were not included in the first interim report, and the district's revenues and cash flow projections needed to be revised for these items.
 - The district reported an incorrect COLA amount for the 2012-13 fiscal year, which would necessitate a \$2 million reduction in the revenue forecast.
 - Findings in the 2010-11 annual financial audit regarding noncompliance with federal reporting requirements for time certifications jeopardized \$3.26 million in future funding if not remedied.
 - Significant concern was expressed that the district would need an emergency apportionment.
2. The county office's review letter for the district's 2011-12 second interim budget report was dated April 12, 2012. County office records indicate that it received the hard copy of the report on March 15, 2012. 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. Minutes of the district's March 14, 2012 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 qualified certification; however, the county office was unable to concur based on the district's inability to meet the fund balance requirements of the state's criteria and standards. The county office changed the certification to negative, and the letter's comments and concerns included the following:

- A negative ending fund balance for the general fund in 2011-12 and an overstatement of the projections for 2012-13 and 2013-14 based on the following:
 - Overstatement of ADA.
 - Overstatement of the savings generated by furlough days. The Inglewood Teachers Association (ITA) agreed to five furlough days for 2012-13; however, the projection assumes 10.

- After adjustment of the above, the reserve for economic uncertainties is reduced to levels below those required in the state's criteria and standards.
- Continued deficit spending for the current and two subsequent years.
- Inability to meet cash obligations.
- Recognition of an adopted fiscal stabilization plan that included \$7.37 million in reductions; however, even with these, the general fund's ending fund balance and reserves will be unable to meet the district's financial commitments or allow it to remain compliant with the state's criteria and standards.
- An assumption by the district that health and welfare premiums will be reduced in the two subsequent years; however, no new insurance carrier has been selected.
- Continuation of increased class sizes for 2012-13 and 2013-14 even though the waiver for those class sizes was one-time for 2011-12.
- The district had not notified the county office of its intent to appeal the \$518,000 owed from the CalSTRS audit. Consequently, the \$518,000 should have been included as a liability affecting the district's fund balance and cash flow projections, but was omitted.
- The district's failure to provide the county office with information on the progress for its audit finding on federal time keeping. The county office imposed an April 30, 2012 deadline for a response from the district so it can certify to the California Department of Education (CDE) by May 15, 2012 that the finding has been or will be corrected. Failure to correct the finding imperils \$3.26 million in funding.
- There was no-board approved contingency plan for failure of the proposed tax initiative in the November 2012 election beyond a decrease in transportation revenues representing one-half of the anticipated revenue reduction.
- Additional progress would be necessary for the district to meet its financial obligations and, consequently, the district's continued need for legislation to allow for a potential emergency state appropriation.
- The continued necessity for a district fiscal advisor based on the district's level of fiscal distress.

The letter also required the district to develop a third interim report, contingency and fiscal stabilization plans and submit them to the county office by June 1, 2012.

3. The county office's review letter for the district's 2011-12 third interim budget report was dated June 27, 2012. County office records indicate that while the district's transmittal was dated June 1, 2012, the county office received the report on June 6, 2012. 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. The district's report was five days late, and FCMAT's review of the district's board agendas and minutes did not indicate that this document was presented to the board. The county office letter noted that the fiscal stabilization plan and contingency plan were updated as requested; however, the former plan did not contain sufficient reductions to restore and maintain a positive general fund ending balance or the reserve for economic uncertainties.

4. The county office’s review letter for the district’s 2012-13 first interim budget report was dated February 25, 2013, and county office’s records indicate that the hard copy was received on January 24, 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. The district’s January 22, 2013 board meeting minutes indicate approval of the first interim report, but the meeting date was 38 days after the December 15 deadline and places the district out of compliance with EC 42130.

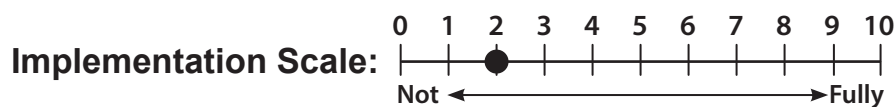
The 2012-13 first interim budget review letter from the county office indicated that the district’s budget included a negative certification and that the county office agreed with that assessment. The letter also noted the following:

- The governor signed SB 533 (Chapter 533/Statutes 2012), authorizing a \$55 million emergency state appropriation for the district. As of first interim, the district has drawn down \$19 million of that appropriation, which provides for an operating surplus of \$5.1 million for 2012-13. However, the district projects operating deficits of \$14.3 million for 2013-14 and 13.2 million for 2014-15.
 - The reserve for economic uncertainties will be similar, with a 6.4% reserve in 2012-13 and negative reserves of 5.6% and 16.5% in 2013-14 and 2014-15, respectively. These reserve levels do not meet the requirements of the state’s criteria and standards.
 - While the district projects a positive ending cash balance for the current and following year, the county office is concerned that delays in receipt of additional appropriation draws could hinder the district’s ability to support payroll and other operating costs.
 - The letter acknowledged that the district’s fiscal stabilization plan was in development but imposed a March 15, 2013 deadline for submission to the county office.
5. At the time of FCMAT’s fieldwork, the county office had not yet issued a letter for the district’s 2012-13 second interim budget report. The report was presented to the board March 20, 2013. Education Code Section 42130 requires this report to describe the district’s financial and budget status for the period ending January 31 and to be approved by the district’s governing board within 45 days after that. The meeting date was three days after the March 17 deadline and places the district out of compliance with EC 42130.

Recommendation for Recovery

1. The district should ensure that all budget reports are 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



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.

Sources and Documentation

1. Interviews with department and site administrators
2. Interviews with business office staff
3. Interviews with site staff
4. 2011-12 and 2012-13 interim financial reports

Findings

1. The district's purchase requisition function does not 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.

The online requisition system was implemented within the last two years. 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 three people in the Purchasing Department, and the questions are answered immediately or in a timely manner. However, staff would benefit from an annual in-service before the start of school, including training in both the online requisition system and account coding. 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 recently received online access to the financial system, others reported receiving paper copies of budgets, and still others received nothing. 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 fiscal services manager or the CBO. Additional training could reduce the time all parties spend on these issues and give users greater control and participation in budget monitoring.

Those with paper copies of their budgets received them from the Budget Department upon request, and those with no reports used other site staff 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.

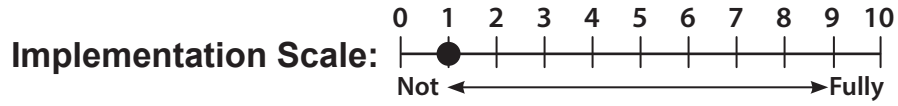
3. The online purchase requisition system will allow a purchase that exceeds the line item budget and therefore requires manual budget transfers to avoid overspending, but still allows the purchase to proceed. The district's budget technician and budget analyst prepare the necessary transfers, including backup documentation. The transfers are submitted to the business and fiscal services coordinator for signature and returned to them for input. In many school districts, the site or department initiates budget transfers before they are carried out in the business office.
4. 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.
5. School site councils and staff reported that they meet, and they understand the information on programs under their authority. While they did not report difficulties regarding categorical programs, sites should be aware of the limitations of each categorical funding source and how funding sources can interact with one another. This information would be helpful to the principal and secretary at each site and would facilitate school site council discussions on funding.

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. Staff should be given instruction 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.
5. 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 Partially Implemented



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.

Sources and Documentation

1. Interview with business and fiscal services coordinator
2. Interviews with district staff
3. Human resource system position control manual, 2011
4. 2012-13 Business Services Division position control reports
5. Payroll overpayment list
6. Board Information Letters

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 has determined that its needs regarding budgetary issues overshadow its need for a complete position control system, the position control database system remains only partially implemented.

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. One spreadsheet is

maintained in Lotus 123 and converted to Excel to be combined with the other two Excel-based spreadsheets. 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 reviewed a copy of two spreadsheets provided by the Business Services Division and found the following:

- Position information did not include position numbers as contained in the position control database.
- School site budgets were inconsistent. Some included a budget for substitutes, overtime and extra assignments, and others did not.
- Amounts for health and welfare payments made to retirees were missing.
- Estimated amounts for vacation payouts because of possible terminations/separations from the district were missing.

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 started to address procedures that will fit into the management of the position control database and has created a personnel requisition form. This form is used to create a new position, fill an open one, 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 Division 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. The Human Resources Department also sends a list of board approvals to payroll the day after the board meeting to expedite payroll processing. However, the process of integrating the personnel requisition form into the formal position control database is yet to be completed, including implementation of separate files for employees in the Payroll Department. All items related to payroll such as employees' W-4s, DE4s, personnel requisitions, etc. are held in the files in Human Resources.

5. A review of the district's 2012-13 revised adoption budget indicates that salary and benefit expenditures are projected to be approximately \$83.4 million, which is 80.67% of general fund revenues (excluding the \$29 million of the state appropriation that the district already drew down). The district's second interim report, which is its latest financial report, shows that salary and benefit expenditures are projected to be approximately \$86.4 million, representing 85.68% of general fund revenues. Again, this excludes the \$29 million that was drawn down from the emergency state appropriation. Excluding the state appropriation proceeds also reveals deficit spending in the current year, and examination of the multiyear financial projection attached to the 2012-13 second interim report shows that this pattern is anticipated to continue into the two subsequent years. The district has begun to prepare a fiscal recovery plan that should help reduce expenditure amounts.

6. Unilateral decisions made by site and department administrators can have a significant impact on position control and the district's budget. FCMAT's review of the district's

June 2012 Board Information Letters found that a document control specialist position was never created and approved, and a budget was never established or included in position control, yet a person was assigned to the position and paid to perform duties. 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 list all changes made to the HRS system.
 - 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.

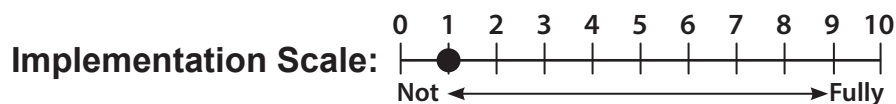
Implementing procedures should help staff detect payroll errors and enable the district to implement repayment measures. However, the district provided FCMAT with a list of 14 employees who received overpayments since June 2011, totaling approximately \$13,300. The district's collective bargaining agreement 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. Most employees on the overpayment list are making payments and will fulfill their repayment obligations; however, two no longer work for the district. While the district has no official policy to address overpayments after severance, the Payroll Department has instituted 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 HRS 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, HRS never terminated the benefits, and this person has 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.

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 be maintained for each employee.
6. The district should draft board policy addressing payroll overpayments to staff and the measures that will be taken to obtain repayment.
7. The district should continue to require personnel requisitions forms for all hiring and position changes.
8. Legal counsel should be consulted to determine if the district should seek reimbursement for the health and welfare premiums paid for the employee who did not qualify to receive them.
9. The district should create reconciliation processes and/or exception reports in its payroll processing to capture and reduce payroll errors.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with business and fiscal services coordinator
2. District cash flow projections – actuals through January 2013
3. Daily cash balance reports – various dates
4. Second interim report, 2012-13
5. District’s internal procedure – Payroll Cash Advance Collections – Revolving fund
6. California Department of Education funding documents:
 - Advanced apportionment schedule
 - Principal apportionment summary
 - Report of school district attendance, P1 and P2, 2012-13
7. Los Angeles County Office of Education: revenue limit sources detail
8. FCMAT analysis and recommendations – sizing emergency state loan
9. Annual audit report for the fiscal year ending June 30, 2012
10. Bank reconciliations:
 - Cafeteria account: October 2012, November 2012 and December 2012
 - Clearing account: November 2012, December 2012 and January 2013
 - Revolving account: November 2012, December 2012 and January 2013

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 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. However, the district has made three drawdowns totaling \$29 million in 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.

2. An analysis of the district's cash flow statement dated February 26, 2013 with actual cash transactions through January 31, 2013, projected an average daily cash shortfall of \$8.5 million in June 2013. FCMAT's analysis of projected revenues, expenditures, and general ledger accounts found unrealistic assumptions and technical errors that, when adjusted, reduced the shortfall to approximately \$4 million. This cash shortfall is primarily caused by the timing differences following the passage of Proposition 30 on November 6, 2012.

Proposition 30, The Schools and Local Public Safety Protection Act of 2012, increased sales and personal income taxes to support schools and created the education protection account. Revenues generated from these taxes are deposited into the newly created account totaling approximately 20% of the principal apportionment for each school district and charter school.

Education Code 14041(a) (9) (A) provides the authority for CDE to reduce each district's revenue limit general purpose funding at the beginning of the fiscal year to be repaid 12 months later for the 2012-13 fiscal year. Reducing the district's principal apportionment by 20% at the beginning of the fiscal year has created cash flow issues for many districts in California but has had a significant impact on districts similar to Inglewood Unified that are already experiencing cash flow difficulties.

The estimated education protection account payment for the district totals \$13 million and is not expected to be paid by CDE until June 27, 2013; therefore, the lowest average daily cash balance is projected to have a shortfall of \$4 million after payroll and commercial warrants are issued. By June 30, 2013 following the deposit of the \$13 million, the cash balance is anticipated to be \$11.6 million.

It is critical that CDE, the interim state administrator, 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. Effective representation of cash flow entails assumptions and projections that are based on historical trends and current information, particularly with state and federal economic conditions. The business office staff is encouraged to seek ongoing training with cash flow analysis and projection. 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.

In the first year of state takeover, the district has used \$29 million or 53% of the emergency state appropriation and has not made significant fiscal adjustments as was projected when the state loan was sized. State emergency appropriations are sized based on many assumptions, but the underlying purpose is to allow the district time to make the necessary reductions to correct the structural deficit necessary to be fiscally solvent.

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 and the fact that the district has had an interim state administrator for such a long period of time. It is critical that the district implement the budget adjustments required to realign revenues with expenditures.

3. As the district continues to struggle with cash flow issues, timing for interfund cash repayments, accounts payable and payroll will be critical. FCMAT observed that business office supervisors independently make decisions that have cash implications without conferring with the business and fiscal services coordinator who is responsible for monitoring the district's cash position. The managers responsible for issuing warrants and making interfund transactions that have an impact on cash should confer with the business and fiscal services coordinator and consider cash flow impacts. This will also give the business and fiscal services coordinator an opportunity to adjust the cash flow projection for changing needs.
4. The district utilizes a \$100,000 revolving fund account. Education Code Section 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.

District procedure requires that the day before paychecks are issued, the payroll and accounting supervisors as well as additional staff members pull checks for employees with outstanding balances owed to the district. However, staff indicates that this part of the overall procedure is not followed.

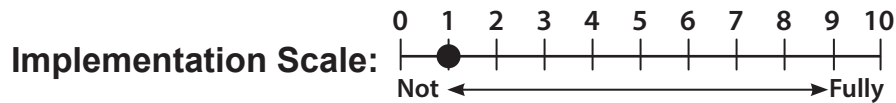
5. Reconciliations for the clearing and revolving fund accounts are timely; however, stale dated checks more than six months old should be cleared from the outstanding check list. An examination of the reconciliations found that outstanding checks have not been removed timely. The district should reconcile all checking accounts. Cash balances should be reconciled with what is in the county treasure and bank statements.

Recommendations for Recovery

1. The business office should prepare monthly cash flow statements that analyze the average daily balance and the month-end balance.
2. The business office staff should seek ongoing training in cash flow analysis and projection.

3. 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.
4. The district should make immediate progress on implementing the necessary budget adjustments required to realign revenues with expenditures.
5. The managers responsible for issuing warrants and making interfund transactions that have an impact on cash should confer with the business and fiscal services coordinator and consider the cash flow impacts before processing the transactions.
6. Staff should follow all procedures related to the payroll cash advance collections – revolving fund procedure.
7. Stale dated checks should be removed from the bank reconciliation outstanding check list after six months.
8. All checking accounts and cash balances should be reconciled with what is in the county treasure and bank statements.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with business and fiscal services coordinator
2. Interview with payroll supervisor and payroll staff members
3. District's internal procedure – Payroll Cash Advance Collections – Revolving Fund
4. Schedule of payroll overpayments

Findings

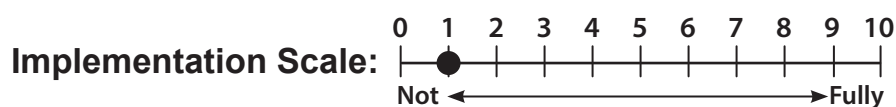
1. The district has one payroll supervisor, two technicians and one analyst who process six cycles of payroll each month and additional supplemental payroll runs as needed for items missed in the normal cycle through the county office. Payroll checks are delivered to the district office and distributed to assigned personnel from each school site. Employees at the school sites are required to sign an employee list to obtain their payroll warrant.
2. The district has a payroll cash advance procedure through the revolving fund account that is also used to process late timesheets and information on new employees who are approved to work but have not been board-approved for payment. In this particular case, employees are preauthorized to receive payment for hours worked, as is the case with classified employees, or 70% of the normal monthly pay.
3. The payroll supervisor is new to the district, but has many years of payroll experience.
4. The current 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.
5. The district purchased the position control module from the county office many years ago and pays an annual fee yet it has not been able to fully utilize the system. 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. This is especially important for a district the size of Inglewood Unified.

6. Internal controls for payroll 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. The district should ensure that proper segregation of duties is established and monitored periodically
7. According to the payroll supervisor, the error rate is an average of approximately 5% per month. Most errors occur with the monthly classified payroll even though the employee assigned to this area of payroll has been with the district for several years. The supervisor catches most errors through an exception report, but there is not enough time to perform a thorough review before county office deadlines to run payroll. The payroll supervisor tracks employee overpayments and makes every attempt to collect monies due the district.

Recommendations for Recovery

1. Automate the system for the electronic processing of time cards. Several automated payroll time systems are available that the district can evaluate.
2. The district should fully implement position control to manage and track employees, benefits, vacancies and populate the budget.
3. Procedures to reduce the payroll error rate for classified monthly payroll should be implemented, and training provided as necessary to payroll staff. The district should provide ample time to review the exception report before running the payroll warrant register.
4. Proper segregation of duties should be established and monitored periodically.

Standard Partially Implemented



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.

Sources and Documentation

1. Aeries attendance software reports:
 - Monthly attendance summary totals, months 2-5, October 1, 2012 – February 1, 2013
 - March 1, 2013 year-to-date attendance totals by school
 - Monthly attendance summary totals by individual school site, months 1-10, September 5, 2011 – June 15, 2012
2. 2012-13 Enrollment vs. ADA district-prepared spreadsheet analysis at P1
3. 2012-13 district-prepared spreadsheet ADA report at P1, for the period September 5, 2012 through December 20, 2012 - summarized by school and grade level
4. District Policy Procedure 5123 (d) Identification of Students/Parental Notification - 2012-2013 Education Code Section 48980 required Annual Notice to Parents/Guardians
5. Report of School District Attendance – P1, P2 and Annual for the 2010-11 and 2011-12 school years:
 - Inglewood Unified School District
 - City Honors College Preparatory Charter
6. Board policies and administrative regulations:
 - BP/AR 5112.1, Exemptions From Attendance, December 12, 2012
 - BP/AR 5112.2, Exclusions From Attendance, December 12, 2012
 - BP/AR 5113, Absences and Excuses, December 12, 2012
 - BP/AR 5113.1, Chronic Absence and Truancy, December 12, 2012
 - BP/AR 5115, Attendance Records, December 11, 2002
7. Sample parent notification letters:
 - School Attendance Review Board (SARB) notice of hearing
 - First notification of truancy (L1)
 - Second notification of truancy (L2)
 - Third notification of truancy (L3)

- Excessive excused absence notification (EEA1)
- 8. Student notification summary report by school site
- 9. 2011-12 and 2012-13 summary school police report
- 10. Undated and type of training not specified - sample attendance training sign-in sheets
- 11. Interviews with school site and district staff members
- 12. Annual audit report for the fiscal year ending June 30, 2012

Findings

1. Average daily attendance generates most of the district's funding; therefore, sufficient and ongoing training is crucial for employees who are responsible for attendance reporting.

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.

2. Based on FCMAT interviews and documentation examined, an attendance policies and procedures manual does not exist. This manual would provide the school site and 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 attendance reporting and certification process.

FCMAT identified several weaknesses in the district attendance policies and procedures system as follows:

- A sample of the attendance system found that English language students do not indicate start dates.
- The Aeries system and the California Longitudinal Pupil Achievement Data System (CALPADS) do not agree and remain unreconciled.
- Substitute teachers do not have access to the Aeries system, and manually perform the daily attendance for students.
- Absence/truancy reports are not prepared daily but up to two weeks later.
- Responsibility for the School Attendance Review Team (SART) is not clearly assigned and followed up by a district designee.
- Independent study policies and a procedures manuals are not available; however, district BP 5115 (e-g) identifies the requirements for independent study.
- The district does not have a policy that defines how many days a student should remain in the Aeries system if the student has not attended school and the parent or

guardian has not communicated with the school or district staff. For example, the attendance policy may state that students who do not report to class in 10 days should be dropped from the Aeries attendance reporting system.

- School site attendance clerks visit truant students homes to discuss truancy, which should be the truancy specialist's responsibility.
3. The district does not provide mandatory attendance training for school site personnel. FCMAT interviews with 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.

The district-provided documents that supposedly function as sign-in sheets for attendance training are not dated, and the type of training is not specified; therefore, it cannot be determined that the training was actually for attendance.

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.

4. School site attendance clerks can produce a daily attendance report that identifies which teacher recorded or did not record attendance and the periods that attendance 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:

(b) High school attendance (including junior high school) shall be kept on forms approved by the California Department of Education.

(c) 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.

(d) 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. 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 or utilizing a password.

6. The district Assessment and Information Technology Department reviews and corrects the school site attendance information. Four full-time data technicians are required to assist with attendance data error corrections.

A review of system reports found that Aeries and CALPADS are not reconciled. CALPADS contains the official student record for transcripts and graduation eligibility; therefore, it is imperative that the correct information is recorded in the student information system, and that both systems are reconciled.

As student record errors are discovered, staff corrects them in CALPADS, which is the state reporting system. However, because the student records are not subsequently corrected in Aeries, the error continues to be included in future reports, which must be continually corrected in CALPADS. Although the district is trying to correct this issue, it will require the entire attendance system to be documented, detailed policies and procedures to be implemented, and training to occur at all levels.

7. All school sites have access to the Aeries system, however, four Technology Department data technicians visit 10 elementary schools each day to retrieve attendance reports that are corrected and processed at the district office. This is the result of limited (or no) attendance training and poor communication procedures between the district office and school sites.

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 original 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. To address the 2012-13 overreporting of enrollment, the school site principals were requested to follow up with the staff and review the attendance rosters, and additional attendance training is planned.

8. The district Assessment and Information Technology Department director is the only staff person authorized to certify CALPADS reporting, and no cross-training has occurred with other district personnel.

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

9. 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. The district's responsiveness was greatly assisted by CSIS staff.
10. 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 has been 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.

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 list provides samples 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.
11. The annual audit report ending June 30, 2012 issued an audit finding that the district's annual attendance report did not reconcile to the supporting documentation as required in Education Code Section 41601 for home and hospital average daily attendance. Attendance was understated by \$53,678.98 and subsequently corrected on the annual attendance report.

District office personnel interviewed by FCMAT stated that the current procedure includes reconciliation and review for each reporting period (P1, P2 and Annual) prior to submission to the state. The reconciliation process involves reconciling monthly reports generated by the school sites and Technology Department with districtwide system reports.

12. The annual audit report ending June 30, 2012 issued an audit finding based on audit testing at seven school sites for discrepancies between tardy notes on file in the school office that were not marked tardy in the attendance system. EC 46000 et seq. states that absence notes should be correctly posted to the district's attendance system. Teachers should ensure that student tardies are properly recorded in the attendance system.

13. FCMAT interviewed school site attendance clerks who were concerned that some students who leave campus before the end of the school day do not report to the attendance office as required. It is important for the school site to be able to account for all students at any time during the school day.

Teachers have a responsibility to ensure that any student leaving prior to the end of the school day with an authorized parent or guardian is instructed to report first to the school site attendance clerk.

14. The district should ensure that all board policies and administrative regulations are current. Board policy and the accompanying administrative regulations 5115 - Attendance Records are more than 10 years old and should be updated to reflect current laws and regulations.

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

- BP 5116, School Attendance Boundaries
- BP/AR 5116.1, Intra-district Open Enrollment
- BP 5125/AR 5125 (a), Student Records
- BP 5030, Student Wellness
- BP 5111/AR 5111.1, AR 5111.12:
 - Admission; Criteria for Residency
 - Residency Based on Parent/Guardian Employment
- BP 6176(a), Weekend/Saturday Classes
- BP 6183, Home and Hospital Instruction

Recommendations for Recovery

1. 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 the first moment of a student's registration through the issuance of the final state attendance reports.

The handbook should include at a minimum:

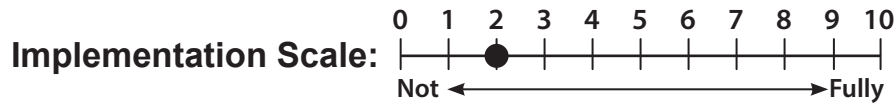
- Attendance instructions
- Forms
- Attendance system operations and codes
- Enrollment and disenrollment procedures
- Legal requirements
- Education Code requirements

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.

2. Mandatory annual student attendance and Aeries attendance software training should be provided before the start of each school year for district-level staff members, attendance clerks, school secretaries, principals, and the Assessment and Information Technology Department to ensure that proper procedures are followed consistently throughout the district. Training should cover attendance written policies and procedures, include any new laws or regulations related to attendance and record-keeping requirements, and specify how long a student should be kept in the Aeries attendance reporting system when he or she has not reported to class. 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.
3. 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.
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. School site attendance clerks should generate reports to test the accuracy of data entered at the site level and to identify unexcused absences and possible truant students.
7. District management should determine what causes student enrollment at the district level to be out of alignment with the actual number of student at the sites, and develop policies and procedures to correct these irregularities.
8. District management should make the adjustments necessary to discontinue the practice of having four assessment and information technology staff physically retrieve attendance reports from 10 elementary school sites daily. This occurs despite the fact that all sites utilize the Aeries attendance system.
9. The district and Aeries software provider should review access to Aeries as a guest or substitute teacher with a separate password to determine if substitute teacher access can be provided.
10. The business office should review state attendance reports before they are forwarded to the state administrator for review and approval.
11. The district should ensure there is adequate cross-training for CALPADS reporting.
12. Staff should be required to use the online CALPADS training provided by CSIS.

13. The district should develop additional student-attendance-related board policies on student records, student wellness, admission criteria for residency, and residency based on parent or guardian employment, school attendance boundaries, intra-district open enrollment, weekend/Saturday classes, and home and hospital instruction.
14. Board Policy 5115 and accompanying administrative regulations - Attendance Records – is more than 10 years old and should be updated to include routinely reconciling Aeries to CALPADS.
15. Teachers should ensure that any student leaving with an authorized parent or guardian before the end of the school day is instructed to report first to the school site attendance clerk.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with school site and district staff
2. Board policies and administrative regulations
3. BP/AR 5115, Attendance Records, December 11, 2002
4. Annual audit report for the fiscal year ending June 30, 2012

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.
2. The annual audit for the period ended 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.

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

5. Additional student attendance-related board policies should be prepared and adopted specific to independent study.
6. No board policies for attendance were available regarding charter schools, ROP, and inter-and-intra district transfers, and school of choice.

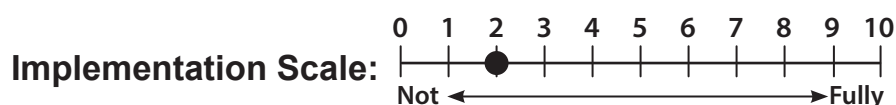
The district has authorized nine independent and one dependent charter high school, which has had a significant impact on district enrollment. The district is anticipating opening a second school in the 2013-14 school year.

District staff members do not have a template to evaluate the initial charter school petition. Instead, most petitions have been approved without a complete analysis of the required Education Code elements contained in Section 47605 (A)-(P). In addition, staff do not provide an oversight function as the authorizer. 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. Although the district has plans to increase efforts in this area, action had not been taken at the time of fieldwork.

Recommendations for Recovery

1. The district should adopt board policies and administrative regulations on independent study.
2. A periodic internal audit 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.
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. The independent study board policy BP/AR 5115 included in attendance records is 10 years old and should be updated.
5. The district should develop attendance board policies applicable to charter schools, ROP, and inter-and-intra district transfers, and school of choice.
6. Ensure that a template to evaluate new charter schools is developed. The template should include all elements cited in the Education Code 47605.

Standard Partially Implemented



9.4 Attendance Accounting

Professional Standard

Students are enrolled and entered into the attendance system in an efficient, accurate and timely manner.

Sources and Documentation

1. Interviews with district and school site staff
2. Board policies and administrative regulations
 - BP/AR 5115, Attendance Records, December 11, 2002
3. Annual audit report for the fiscal year ending June 30, 2012

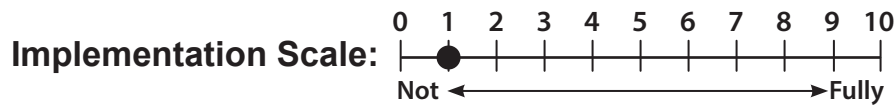
Findings

1. The district's 2011-12 annual audit report has findings related to attendance that include a potential loss of thousands of dollars in funding as a result of 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 that the district resolve these issues.
2. While the district is setting up training for the Aeries attendance system, many staff have not received any training in the past few years. The district has not provided mandatory annual student attendance training before the start of each school year for attendance clerks, school secretaries, principals, and the Assessment and Information Technology Department to ensure that proper procedures are followed consistently throughout the district.
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.
 - All school sites have access to the Aeries system, however, four Technology Department data technicians visit 10 elementary schools each day to retrieve attendance reports that are corrected and processed at the district office. Depending on the workload and time of day that elementary school site attendance and enrollment is retrieved by these technicians, enrollment may not occur until the next day.

Recommendations for Recovery

1. 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.
2. Mandatory training should be provided for all staff involved with attendance, and additional training should be offered to employees who are new to student attendance accounting.
3. 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.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with district and school site staff
2. 2011-12 School Attendance Review Board (SARB) attendance reports Months 1-10, September 5, 2011 – June 15, 2012. Report Includes the following:
 - Annual SARB report – Part A
 - SARB hearing list
 - 2011-12 SART/SARB & ADA Loss. SART = School Attendance Review Team
 - Monthly attendance summary totals by individual school site, months 1-10, September 5, 2011 – June 15, 2012
3. 2012-13 truancy letter report
4. 2012-13 Attention 2 Attendance (A2A) Preventing Chronic Absenteeism Report by School Site
5. 2012-13 truancy conference detail report by school site
6. Sample copy of a problematic attendance case chronology worksheet
7. Sample copy of the 2010-11 Los Angeles County District Attorney memorandum of understanding (MOU) – Abolish Chronic Truancy Program contract with the district
8. Sample copy of the district SART parent/student contract for the habitual truant
9. Monthly attendance summary totals by individual school site, months 1-10, September 5, 2011 – June 15, 2012
10. Truancy specialist report, 2011-12 for parent notification
11. BP/AR 5113.1, Chronic Absence and Truancy, December 12, 2012
12. Student notification (warning list) summary report by school site
13. 2011-12 and 2012-13 summary school police report
14. Los Angeles County District Attorney's Office Website, section, working with communities, subsection, truancy <http://da.co.la.ca.us/>

15. Attention 2 Attendance website at www.sia-us.com
16. Sample student record for Saturday school make-up sample parent notification letters:
 - School Attendance Review Board (SARB) notice of hearing
 - First notification of truancy (L1)
 - Second notification of truancy (L2)
 - Third notification of truancy (L3)
 - Excessive excused absence notification (EEA1)

Findings

1. The district truancy specialist understands the procedures involved in processing and returning truant students to school. The district contracts for specialized attendance services with Attention 2 Attendance (A2A). This program prepares comprehensive truancy related attendance reports and issues the School Attendance Review Team (SART) letters.
2. If a student is absent for more than three days with no communication from the parent or guardian, school site staff contact the parent or guardian directly.

Truancy letters and any communication with the parent or guardian are denoted in the student record in the Aeries system for future reference. These notations include the date of communication, the person staff spoke to, and the substance of the conversation. An unsuccessful attempt to reach the parent or guardian is followed up with a telephone call by the truancy specialist, and in some instances, a home visit by the district campus police.

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 district indicated that it participates in the Los Angeles County District Attorney's Abolish Chronic Truancy or ACT program; however, the district attorney's website does not include Inglewood Unified as a participant among the 30 other districts listed. District management should verify active participation in this program.

3. The district sends through A2A, or directly from the school site, the following three 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.

The district tracks through A2A all individual student trancies and monitors each student throughout the school year. The first letter of truancy is denoted as L1 in the Aeries system and is followed by a truancy conference. Students who continue to be truant following the conference receive the second letter, referred to as L2, followed by a second conference. If a student is absent without a valid excuse or tardy three or more days following the L1 and L2 letters, the third letter, referred to as L3, is issued, and the student and parent/guardian must attend a court-ordered mediation or hearing.

4. The 2011-12 A2A SARB annual report for the entire district identifies by grade level that a total of 637 SART meetings were held. Of these, the number of SARB meetings was reduced to 85 trancies, 25 of these chronic and 60 habitual. After the SARB, the outcomes resulted in four court referrals and six agency referrals.
5. The district 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.
6. Although interviews suggested that staff understand the truancy issues facing the district, absence reporting at some school sites is not reviewed daily or reported for up to two weeks. One school site attendance clerk indicated that she runs the absence report every two weeks, notices who is absent, and visits the student's home to discuss the absences with the parent or guardian.

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.

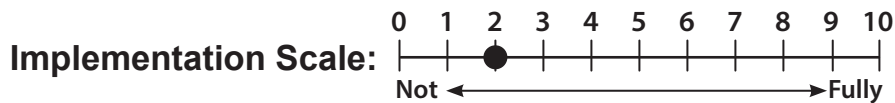
The attendance clerks have been advised against home visits. Instead, staff should contact the district police department or campus security personnel to deliver the truancy letters to the students' parent or guardian.

7. Because some school sites run attendance absence reports only every two weeks, the number of student absences referred for SART will likely increase, and the overall district truancy statistics will rise when reports are run daily. This will also provide a greater opportunity for the district to return students to class sooner.

Recommendation for Recovery

1. The district should continue working with students, parents and the county district attorney's office to enforce attendance policies.
2. 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.
3. The district should research automatic notification systems capable of reporting daily absences and immediate notification of a school incident.
4. Attendance policies and procedures regarding truancy are specialized. Since the district uses A2A as a component of its attendance system, all aspects of truancy and A2A procedures should be incorporated into the district attendance manual.
5. The attendance clerks should contact the district police department or campus security personnel to deliver the truancy letters to the students' parent or guardian.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with district and school site staff
2. Board policies and administrative regulations:
 - BP/AR 5112.1, Exemptions From Attendance, December 12, 2012
 - BP/AR 5112.2, Exclusions From Attendance, December 12, 2012
 - BP/AR 5113, Absences and Excuses, December 12, 2012
 - BP/AR 5113.1, Chronic Absence and Truancy, December 12, 2012
 - BP/AR 5115, Attendance Records, December 11, 2002
3. Aeries website (www.aeries.com), training schedule and resource materials

Findings

1. District school site and district office personnel training has been limited or nonexistent according to interviews with staff responsible for attendance accounting.
2. Several board policies, administrative regulations are approximately 10 years old. CALPADS training has not been provided, and the Aeries attendance software training has been sporadic. New employees report that they have not received Aeries training. The district should cross-train the employees responsible for CALPADS using the Eagle software manual.

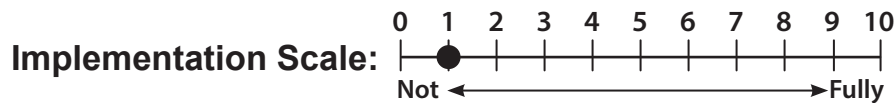
The Technology Department is compiling training materials and expects to begin training events for the 2013-14 school year.

3. There is a strong possibility that the district may overstate or understate attendance based on a lack of training and inconsistent procedures districtwide. This is evident because the district overstated enrollment based on school site records, causing large discrepancies and faulty projections in the 2010-11 and 2011-12 fiscal years. To correct this error, the district administrative staff performed a physical count for all schools near the end of the school year.
4. Several employees were not 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.
2. The district should continue to ensure that the district office and school site staff members responsible for student attendance accounting attend trainings provided by organizations such as the California Association of School Business Officials (CASBO) and Aeries as needed.
3. School office personnel should be cross-trained in attendance procedures.
4. 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.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with business and fiscal services coordinator
2. Interviews with district staff
3. Audited financial statements for the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012
4. Board meeting minutes

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 recently promoted a person to the business and fiscal services coordinator position, which serves below the assistant superintendent, business services. However, the person in this position has limited experience in school districts.

Even with the personnel shifts, the district 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 and budget entries require backup and second-party review.
- The PeopleSoft accounting software prohibits the posting of unbalanced journal entries.
- 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.
- The Purchasing Department processes changes to vendor accounts.
- 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).
 - Purchases are made without purchase orders. Board policy 3325(a) states that “[t]he district shall not be responsible for unauthorized purchases; however, 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. This was included 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.
 - Accounts payable (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 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 eight financial reports or deadlines that were required by the district in Standards 6.1-6.3 above, filed four late, and was on time for three. 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 fund balance.
- An adjustment to accounts payable that reduced the building fund's fund 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.

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.

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 rising, 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.

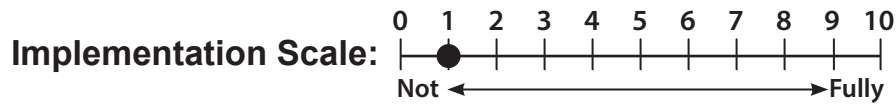
6. The HRS system cannot readily encumber payroll. Under HRS's present configuration, encumbering payroll would require completing and entering a purchase order for each employee, with the appropriate account coding for salary and each of the various statutory benefits. At the end of each payroll cycle, 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 underpaid employees to ensure repayment is made to the district.
 - Remove eliminated positions from the position control system.
 - Consult with its legal counsel to determine if reimbursement should be sought for health and welfare premiums paid for an employee who was not qualified to receive them.
 - 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.
 - Ensure vendors are paid timely to avoid finance charges.
 - Consult Business Division upper management regarding the availability of cash before an AP batch is 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 2012-13 fiscal year.
 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



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.

Sources and Documentation

1. Interviews with district, school site and department staff
2. American Appraisal Fixed Asset Accounting Report as of June 30, 2012
3. Audited financial statements for the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012
4. Sample accounts payable transactions for the 2011-12 and 2012-13 fiscal years
5. Board policies and administrative regulations

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 American Appraisal Fixed Asset Accounting Report found that this report includes fixed assets with a historical cost of \$5,000 or more. The district did not provide a list of items with a purchase cost of \$500 or more. Additionally, the report is based on district information and American Appraisal was not assigned to inventory or verify the existence of the assets listed in the report.

The district's audited financial statements for fiscal year 2010-11 included audit finding 2012-3, which indicated that some of the district's 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 year, and staff reported being comfortable with it. Staff indicated that their questions are answered as they arise; however, they would benefit from 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 as well as FCMAT's testing of transactions below. 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, determines whether there is funding for the purchase, prepares a budget transfer if needed, and obtains authorization from the person responsible for the budget. This is either the budget technician, budget analyst or the business and fiscal services coordinator.
 - 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 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 and another to the district's police department.
 - 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 Accounts Payable 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.
- 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, but not in conjunction with an inquiry regarding cash availability.
- Normal processing time for the county office is approximately one to two days. Warrants are issued with one signature attached and delivered directly to the district's mail room. At times, the mail room may be unattended when the delivery occurs, leaving the warrants unattended.
- 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 administrator 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 prior state administrator changed that policy to \$50; however, the policies posted online do not show that change.

The meal allowances can be spent on multiple meals or one single meal and require detailed receipts to support the purchase. To streamline the reimbursement process, many districts have established policies for specific amounts tied to specific meals also known as per diem rates. For example, the rates for breakfast, lunch and dinner may be \$9, \$12 and \$20 respectively. Application of these rates eliminates the need for the conference attendee to manage receipts and streamlines the process for the Accounts Payable Department. Many districts also establish 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.

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. 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.
6. The district has issued one credit card to the superintendent or state administrator. This is a regular business Visa credit card, allowing all purchases with a limit of \$15,000. The card was originally issued to the previously employed superintendent to assist with board travel arrangements in lieu of issuing board members credit cards.
7. FCMAT requested samples of the district's accounts payable purchases for testing for the fiscal years of 2011-12 and 2012-13. Of the 29 items tested, the following anomalies were noted:
 - One payment packet included a district overpayment because of an error; the invoice did not match the underlying records of attendance.
 - The complete vendor file for a flooring company showed that the district paid approximately \$35,000 for work that may have required bidding. These invoices stated that flooring and carpet was replaced, but did not divide the work between materials and labor. A review of the district's board policies found that it has not adopted the Uniform Public Construction Cost Accounting Act, but is instead subject to Public Contract Code Section 20111(b), which sets a \$15,000 bid limit for public works projects. This work might be considered public works projects depending on several factors. These include how much of the invoice charge is related to labor, the timing of the

work between locations, when the district determined the work was needed, and the district's counsel's opinion of what constitutes a "project," whether that is determined districtwide or site by site.

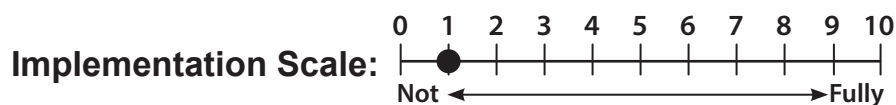
- A payment of \$11,921.27 to the Los Angeles County Tax Collector that included \$6,572.08 in penalties, collection costs and interest, which was overlooked in the purchase of real property approximately 12 years ago.
- A payment made on a construction project with a notice to proceed that required the work to be completed by November 16, 2012, and the contract allowed \$1,000 per day in liquidated damages. Project inspections were occurring in March 2013, and the entire contract was yet to be paid in full.
- Food service invoices were not matched to delivery slips. Duplicate delivery slips were included in the payment packet, which may indicate that they were used in the payment of invoices.
- Testing also found the following:
 - Twenty-six of the 29 samples, or 90%, did not contain a requisition.
 - Two of the samples, or 7%, were missing purchase orders.
 - Of the 27 samples that did include a purchase order, 11 or 41% were dated after the invoice date.
 - Of the 10 samples that included contracts as supporting documentation, two or 20% were signed after the start of work/services.
 - One of the 10 samples that included contracts as supporting documentation, or 10%, did not have board minutes to confirm the board approved the contract.
 - Eleven of the 29 samples, or 38%, included invoices that were not marked as paid.

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. A purchase order should be issued and properly approved for each purchasing transaction before the purchase is made.
7. The district should ensure that cash concerns have been addressed before an accounts payable batch is processed.
8. A district employee should be present to accept delivery of warrants from the county office.
9. Warrants should be returned to an accounts payable person other than the employee who processed the transaction.
10. The district should revise its travel and conference policies as follows:
 - Change its meal allowance to per diem rates that comply with the maximum federal rates.
 - 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.
11. The board policy regarding auto travel and the requirement to share vehicles should be enforced.
12. The district should reduce the limits on each district credit card to a more reasonable amount, such as \$2,000.
13. Employees should be required to have an approved purchase order before using district credit cards.
14. The district should require employees who have a district credit card to read and sign a user agreement.
15. Additional care should be exercised in reviewing accounts payable packets before authorizing issuance of payment.
16. The district should consult its legal counsel on purchasing practices for expenditures that include materials and labor regarding statutory bid limits.

Standard Partially Implemented



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)

Sources and Documentation

1. Interviews with district and school site staff
2. October, 2012 FCMAT ASB training workshop PowerPoint presentation
3. Annual audit report for the fiscal year ending June 30, 2012
4. Board Policy 3452, Administration of Student Body Funds, November 6, 2002
5. Inglewood High School ASB documents and systems examined:
 - ASB members operations listing
 - September 2012 and October 2012 sample meeting minutes
 - Cash collections and deposits procedure
 - Sample forms:
 - Cash tally form
 - Computerized QuickBooks accounting system
6. Morningside High School ASB documents and systems examined:
 - ASB members operations list
 - Internal ASB process – procedure for warrants dated February 26, 2013
 - Check requisition form
 - September 2012, October 2012, and February 2013 sample meeting minutes
 - Sample fundraising requests:
 - September 1, 2012 girls volleyball – car wash
 - September 14, 2012 girls volleyball – snack shop
 - December 3, 2012 senior advising – canned food drive
 - Cash collection procedure
 - Sample forms:

- Daily cash count sheet
 - Daily summary deposit form
 - Computerized QuickBooks accounting system
 - September 2012 through February 2013 manual check register and Excel workbooks spreadsheets for tracking ASB activities
7. La Tierra K-8 school, City Honors dependent charter high school, and Crozier Middle School were visited, interviews of staff conducted, and evaluations made as to the consistency of ASB policies and procedures applied throughout the district.

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, fund raising and internal controls have changed since that time. 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. ASB handbooks or desk manuals are not available to employees throughout the district. Because of a lack of ASB training, school sites have developed ASB policies and procedures independently. The district should ensure that all school sites have the FCMAT ASB accounting manual available for reference.
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 in duplicate and prenumbered.

District ASB forms including those on deposit, fundraising, cash count, purchase orders, ticket control, and revenue potential should be consistently used at each school site in duplicate format.

4. Several district ASB sites including a high school do not have electronic ASB bookkeeping accounting software systems; therefore, all transactions, including the issuance of checks are prepared manually. FCMAT observed the following ASB school site deficiencies:
 - One ASB site used an antiquated, unreliable ASB accounting system to accurately provide individual ASB club balances. This system was used exclusively to issue checks and prepare bank reconciliations. Staff also maintained Excel spreadsheets to track ASB activities.
 - Many school site ASB club accounts have inactive clubs with positive and negative balances. Staff are not aware of the club balance history and do not know how to adjust the balances.

- One school site administrator, who also functions as the ASB bookkeeper, inherited the ASB duties with no training. The ASB bank account that was difficult to use was closed, and funds transferred to a new bank account.

The new account was established with single-signature checks where the administrator was the sole signer for the ASB account.

- An electronic Sentry safe was installed without an activation access code along with no electronic accounting system (only manually prepared spreadsheets and check register to produce ASB reports). The checkbook and signing authority has since been changed, requiring two signatures on checks.

5. In March 2013, someone broke into one high school site where the ASB office and student store are located behind a locked steel door with an external locked steel screen door, and approximately \$950 in ASB school clothing was stolen. There are no security cameras or signs stating that there are security cameras, and the ASB office has no safe.

FCMAT observed the following at this same high school:

- The ASB bookkeeping function is performed manually, with no electronic accounting program. Numerous Excel spreadsheets have to be prepared to track individual club account balances and various club activities.
- All checks are manually written.
- The ASB bookkeeper has not received adequate resources or training to perform ASB duties and responsibilities.
- Fundraising event forms and/or copies are not consistently provided to the ASB bookkeeper so the bookkeeper can know when the fundraising event occurred or anticipated revenue.
- Fundraiser revenues submitted to the ASB bookkeeper are not consistently precounted following the event or before they are submitted to the ASB bookkeeper. The ASB bookkeeper recently implemented a policy that ASB club advisors must count money in the bookkeeper's presence.
- ASB clubs do not submit fundraiser revenues in a timely manner.
- Referee checks were issued to the athletics director, who deposited the funds in a separate bank account where checks were disbursed to referees. This secondary account was closed in March 2013, with the balance of the funds returned to the ASB account.

6. Each individual school site is responsible for collecting IRS Form W-9 for independent contractors and for issuing annual IRS Form 1099. In many instances tested, school sites did not collect the W-9, and subcontractors were not issued 1099s as required by IRS regulations. The entire subcontractor process should be centralized through the district office, and training provided to the school sites.
7. Office safes are critical in safeguarding ASB funds. However, the district high school ASB offices do not have large and secure safes, and there is no districtwide deposit threshold policy to ensure all monies are deposited before the weekend or holiday closure; and that all funds are deposited when district deposit thresholds are met.

8. 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. 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.

When the district office receives school site ASB bank statements, bank reconciliations, and financial documents, staff simply file the documents. 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.

District administrative regulations should identify specific oversight functions that include but are not limited to the following topics:

- The documents that each ASB school site should submit monthly, quarterly, and annually to the district office for review, and how each required document is expected to be presented.
 - The roles and oversight responsibilities of the board, superintendent, business office, school principal, ASB advisor and ASB leadership council.
 - Applicable laws and regulations that govern operations, fundraising activities, food sales, and the filing of sales and use taxes.
 - Lists and samples of the mandatory and nonmodifiable ASB forms.
 - Formation of clubs and requirements for keeping minutes that include details of each meeting's proceedings, including financial matters, authorization for expenditures, and fundraising approvals.
 - Accounting and financial management that includes practices for internal controls, maintaining ASB records, contracts, bank reconciliations, financial reports, and other bookkeeping functions.
 - Cash management and cash handling procedures for collections and disbursements.
 - Budgets and budget management.
 - Allowable fundraising events.
 - Gifts and donations.
 - Prohibited fundraising events and expenditures.
9. Discussed later in this report are district needs and recommendations for districtwide and school site specific ASB training and a districtwide ASB accounting policies and procedures handbook.

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. The district should develop an ASB handbook that includes supplemental board ASB policies and procedures.
2. Procedures should be developed for the district office on the oversight, management and internal audits that need to occur to protect the district.
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. All ASB referee and independent subcontractor requests for payment in which an IRS Form 1099 would be considered applicable should be submitted to the district office for payment and reporting. When submitting these proposed payments, the school site ASB should submit for the first payment to the contractor a completed and signed IRS Form W-9 along with the check request properly authorized and signed by the ASB leadership.

The district office should subsequently invoice the school site ASB for the payments made by the district office on behalf of the ASB, and the ASB should reimburse the district office with a properly authorized and signed ASB leadership check.

This process allows the district office to be the central aggregator for vendors subject to IRS subcontractor regulations and can ensure that vendors who exceed the total districtwide 1099 threshold of \$600 for services are properly reported on federal form 1099 with a valid IRS Form W-9. No payment to any contractor who qualifies to submit a W-9 should be paid until the district has a properly completed and signed IRS Form W-9.

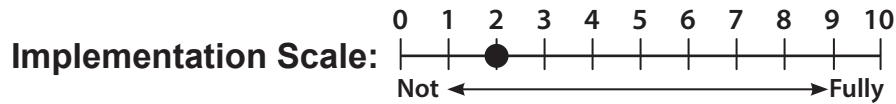
5. The district office should purchase electronic accounting software for each ASB school site, provide a standardized ASB accounting software chart of accounts, ASB training prior to the start of each school year and accounting support throughout the school year. The district is in the process of obtaining the latest version of QuickBooks accounting software for each school site.
6. The district should ensure that each high school ASB office has a large and secure safe to keep checks and currency until deposit; that deposits are timely; that all monies are deposited prior to the weekend or holiday closure; and that all funds are deposited when district deposit thresholds are met.

A threshold may be that when the ASB office has accumulated more than \$300 total, deposit in the ASB bank account is required. An additional threshold policy should be that all deposits must be deposited in the ASB bank account anytime a deposit has not been made after two days and every Friday. Immediately following the fundraiser event, the club advisor (or designee) and one other person should double-count and confirm the total of funds to be submitted to the ASB bookkeeper. All monies submitted to the

ASB bookkeeper should be counted one more time in the presence of one of the club representatives and confirmed by signature that the funds counted agree with total funds submitted from the fundraiser event. No funds may be held in the club classroom or in any club representative's personal possession at home or in a car and over the weekend.

7. ASB offices should be protected with public signs of notice and security camera systems that include battery backup and a hardened equipment case.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with district and school site staff
2. October 2012 FCMAT ASB training workshop PowerPoint presentation
3. Annual audit report for the fiscal year ending June 30, 2012
4. The Inglewood High School, Morningside High School, La Tierra K-8 School, City Honors dependent charter high school, and Crozier Middle School ASB sites were visited, interviews of staff conducted, and evaluations made as to the consistency of ASB policies and procedures applied throughout the district.

Findings

1. The district's 2011-12 annual audit report Financial Statement Finding number 2012-7, ASB Funds and 2012-8, ASB Bank Reconciliations, identify findings related to ASB internal controls and transaction documentation. The district's 2011-12 annual audit report recommends training staff, and in October 2012, the district received an all staff ASB training workshop.
2. Staff indicated that training was provided in October 2012, but many staff members want training that is individualized and believe the one-day workshop was insufficient since many ASB staff have little ASB experience.
3. Some staff members are uncertain whether they were informed of any audit findings and indicated that they would not know how to correct an audit finding without district office assistance. Others were aware of the audit findings, but said that because of the many other problems and issues that need to be corrected, they are overwhelmed.

The audit findings have likely not been adequately communicated to the appropriate individual at each school site so corrections can be implemented. Best practice is to review audit findings with staff as soon as the audit is received to help ensure that procedures are corrected and staff are held accountable for following them.

The district has retained the services of an ASB expert to evaluate deficiencies and make recommendations at the school sites and district office. The district should continue this process, implement the recommendations, and monitor the results.

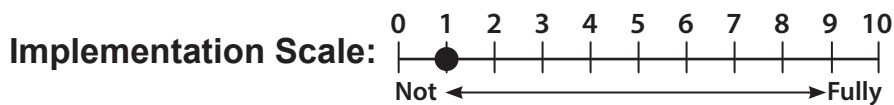
Internal ASB audits have not been conducted for many years, and the district office staff has not been trained in methods to conduct them. Business office management should receive basic and advanced ASB training in generally accepted policies, procedures, and best practices.

4. Without district policies and procedures, each school site created its own set of processes, which are inconsistent, leave sites out of compliance with ASB regulations, and pose serious concerns regarding internal control management.

Recommendations for Recovery

1. The district should ensure that site administrators, club advisors, support staff and ASB bookkeepers have a current copy of the FCMAT ASB Manual, which is available online at no charge.
2. The district should continue to utilize the services of the ASB expert to evaluate all its ASB deficiencies at each site and district office.
3. Internal ASB audits should be conducted at least once each school year after district office staff has been trained in methods to conduct them.
4. School sites should follow district policies and procedures instead of creating their own.
5. The district should go beyond the audit findings and ensure that the entire district ASB program is in full compliance with laws, regulations and best practices.
6. Provide staff members with individualized ASB training upon request to support one-day training events.

Standard Partially Implemented



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)

Sources and Documentation

1. Interviews with business and fiscal services coordinator
2. Interviews with business office supervisors
3. 2011-12 third interim report
4. 2012-13 interim financial reports
5. 2013-14 draft adoption budget
6. District-prepared multiyear financial projection
7. Board minutes and board agendas

Findings

1. A review of the district's adopted and 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 include 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.
2. A review of the 2011-12 third interim, 2012-13 adoption budget, and 2012-13 interim reports do not adequately report a listing of assumptions to support the budgeted revenues or expenditures. Instead, vague references appear on a limited number of the board agenda items.
3. The multiyear financial projection (MYFP) is included as part of the official Standardized Account Code Structure (SACS) 2012-13 second interim report, but shows only increases and decreases as percentages between each of the three years. The board report does not have a narrative that describes the major assumptions used to develop the district's general fund MYFP.

4. A review of the MYPF percentages from the 2012-13 second interim report shows that the assumptions do not reflect district's trends and are not reasonable as shown in the following observations:
- a. Revenue Limit: The projection shows the cost-of-living adjustment and 2% decline in student enrollment. In each of the last five fiscal years, the district declined a total of 18%, with a 6% decline in the last two fiscal years.
 - b. Special Education Encroachment: During the current fiscal year, the district underbudgeted excess cost by an estimated \$1.3 million, yet the MYFP shows a marginal increase of 2.88% in 2013-14 and 0% increase for 2014-15.
 - c. Certificated Salaries: Step and column is less than 1% in 2013-14 and 2014-15. Normal ranges for step and column are between 1.5 – 2.0%, according to district staff. The district shows an increase of \$202,438 in 2013-14 without explanation.
 - d. Services and Other Operating: The district projects a decrease of \$755,528 in 2013-14 and again in 2014-15 without explanation.
 - e. Employee Benefits: Even though certificated and classified salary accounts increased, the employee benefits decreased slightly in 2013-14 and increased marginally in 2014-15, yet the district's experience rates for workers' compensation and health insurance costs have escalated.
 - f. Financing Uses: The MYFP shows \$4.5 million in 2013-14 and again in 2014-15 for other uses without explanation. It is assumed that this represents the annual payment for the emergency state appropriation.
 - g. Federal Revenues: The projection is flat funding for 2013-14 and 2014-15 ,yet federal sequestration reductions are estimated in excess of 5%.
 - h. State Revenues: Unrestricted state revenues are projected to increase by 15.41% in 2013-14, but restricted revenues are flat. The district provides no explanation for such a large increase.

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. It is extremely important 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.

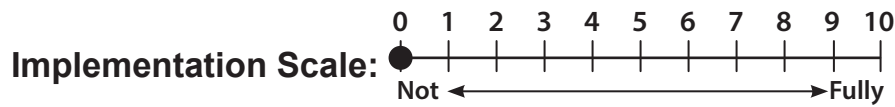
5. The district has drawn \$29 million of the \$55 million emergency appropriation between November 2012 and February 2013. It is anticipated that the remaining \$26 million will be needed to offset the district's deficit in 2013-14. The district needs to reduce the structural deficit immediately so that insolvency does not continue even with the state emergency appropriation; therefore, it will be imperative that the budget accurately reflects projected revenues and expenditures.

6. 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.
7. 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.

Recommendations for Recovery

1. The district should ensure that the business office staff receive training and guidance on budget and MYFP development, budget and MYFP assumptions and trend analysis.
2. A list of assumptions and a detailed narrative should be included for the budget and MYFP at each reporting period.

Standard Not Implemented



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)

Sources and Documentation

1. Interviews with business and fiscal services coordinator
2. Interviews with business office supervisors
3. 2011-12 third interim report
4. 2012-13 adopted budget
5. 2012-13 interim financial reports
6. 2013-14 draft adoption budget
7. District-prepared multiyear financial projection
8. Board minutes and board agendas

Findings

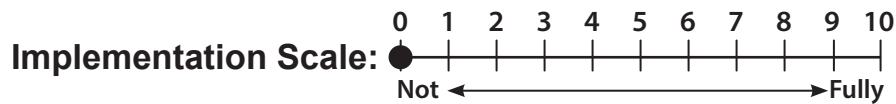
1. A review of the district's adopted and interim financial reports includes a multiyear projection for the general fund in accordance with AB 1200 and AB 2756 requirements for the current and two subsequent fiscal years, but fails to include a list of assumptions or a narrative to support the budget and MYFP. Reliance on these documents for negotiations would not be advisable until information to support the multiyear expenditures is verified.
2. In several instances, FCMAT observed that trends were not realistic considering budgeted projections in the subsequent fiscal years. These included the failure to recognize anticipated federal sequestration reductions, and reductions in staffing commensurate with declining enrollment, increases in employee benefits and many other categories that show unusual increases or decreases without explanation. Without clear supporting documentation and realistic projections, the multiyear projections are unreliable and should not be utilized for accurately projecting costs for negotiations.

3. A review of the 2011-12 third interim, 2012-13 adoption budget, and 2012-13 interim reports do not adequately report a list of assumptions to support budgeted revenues or expenditures. The board agenda item is presented without a narrative and with occasional vague references to budget assumptions.
4. The multiyear financial projections included as part of the official SACS 2012-13 second interim report shows increases and decreases as percentages between each of the three years without any explanation.

Recommendations for Recovery

1. Include a listing of assumptions and a detailed narrative at each reporting period.
2. Verify that the 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 Not Implemented



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))

Sources and Documentation

1. Interview with interim state administrator
2. Interview with business and fiscal services coordinator
3. Interview with certificated and classified union presidents
4. Memorandum of understanding, Inglewood Teacher's Association, dated December 4, 2012 and proposed tentative agreement
5. California Professional Employees IUPAT, AFL-CIO Agreement, July 1, 2004 – June 30, 2007
6. Memorandum dated April 20, 2012 regarding ITA negotiations
7. April 26, 2012 ITA negotiation agenda
8. April 26, 2012 ITA negotiations summary and bargaining proposal
9. Board minutes:
 - November 14, 2012
 - November 27, 2012
 - December 12, 2012
 - Memorandum of understanding dated September 3, 2010

Findings

1. The district has 608 certificated and 611 classified employees represented by the following three separate bargaining units:
 - The Inglewood Teachers Association represents teachers, special project coordinators, librarians, counselors and nurses.
 - Inglewood Teachers Federation represents adult education teachers.
 - California Professional Employees representing classified employees.

2. The Inglewood Teachers Federation contract expires June 30, 2014, and no collective bargaining activity has occurred during this review period. The California Professional Employees contract expired on June 30, 2007, and there was no activity during this review period. The Inglewood Teachers Association contract expired on June 30, 2013.
3. 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.

4. 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.
5. On November 4, 2012, the state administrator approved, without consent from the superintendent of public instruction, a tentative collective bargaining agreement. This tentative agreement is the subject of outstanding litigation, the disagreement is mainly based on whether the state administrator had actual or apparent authority to enter into an agreement without the consent of the superintendent of public instruction.
6. 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) 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.”

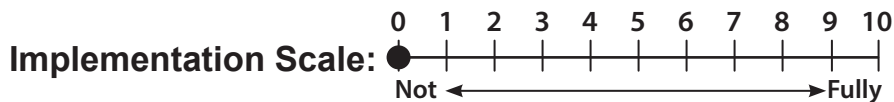
The signed tentative agreement between the teachers association and district for July 1, 2013 through June 30, 2015 included two furlough days in 2013-14, with an additional four furlough days in 2014-15, no change in health care benefits, and dismissal of the pending grievance filed with the Public 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.

Recommendations for Recovery

- Once a school district loses local control, the Department of Education is the oversight agency. The state administrator’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.
- The district should ensure that all collective bargaining agreements subject to public disclosure requirements articulated in GC 3547.5(a)-(b) and Education Code 42130-42131 are fulfilled.

Standard Not Implemented



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)

Sources and Documentation

1. Interview with interim state administrator
2. Interview with business and fiscal services coordinator
3. Interview with certificated and classified union presidents
4. Memorandum of understanding, Inglewood Teacher’s Association, dated December 4, 2012 and proposed tentative agreement
5. Memorandum dated April 20, 2012 regarding ITA negotiations
6. April 26, 2012 ITA negotiation agenda
7. April 26, 2012 ITA negotiations summary and bargaining proposal
8. Board minutes:
 - November 14, 2012
 - November 27, 2012
 - December 12, 2012

Finding

1. On November 4, 2012, the 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.

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

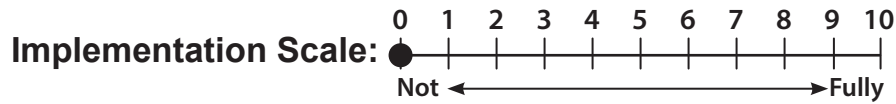
express itself, and any new subjects arising from negotiations after the initial proposals are required to be made public within 24 hours.

The district could not provide any documentation to support that the requirements of both Government Code sections were met.

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



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.

Sources and Documentation

1. Interview with interim state administrator
2. Interview with business and fiscal services coordinator
3. Interview with certificated and classified union presidents
4. April 26, 2012 ITA negotiation agenda
5. April 26, 2012 ITA negotiations summary and bargaining proposal
6. Board minutes – November through December 2012

Findings

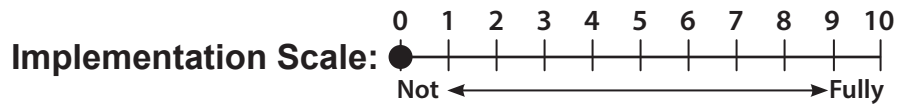
1. FCMAT reviewed the proposals presented in April 2012 and the tentative agreement documentation in November 2012 and could not locate proposals that discussed academic achievement for students, fiscal impact and/or fiscal responsibility, long-term stability for the district's recovery, or accountability by the employees to ensure the fiscal health of the district.
2. Several requests by the district interim state administrator and the Department of Education to continue negotiations with Inglewood Teachers Association have not been successful. The primary concern expressed by the teachers association was the status of the placement of a permanent state administrator, and the status of the purported tentative bargaining agreement signed by the previous state administrator on November 4, 2012.

Recommendation for Recovery

1. 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



15.2 Management Information Systems

Professional Standard

Management information systems support users with information that is 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.

Sources and Documentation

1. Interview with director, assessment & information technology
2. Interview with executive director, curriculum, instruction, and professional development
3. Interview with business and fiscal services coordinator
4. Interview with interim state administrator
5. Interview with school site principal
6. Interview with assistant superintendent, educational services
7. Interview with senior specialist Tech Ed Services, Inc. (third-party)
8. Interviews with financial operations consultant and other staff, Los Angeles County Office of Education

Findings

1. The district often selects and implements various new information systems without comprehensive planning and collaboration with all those affected. A student assessment system (Data Director), student credit recovery system (A+ Credit Recovery Bundle), technology infrastructure projects (E-Rate), and other systems were recently selected and purchased in this manner. This requires the technology 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.
2. Beginning in 2015, online student assessments aligned with the Common Core State Standards will be required of all districts. Assessments must be performed online and within a relatively short amount of time, requiring each district to work collaboratively and internally to ensure the following:
 - The district has an adequate number of devices for the students to take the assessments.

- The district has internal network configurations and connectivity to support the increased number of devices.
- Adequate internet bandwidth exists between the school sites and district office as well as between the district office and internet service provider.

This will be a complex and critical task and will require a high level of planning, budgeting, and collaboration between the district’s business, IT, and curriculum staff. At present, this type of collaboration does not occur.

The district does not have a technology committee where these 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.

3. The Information Technology Department has a single programming position. Duties and responsibilities include helping integrate 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 vacant. Many tasks previously performed by the programmer 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 into 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 ensure that a qualified interim programmer is hired until the vacant position can be filled.

4. When conducting an Internet search for “Inglewood Unified School District,” the results include two domains: iusd.net domain and the inglewood.k12.ca.us domain. The iusd.net displays the district’s current website; however, selecting the inglewood.k12.ca.us domain leads to a single Web page with a message stating “Sorry! This site is not currently available.”

The inglewood.k12.ca.us Web page display may confuse parents, the community, and staff. The district should delete the inglewood.k12.ca.us domain.

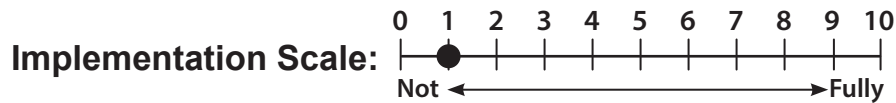
5. The district uses financial management software provided by the Los Angeles County Office of Education that complies with the standardized account codes structure (SACS) for uniform statewide financial reporting.

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 consider contracting with a qualified vendor who can fulfill the requirements of system integration until the district has an opportunity to fill vacant positions and access skills levels in the Information Technology Department.
4. The district should contract with the county office or use its own staff if possible to create an automatic redirect from the inglewood.k12.ca.us website to the district's main website at iusd.net. This will help alleviate the confusion regarding the district website.

Standard Partially Implemented



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 and timely 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.

Sources and Documentation

1. Interview with director, assessment & information technology
2. Interview with business and fiscal services coordinator
3. Interview with executive director, curriculum, instruction, and professional development
4. Interview with interim state administrator
5. Interview with school site principal
6. Interview with assistant superintendent, educational services
7. Interviews with financial operations consultant and other staff, county office

Findings

1. As part of the mandated CALPADS reporting process, 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 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. When the data is submitted to CALPADS from Aeries, error reports provide IT with a list of missing fields, but the IT director cannot readily determine the source of the error. Possibilities include inaccurate data reports provided by the Human Resource Department, errors in extracting and reporting from HRS, and/or a data entry error by the IT director 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.

The district lacks a comprehensive professional development plan to support many of its information systems. Attendance clerks and staff responsible for enrollment and student attendance do not receive annual training, resulting in inconsistent and inefficient use of the student information system, and the entry of improper codes.

The Data Director student assessment system implementation was initiated approximately one year ago; however, ongoing staff training on how to best use the system is extremely limited. Data Director is 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. Site administrators have not received any recent training on how to select reports that give them the information they need.

2. The position control data in the HRS system contains many errors, including duplication of many staff. The business and fiscal services coordinator is working to correct this data, which has been incorrect for a number of years. The coordinator estimates that it will take at least four months to correct all the data and make accurate reports available.

The lack of an effective position control system leaves the district at great risk for over- or understating salary and/or benefits. It is imperative that the district devote sufficient staff time and the resources necessary to fully implement position control.

3. 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. HR staff report that data reported from the LLL system does not accurately reflect data existing in the HRS system. As a result, the district will request that the county office staff create documents such as seniority lists, mailing labels, credential status reports and others for them, and the county office charges a fee for this.

According to county office staff, the inconsistency in the accuracy of data reporting from LLL occurs because the staff does not update the LLL database from data in the HRS system before running the report. The district should provide staff with instructions on properly updating the HRS system before running reports from the LLL system.

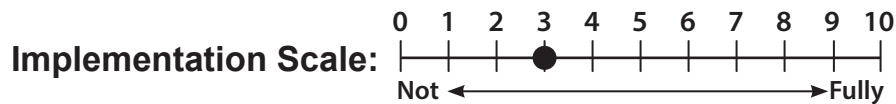
4. The Aeries system has data fields for tracking various student expulsion and discipline information. Many school site administrators report that they do not have user rights to various Aeries screens that contain this student information. The district should ensure that site administrators have the 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. A professional development needs 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.
3. Appropriate staff members should receive regular evaluations and stress the explanations on the importance of the proper use of attendance codes, enrollment data, discipline, expulsion and other critical Aeries data elements to ensure accurate and consistent data in the system, which will result in more accurate CALPADS reporting.
4. Appropriate staff members should receive training from the county office on using the LLL system with a focus on updating of data from the HRS system.
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.
6. The district should establish timelines and communications for site administrators to access various Aeries screens. One or more IT staff members should be assigned to make the changes to allow those staff members access.

Standard Partially Implemented



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 review and considered 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.

Sources and Documentation

1. Interview with director, assessment & information technology
2. Interview with network administrator
3. Interview with school site principal
4. Interview with purchasing assistant
5. Documents from the district's website containing computer standards

Findings

1. Until approximately three years ago, the district had a technology committee that established hardware and software standards for technology districtwide. Since then, the district's network administrator establishes standards for PC desktop and laptop computers as well as software applications for the district's Hewlett Packard (HP) computers. The network administrator 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.

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.

2. Although the hardware computer standards are published on the district's website, their existence is not universally known, and nonstandardized hardware and software are often purchased by the school sites. Along with the standard HP computers, the district also purchases nonstandard brands from other manufactures. Refurbished computers that do not meet published standards are also purchased.

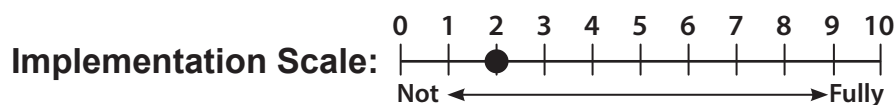
Enforcing the existing computer standards is more difficult because of the lack of administrative regulations, published policies, or procedures. There is no formal method for a user who is purchasing nonstandard equipment to request an exception to the standards, and purchasing nonstandardized equipment 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
3. The requisition of nonstandard hardware or software is not routed for review by the IT director or network administrator before the items are purchased by the district.
 4. 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 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 be 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 follow 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



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 this 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.

Sources and Documentation

1. Interview with director, assessment & information technology
2. Interview with warehouse clerk
3. Interview with network administrator
4. Interview with school site principal
5. Interview with interim state administrator
6. Fixed asset inventory report provided by third-party as of June 30, 2012
7. Audit report June 30, 2012

Findings

1. The district lacks a formalized 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 network administrator. However, 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. Sites often purchase nonstandard equipment, resulting in higher support, increased training,

and potentially higher acquisition costs that increase the total cost of ownership over the life of the asset.

4. The district's inventory is performed each year by a third-party vendor. The scope of engagement states that the company will inventory equipment with a cost of \$5,000 or greater and completed the last inspection and inventory of the district's assets in 2009. However the scope of work states that the vendor completed inspection and physical inventory on September 11, 2012.
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. 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.

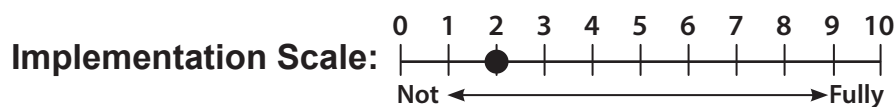
The district consultant performs a physical inventory of equipment with a value of \$5,000 or more; however, the district does not properly track items greater than \$500 but less than \$5,000 in accordance with this Education Code provision, and the items may have moved from one location to another. The district does not have a reconciliation process to determine if equipment with a value of between \$500 and \$5,000 is still located in the district.

Recommendations for Recovery

1. 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.

2. Standards should be met when purchasing technology items, and any nonstandard items requested for purchase should be reviewed and considered by the IT Department before acquisition.
3. 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.
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. Create a formalized life-cycle replacement plan for any of its technology equipment.
6. 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.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with director, assessment & information technology
2. Interview with network administrator
3. Interview with executive director, curriculum and instruction, professional development
4. Interview with school site principal

Findings

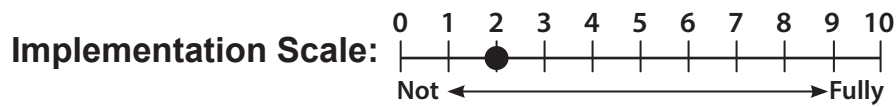
1. The ability of the school site technical infrastructure to support the online student assessment testing aligned with the upcoming Common Core State Standards is unknown and will require a review by the Information Technology Department.
2. The district bandwidth of 1 GB to each school site, provided by fiber connectivity, is sufficient.
3. The impact of assessment testing on the district's bandwidth to the Internet is unknown. Internet connectivity is provided by the county office.
4. Little communication occurred between the Information Technology and Curriculum departments regarding the technology needed to support the upcoming student assessments related to implementing the new Common Core State Standards. The Smarter Balanced Assessment Consortium is a multistate-led consortium working to develop next-generation assessments that are aligned with these standards. Several schools signed up to pilot the assessment testing, but the Information Technology Department was not involved in those discussions and is unaware of which sites signed up.

Recommendations for Recovery

1. Staff from business, IT, curriculum, and school sites should meet regularly to discuss the site needs for the upcoming online student assessments related to implementing the Common Core State Standards.

2. The district should begin researching and drafting standards for the technology devices to be used for performing the online tests.
3. District staff should be directed to create cost estimates and investigate funding sources for devices and possible technology infrastructure upgrades that might be needed to perform the testing.
4. The impact of the testing on the district's Internet connectivity should be examined and researched, and changes should be planned accordingly, keeping in mind the E-Rate process and timeline for these changes.

Standard Partially Implemented



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.

Sources and Documentation

1. Interview with director, assessment & information technology
2. Interview with director of food services
3. Interview with network administrator
4. Interview with accounts payable supervisor
5. Interview with junior accountant, food services
6. Interview with senior specialist Tech Ed Services, Inc. (third-party)
7. Education Technology K-12 Voucher Program www.edtechk12vp.com/
8. Sample telecommunication invoices
9. Documents provided by Tech Ed Services, Inc. (third-party)

Findings

1. As part of the Microsoft Education Technology K-12 Voucher Program, the district has a balance of \$63,055.41 in general purpose vouchers and \$139,564.88 in software vouchers, totaling \$202,620.29. 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, 2013. The district should take advantage of these vouchers to support and implement the Common Core State Standards effective for the 2013-14 fiscal year.
2. Planning for E-Rate discounts over the past several years has been difficult as a result of changes in key leadership positions in the business office and Technology Department. Various district staff members in charge of the E-Rate program starting in the 2009-10 fiscal year used an independent consultant to provide E-Rate consulting services and prepare district claims.

3. The district does not hold annual E-Rate planning meetings representing key departments such as Business, Technology, Facilities, Food Services and Curriculum. The lack of coordination has resulted in E-Rate applications that are not always funded, although the district is eligible for the discounts. One example is 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 receives California Teleconnect Fund discounts for some or all of the eligible telecommunication services.
5. The district provides only invoice summary information 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.
6. In prior years, underreporting eligible free and reduced-price meal numbers caused the district's eligibility for certain E-rate services to fall below the nationally funded levels.
7. The district's direct certification should be reviewed in detail. 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.

A significant number of errors is generated when attempts are 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, according to staff interviews. There is a strong possibility that the errors generated result in incorrect numbers of eligible free and reduced-reduced price meal counts reported for the School Breakfast Program and National School Lunch Program (NSLP) as well as for E-Rate application purposes.

These reporting errors may result in large losses in funding for programs that are funded based on free and/or reduced breakfast and lunch counts, including the cafeteria fund, E-Rate and other federal programs such as Title I.

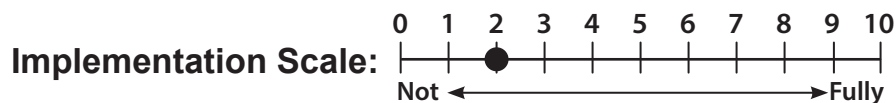
8. Because E-Rate discounts are often awarded well into a fiscal year, vendor invoices from telecommunication companies in the first part of the year do not necessarily reflect the E-Rate discounts that will be applied subsequent to application approval.

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 and may increase to more than \$200,000 this year because of the extremely late approval and funding of the previous year.

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, 2013 deadline are included in the application.
2. 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.
3. 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-reduced price meal percentage are near threshold levels of E-Rate funding. The district should have plans for the funding and nonfunding of the E-Rate applications.
4. 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.
5. The district should consider contacting the telecommunication provider when the E-Rate credit is applied to the invoices and request that a check for the credit amount be issued to the district instead of a credit.
6. 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.
7. All eligible free and reduced-price meal counts should be accurate to maximize the district's eligibility for certain E-rate services.
8. The district should ensure that the direct certification is reviewed in detail.

Standard Partially Implemented



16.1 Maintenance and Operations Fiscal Controls

Legal Standard

Capital equipment and furniture is tagged as LEA-owned property and inventoried at least annually.

Sources and Documentation

1. Interviews with business office staff
2. Telephone discussions with the appraiser
3. Annual audit reports for the fiscal years ending June 30, 2012 and June 30, 2011
4. Fixed asset inventory report dated June 30, 2012

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 in the governmentwide statement of net assets, including a report of depreciation in the statement of activities at year end. 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 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.

The district has engaged the services of an independent appraisal firm to annually update the fixed asset reports for financial statement reporting purposes based on information supplied by the Accounting Department. 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, disposals, and transfers of fixed assets.

The most recent report is dated June 30, 2012, and coupled with the addition of construction in progress from the 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	1,488,881
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	\$213,291,899

The district is also required to have a system to track equipment classified as assets and valued at \$500 to \$4,999. Assets totaling \$11,350,856 have been recorded in the appraiser's annual report representing assets valued between \$500 and \$4,999 as of June 30, 2012. These assets were reported by district staff to the appraisal firm but not independently verified by the appraisers. Although the district staff report these assets to the appraisal firm, the information is not collected in a dedicated inventory system. Instead, district staff utilize system reports to generate this information.

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.

- 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.
 - 2012-11: Inventory and Fixed Assets – A lack of internal controls over inventory and fixed assets caused a major misstatement of the cafeteria fund inventory. In addition, the auditors noted a lack of security over goods delivered to sites as previously cited in the previous years' audit.
 - 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.

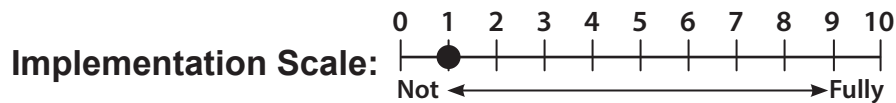
The Purchasing Department has created a form, salvage/equipment items, that school sites use to document obsolete inventory. This form lists the item number; manufacture/model; serial number; asset tag number; funding source; quantity and purchase value. A review of forms submitted to FCMAT shows that the school sites use the form; however, it should be dated and signed by the site administrator in the space provided.

It is unclear if the district has established receiving procedures and protocols when inventory items are shipped directly to school sites.

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 auditor recommendations for compliance with internal controls for inventory, fixed assets and disposal of assets should be implemented.
3. Receiving protocols and policies should be developed for inventory items that are shipped directly to school sites.
4. School sites should utilize the salvage/equipment items form to document obsolete inventory to the district office. This form should be dated and signed by the site administrator in the space provided.

Standard Partially Implemented



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.

Sources and Documentation

1. State of California Controller remittance advise – payments from March 2012 through April 2013
2. Board Information Letters, dated April 13, 2012 and May 15, 2012
3. Interviews with food services manager
4. Budget reports – expenditure summaries 2012-13
5. Unaudited actuals reports for 2010-11 and 2011-12

Findings

1. 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.

Subsequent district visits in May 2012, April 2012 and January 2013 indicated that competitive food sales continued. Based on the last 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 upon assurance that the district was in compliance.

2. Unaudited actuals for the 2010-11 fiscal year show that the estimated ending balance in the cafeteria fund was \$549,821, requiring no contribution from the unrestricted general fund to support the program. The fund balance for the cafeteria fund has increased in each of the last three fiscal years as demonstrated in the chart below:

Cafeteria Fund – Unaudited Actuals

2010-11 through 2011-12

Unaudited Actuals	2010-11	2011-12
Beginning Balance	\$259,235	\$516,293
Audit Adjustments	(\$47,617)	(\$2,499)
Adjusted Beginning Balance	\$211,618	\$513,794
Revenues	\$4,406,790	\$4,204,407
Expenditures	(\$4,102,115)	(\$4,168,380)
Ending Balance	\$516,293	\$549,821

3. The food service manager was hired in December 2012. Shortly after, the manager implemented a new program, Breakfast in the Classroom, at three school sites. The district does not qualify for the universal feeding program; therefore, the new program is funded based on plate counts that yield state and federal funding. Students who qualify for reduced price meals and those that would normally pay full price are not required to pay for breakfast. The district was unable to supply any documentation to show whether this program was cost effective; therefore, it should perform a full evaluation and analytical review before expanding this program to other school sites to determine whether it is cost effective.
4. The district has 10 elementary school sites served from one central production site. As a result of volume, the district is experiencing on-time delivery issues related to the timing of food production. Drivers have long wait times, and the lunch is 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 should perform a full evaluation to determine the maximum capacity of the desired production and adjust accordingly.
5. The district stores commodities and other food items in an off-site warehouse storage facility in Pomona. The costs of food storage equate to \$1.25 per case, with deliveries three times each week.
6. The district has been in declining enrollment, losing 907 students since 2010-11 according to the CDE DataQuest website. The district should investigate the possibility of local storage space to reduce food storage costs.
7. The new food service manager needs 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.
8. The food service program must annually certify students that qualify for free and/or reduced-price meals within 30 days of the start of each school year. The district can electronically transfer 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).

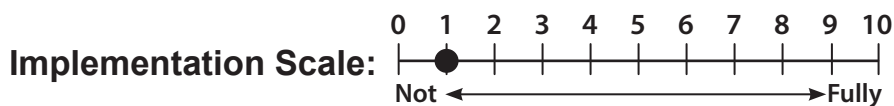
This process, referred to as “direct certification,” allows the district to upload eligibility information that automatically qualifies these students without manually processing the National School Lunch Program and School Breakfast Program eligibility forms. Direct certification greatly reduces the time staff must spend manually processing forms each year. 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; however, the district can run the direct certification anytime during the fiscal year.

Many federal grant and entitlement programs, E-Rate and the new local control funding formula are partly calculated by using free and/or reduced-price meal eligibility counts. It will be imperative for the food service manager to be fully trained on the new requirements and understand the importance of maximizing student eligibility.

Recommendations for Recovery

1. Continue to ensure that all school sites are in compliance with the School Breakfast and National School Lunch programs’ requirements regarding competitive food sales.
2. The district should perform a full evaluation and analytical review before expanding the Breakfast in the Classroom program to other school sites to determine whether the program is cost effective.
3. The new food service manager 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.
4. The food service manager should be fully trained in the new requirements for direct certification and have an understanding of the importance of maximizing student eligibility for free and/or reduced-price meals.
5. The district should perform a full evaluation to determine the maximum capacity of the desired production and identify an additional production site if needed.
6. The district should investigate the possibility of using local storage space to reduce food storage costs.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with the SELPA, the county office, and district staff
2. SELPA policies, income allocation spreadsheets, and excess cost billings
3. Board minutes, October 10, 2012

Findings

1. During the first six months of the 2012-13 fiscal year, the district underbudgeted approximately \$1.3 million in excess cost billings from the county office.
2. The district did not file for reimbursement related to extraordinary cost pool NPS students for the 2011-12 school year. Upon notification, CDE has agreed to process the district's request for funding expenses related to extraordinary cost pool. The district should establish an accounts receivable at year end and follow up until the funds have been received and deposited. The district has been allocated \$366,000 for the 2012-13 school year.
3. The district increased budgeted expenses for students in residential treatment centers related to the shift in mental health and room and board expenses in 2012-13 from LA County Mental Health Services; however, offsetting pass-through revenue was not budgeted. Mental Health funds related to locally served students will be forwarded to the district from the SELPA upon receipt of the implementation plan. Subsequent to the FCMAT fieldwork, the district submitted the plan to the SELPA.
4. In 2012-13, the SELPA continues to reduce the district's NPS income of \$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.
5. Discussions with the SELPA leadership indicate that the NPS reductions will discontinue in exchange for district staffing that ensures program compliance.
6. County office and NPS placements absorb a disproportional amount of the district special education budget. One factor is that the county office does not negotiate countywide rates for NPS special education placements. The special education director should work with

the SELPA and assist with negotiations to implement countywide NPS rates. In addition, NPS and county office placements should be reviewed continuously for cost containment throughout the fiscal year.

7. The district should anticipate increases in 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 the San Gabriel Valley SELPAs from the administrative unit.
8. Communication between the county office, SELPA and the district is critical to proper receipt, budgeting and monitoring of special education income and expenses. The chief business official and special education director rarely attend SELPA meetings. According to the county office and SELPA staff, no regular schedule is established, and meetings instead occur sporadically throughout the year.

The special education director or designee and the chief business official or designee should attend each SELPA and county office meeting and be fully involved with decisions that affect district funding. The business office should review the 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.

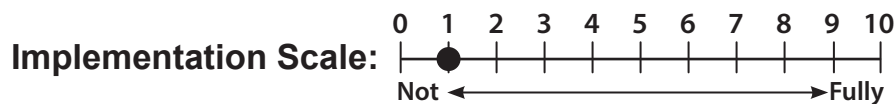
9. The district was offered an opportunity to reduce excess costs by making excess facilities available to house students receiving services from the county office. The district should evaluate the cost benefit of making these facilities available, especially since it has experienced a significant decline in enrollment.
10. The district expends \$2,500 per month for each student who receives county office special education transportation. This equates to four times the 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.)

Recommendations for Recovery

1. The budget to include county office excess cost should be increased based on prior year actual expenditures and current year estimates from the SELPA.
2. The district should increase the budget for the receipt of 2012-13 funds related to room and board and mental health services for residential treatment center placements.
3. SELPA income projections should be reviewed for questionable items, and final excess cost billings should be reconciled to the amount paid.
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. Special education extraordinary cost pool requests for reimbursements should be submitted in a timely manner.
6. The district should continue to develop services that appropriately expend local mental health dollars.
7. The special education director and chief business official should regularly attend SELPA meetings.
8. The district should regularly review county office and NPS billings to determine where expenses can be reduced.
9. The district should consider the opportunity to reduce excess cost by providing facilities for county office programs.
10. The district should explore alternative transportation options for NPS students to reduce costs.
11. SELPA leadership indicate that the NPS reductions will discontinue in exchange for district staffing that ensures program compliance. District administration should ensure that this agreement is enforced in the current and subsequent fiscal years.
12. The special education director should work with the SELPA and assist with negotiations to implement countywide NPS rates. In addition, NPS and county office placements should be reviewed continuously for cost containment throughout the fiscal year.

Standard Partially Implemented



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.

Sources and Documentation

1. Independent consultant report
2. Year End Transportation Report: Form TRAN for 2010-11 and 2011-12
3. California Department of Education apportionment schedules for transportation funding for the Inglewood Unified School District

Findings

1. The district provides nearly all of its special education transportation service. Information supplied by district staff shows that 245 students are transported on district buses; approximately 72 are transported to nonpublic schools by the district, parent/guardian, or taxi cabs; and two are transported by the county office.
2. As a result of severe staffing shortages beginning in June 2012, the district operated three special education routes with passenger vans (nonschool bus) at a cost of approximately \$6,000 per student. Alternatively, the county office charges \$2,500 per month per student, or \$25,000 for a 10-month program. The district should make every attempt to transport these students utilizing other modes of transportation.
3. Nonpublic school transportation costs are projected to be \$474,224 for the 2012-13 school year. The average cost of transporting these students is approximately \$6,586, which is slightly higher than the 2011-12 severely disabled/orthopedically impaired (SD/OI) cost per student for the district but within normal ranges.
4. The district's transportation department student list shows 365 special education students, but transportation routes show 245. The district should ensure that district student information contained on various student lists is consistent with the actual number of SD/OI students transported and is verified against student individual education plans accordingly.
5. The district receives minimal state funding totaling \$12,753 for home-to-school transportation in the 2011-12 fiscal year and has a relatively large district contribution of \$790,840. If the district eliminates general home-to-school transportation service, it will also lose all the revenue from that program. An independent program review by transportation consultants indicated that the district transports 130 students enrolled in the dependent charter high school, City Honors, who may not be included in the state TRAN report. All students transported on behalf of the City Honors program should be included in the TRAN report.

The encroachment for SD/OI is \$1,089,946 for the 2011-12 fiscal year. State funding accounts for 46% of actual expenditures, which exceeds the statewide average of 35%.

- The district's official annual report of pupil transportation for 2010-11 compared with 2011-12 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 2011-12

TRAN Actual Data Reported	2010-11 HTS	2011-12 HTS	2010-11 SD/OI	2011-12 SD/OI
Average Number of Students Transported	135	184	362	377
Number of Routes	2	5	42	37
Number of Miles	73,325	89,616	476,299	458,222
Cost Per Mile	\$11.87	\$8.97	\$4.82	\$4.44
Cost Per Student	\$6,449	\$4,367	\$6,343	\$5,395
Other Services	\$25,399	\$29,808	\$1,025,986	\$901,425

The TRAN report shows an increase in ridership for SD/OI, with a corresponding decrease in the cost per student. The TRAN reports lists relatively high services and operating expenditures that could be the result of miscoding. The district should train staff in coding transportation expenditures correctly.

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 2011-12

TRAN Actual Data Reported	2010-11 HTS	2011-12 HTS	2010-11 SD/OI	2011-12 SD/OI
State Revenue	\$12,631	\$12,753	\$935,096	\$944,121
Encroachment	\$857,947	\$790,840	\$1,361,197	\$1,089,946

Encroachments have decreased substantially for home-to-school and SD/OI programs while state revenues have increased marginally.

- The district uses the SC Fuels Fleet Card system, which allows 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.

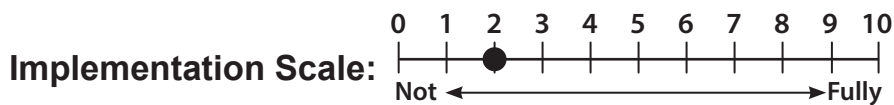
- Fuel can also be purchased at several retail locations. When fuel is purchased at retail locations, the district pays federal and state excise tax on diesel even though it should be exempt from federal excise tax and most of the state excise tax. Under Revenue and Taxation Code Section 60039 (5), and 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 operations of home-to-school and student activity transportation. The school district must acquire an exempt bus operations permit from the State Board of Equalization.

Additionally, the district does not receive detailed log information that is provided with the SC Fuels Fleet Card system. The district should require employees to make fuel purchases 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.

Recommendations for Recovery

- The district should ensure that district data is consistent with the actual number of SD/OI students transported.
- The costs for transportation services provided by the county office should be evaluated to determine if the district can provide services that are more cost-effective.
- All students transported on behalf of the City Honors program should be included in the TRAN report to prevent a loss of funding.
- The district should train staff to code transportation expenditures correctly.
- 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.

Standard Partially Implemented



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)

Sources and Documentation

1. Interview with the business and fiscal services coordinator
2. Actuarial study of retiree health liabilities as of July 1, 2012

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 update their actuarial reports every three years while those with more update every two years.

- The district's most current actuarial study for post-employment benefits, dated September 12, 2012, was prepared by Demsey Filliger & Associates. 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.

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 governmentwide 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

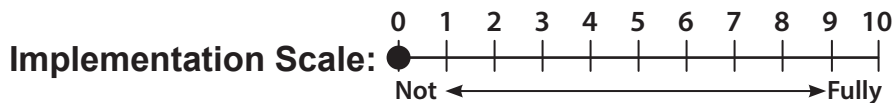
Given its financial condition, the district chose the pay-as-you-go method, which would provide for 100% funding of its OPEB obligation at year 2050. This means the district will continue to pay the actual healthcare premiums for its retirees and not pay additional amounts to prefund or save towards future retiree healthcare payments. Although this method is acceptable, alternative ones should be considered to fully fund retiree healthcare benefits.

3. The district's previous OPEB actuarial report was prepared as of July 1, 2010, which complies with the requirements of GASB 45. However, the district was unable to provide FCMAT 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 be provided with an annual 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



22.2 Risk Management – Other Programs

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 wellbeing 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.

Sources and Documentation

1. Interview with interim state administrator
2. Interview with the district's independent auditors
3. Interviews with representatives of insurance providers
4. Aon Risk Solutions workers' compensation actuarial study as of December 31, 2011 and extrapolated to June 30, 2012, dated April 2, 2012
5. Audited financial statements for the fiscal years ending June 30, 2011 and June 30, 2012
6. 2012-13 second interim report
7. Injury year detail report, as of January 31, 2013

Findings

1. The district is 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. Benefit & Liability Programs of California administers the plan and services claims.

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, 2012, project ultimate limited losses, project losses paid, and recommend funding for the program for the 2012-13 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 and not a liability.

FCMAT's review of the April 2, 2012 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 \$10,318,375. This amount is reported in Note 10 – Risk Management of the district's audited financial statement for the year ending June 30, 2012, dividing it between its current (due in the next 12 months) and long-term portions. The incurred but not reported liability is also reported in Note 8 – Long-Term Debt, which carries to the statement of net assets. However, further review of Note 8 found that the current portion of the incurred but not reported liability is omitted, which understates the current portion of long-term debt and overstates net equity in the statement of net assets. The district's independent auditors report that they do not include the current portion in the long-term debt note because they believe the amount is already captured in general fund expenditures. A review of the amounts budgeted for workers' compensation expenditures in the district's 2012-13 second interim report show a total budget of \$4,132,210. Comparing this to the \$3,419,923 reported as the current amount in the June 30, 2012 audited financial statements indicates that the current amount is incorporated into the general fund budget.

The district's interim state administrator indicated that the district wants to move to a traditional system in which the district pays a premium to a licensed insurance carrier and allows the carrier to process claims, etc. Under this system, the premium would continue to be expressed as an expenditure within the general fund. However, if the district continues with its current system, Education Code Section 17566 allows it to establish a self-insurance fund. The district should work with its auditors to determine if this a more appropriate fund for these activities.

A review of the district's injury year detail report that includes workers' compensation claims as of January 31, 2013 showed that the district reduced the number of claims from a high of 221 in 2002-03 to 99 in 2011-12. As of January 31, 2013, the district reports 58 claims were filed. Extrapolating that number for a full fiscal year results in an anticipated total of 99 for the 2012-13 year. Sorting the data in the injury detail report by claimant shows that it is not unusual for an individual employee to have four to six claims during the 10.6 year history of the report, with a few reaching as high as 11 to 12 claims. One employee had nine claims and eight went to litigation.

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 \$20 million per ultimate net loss per occurrence. 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 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 March 31, 2013, the advance deposit balance was \$71,942.81 and may require an additional deposit before June 30, which is not included in the district's budget.

3. 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.

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. The district should monitor the ASCIP advance funding deposit account to determine if an additional deposit is necessary and budget accordingly.
4. Key managerial employees should attend ASCIP's employment practices liability training.

Standard Partially Implemented

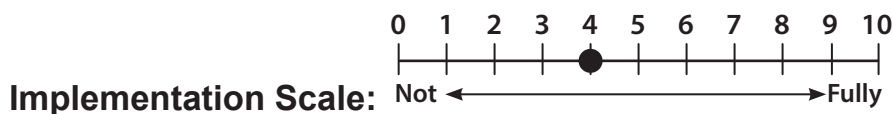


Table of Financial Management Ratings

Financial Management Standards		June 2013 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
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. (SAS-55, SAS-78)</p>	1
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
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
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

Financial Management Standards		June 2013 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
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
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
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
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. A budget calendar contains statutory due dates and major budget development milestones.</p>	0

Financial Management Standards		June 2013 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
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
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
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
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

Financial Management Standards		June 2013 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
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
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
9.3	<p>PROFESSIONAL STANDARD – ATTENDANCE ACCOUNTING Policies and regulations exist for independent study, charter, home study, inter-/intra-LEA agreements, LEAs of choice, and ROC/P and adult education, and address fiscal impact.</p>	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
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
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

Financial Management Standards		June 2013 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
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
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
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
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

Financial Management Standards		June 2013 Rating
12.2	<p>LEGAL STANDARD – MULTIYEAR FINANCIAL PROJECTIONS</p> <p>The Governing Board ensures that any guideline developed for collective bargaining fiscally aligns with the LEA's multiyear instructional and fiscal goals.</p> <p>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
14.1	<p>LEGAL STANDARD – IMPACT OF COLLECTIVE BARGAINING</p> <p>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
14.2	<p>LEGAL STANDARD – IMPACT OF COLLECTIVE BARGAINING</p> <p>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
14.3	<p>PROFESSIONAL STANDARD – IMPACT OF COLLECTIVE BARGAINING</p> <p>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

Financial Management Standards		June 2013 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
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
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

Financial Management Standards		June 2013 Rating
15.8	<p>PROFESSIONAL STANDARD – MANAGEMENT INFORMATION SYSTEMS An updated inventory includes item specification for use in 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
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
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
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
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

Financial Management Standards		June 2013 Rating
20.1	<p>PROFESSIONAL STANDARD – SPECIAL EDUCATION</p> <p>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
21.1	<p>PROFESSIONAL STANDARD – TRANSPORTATION</p> <p>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
22.1	<p>LEGAL STANDARD – RISK MANAGEMENT – OTHER POST EMPLOYMENT BENEFITS</p> <p>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
22.2	<p>PROFESSIONAL STANDARD – RISK MANAGEMENT – OTHER POST EMPLOYMENT BENEFITS</p> <p>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
Collective Average Rating		1.19

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)

Sources and Documentation

1. Board policies
2. Interviews with district and school site administration and staff
3. School site comprehensive school safety plans
4. School site crisis plans
5. Fire evacuation plans, procedures, and frequency
6. Site walks

Findings

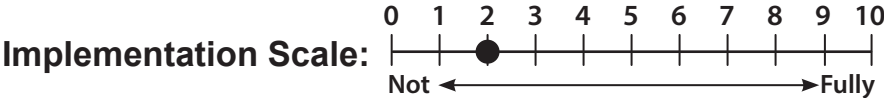
1. Comprehensive school safety plans are not in a uniform format throughout the district. Several plans do not follow the procedures established in the Standardized Emergency Management System guidelines and the National Incident Command System protocols.
2. The district's comprehensive school safety plans provide staff with inconsistent directions for 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.
3. Comprehensive school safety plans do not conform to district or Education Code (EC) policies or standards.
 - Few site plans had emergency evacuation routes clearly marked on a school site map. Maps were not found in all classrooms.
 - Utility locations are not marked on the emergency maps.
 - Most maps have not been updated in at last three years.
 - Many plans have outdated personnel assignments for the incident command structure.
 - School site councils are not actively involved in the development and approval of these plans.

- School site councils do not hold public meetings to allow members of the public to provide input to the plan.
4. 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.
 5. School site personnel have not had recent training in the incident command structure of job duties and responsibilities, or first aid protocols relating to emergency plans.
 6. FCMAT found no evidence indicating that school sites comply with Education Code Section 32001 and Board Policy 3516 requiring monthly fire alarm drills for all K-6 schools, four drills per year at the intermediate level and twice yearly at the secondary level.

Recommendations for Recovery

1. The district should immediately enforce the fire alarm drill requirements in Education Code Section 32001, and Board Policy 3516 for all school sites and create a plan to monitor compliance.
2. A common template should be created for comprehensive school safety plans for sites per Board Policy 0450 and 3516, which allows for individual site adaptation.
3. Per Board Policy 0450, the district should create a common template for all school sites regarding the crisis prevention and recovery intervention model allowing for individual site adaptations.
4. Training should be provided for all school site personnel in implementing emergency plans as required in Board Policy 3516(b).
 - Provide individual assignment training and directions as per the model for Standardized Emergency Management System guidelines and the National Incident Command System.
 - Provide first aid training for all employees.
5. The district should monitor the school site councils to ensure they are compliant in meeting their requirement to develop and approve the comprehensive school safety plans per EC 32281 and 32286.
6. 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.
7. The school board is responsible for approving all comprehensive safe school plans. The state administrator will need to approve these plans annually per EC 32288.
8. A “sub information/emergency folder” should be created for all substitute teachers or classified staff to receive upon entry, which provides bell schedules, emergency information and directions for classroom evacuation for the specific school site.

Standard Partially Implemented



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)

Sources and Documentation

1. Board policies
2. Interviews with district and school site administration and staff
3. Site walks
4. District safety plans

Findings

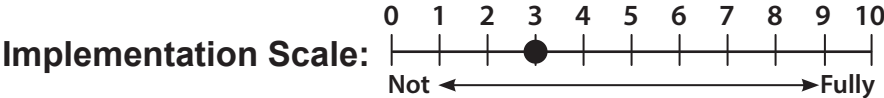
1. District Board Policy 0450 requires the school site council at each district school to develop a comprehensive school safety plan relevant to the needs and resources of that particular school. These plans are not developed and implemented consistently throughout the district.
2. A district-level emergency plan conforming to the National Incident Command Systems (NICS) or Standardized Emergency Management System (SIMS) models for command structure and duties assigned for districtwide emergency as required by Board Policy 3516.1 does not exist.
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. Fire safety inspections are not up to date. Fire extinguishers were placed throughout the facilities visited, and most have current inspections; however, some had expired inspection tags. Two fire sprinkler main junction valves were not regularly inspected at Morningside High School; the last inspection was in 2009. The district does not have records of the domestic water anti-siphon valves being certified annually as required by state and local regulations.
6. 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.

7. The district's key/lock standard was last revised in 2005, there is no commitment to a single key type, and no uniformity of lock core has been implemented. Multiple keys are necessary to open the various locks on campus, leaving authorized staff and security unable to fully access all areas. Some key control is maintained for 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 and that is included in the comprehensive school safety plan as per Board Policy 3516.1
3. A plan should be developed and implemented to maintain first aid kits throughout the district and kits or refills provided where necessary.
4. Emergency evacuation routes should be posted in all classrooms and buildings, including assembly areas and utility emergency shut-off 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 abilities 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 corrected. The district should note on school site maps the location of all fire suppression system devices and main fire suppression systems valves. The district should also ensure annual certifications occur for all fire extinguishers, main water valves and fire suppression devices. State Fire Marshal compliance should be verified.
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



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)

Sources and Documentation

1. Board policies
2. Site walks including cafeterias and classrooms
3. Interviews with district and site administrators and staff
4. Custodial and maintenance staff duty schedules
5. District supplied review of facility conditions December 2012

Findings

1. FCMAT was advised by facility personnel that several fire alarm detection devices are not operational. In addition, facility personnel indicated that on some school sites, entire wings are unable to hear a fire alarm.
2. The district does not have a safety hazard inspection form to review each facility for dangerous conditions and should ensure priority repairs are completed as required per Board Policy 3509.
3. Cleaning assignments and schedules for custodians are not maintained or implemented.
4. Site personnel do not keep inventory records of cleaning supplies or materials.
5. The district warehouse does not keep records of quantities of supplies and materials delivered to school sites; therefore, cleaning supplies and materials are disbursed throughout the school sites with no organization or coordination.
6. The storage room for chemicals at the Inglewood High science room was unorganized and equipment was not maintained in working order:
 - Material safety data sheets could not be located and/or did not exist.
 - A fire safety vault is provided, but not used and is unlocked.
 - Chemical storage area was severely cluttered and disorganized.
 - Eye and body wash safety equipment were not in working condition.

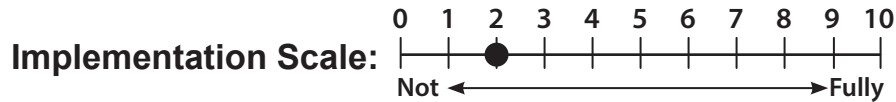
- No evidence of the information necessary to implement EC 49411 regarding removal of chemicals was found.
7. Facilities throughout the district are kept relatively clean and free of debris.
 8. School equipment blocked exits in some classrooms at Centinela and Worthington.
 9. Cafeterias throughout the district were clean, and the equipment was in working condition.
 10. All the gates at the continuation high school were locked, preventing students and staff members from entering or leaving without appropriate keys.
 11. Required notices such as Williams legal requirements and uniform complaint procedures (UPC) rights notices were not found displayed in several classrooms as mandated.

Recommendations for Recovery

1. The district should immediately investigate and repair all fire alarm detection and audible devices to ensure they are all operable at every school campus.
2. The district should immediately address issues where exits are blocked or locked preventing safe exit in an emergency.
3. The district-prepared facility repair list should be updated as required by Board Policy 3509(a), and critical items in need of repair should be prioritized. These include items such as ensuring fire alarm systems are operational, eliminating student/staff injury hazards, and addressing Williams facility requirements.
4. The district should develop written procedures and standards for cleaning district facilities. When substitute custodians are new to a site or facility, they should be provided with these written procedures and standards.
5. Cleaning schedules and logs should be created, maintained and monitored to verify that all cleaning is completed to standards.
6. The district should evaluate facilities and site cleaning demands and establish cleaning assignments to ensure equitable and adequate staffing for all sites.
7. Inventory records should be created and maintained for cleaning supplies, equipment, and materials at each school site, and the warehouse.
8. All chemicals and equipment for science classrooms and labs should be inventoried, cleaned and organized.
9. Regular removal and disposal of all chemicals should occur in science classrooms and labs when estimated shelf life has elapsed.

10. Training should be provided for certificated staff in the use of equipment and safe handling and storage of science lab chemicals and equipment.
11. The district should repair and monitor all safety equipment in science labs to maintain working condition.
12. The district should comply with Board Policy 3509 by developing 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/hazard, and implement plans to make corrections.
13. The district should ensure all required notices are displayed including Williams legal requirements and UCP in classrooms and Asbestos Hazardous Emergency Response Act (AHERA) at district and school sites where applicable.

Standard Partially Implemented



1.9 School Safety

Legal Standard

The LEA complies with Injury and Illness Prevention Program (IIPP) requirements. (CCR Title 8, Section 3203)

Sources and Documentation

1. Interviews with district and site administration and staff
2. Workers' compensation claims 2007 to present
3. Occupational Safety and Health Administration (OSHA) injury records
4. Post injury and training prevention programs
5. Board policy

Findings

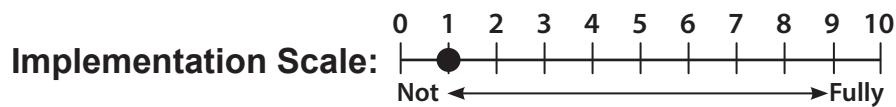
1. Board Policy and Administrative Regulation 4121 were updated in 2010 and call for an IIPP as well as other statutory safety requirements.
2. The district does not have a fully developed or implemented IIPP. Only the Transportation Department supervisor understood and trained his staff in alignment 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 does not have an exposure control plan as outlined in Board Policy 4119.41.
4. The district does not provide 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.
7. The district files OSHA injury records as required.

Recommendations for Recovery

1. The district should develop an IIPP that is in accordance with Senate Bill 198 and that addresses the following:

- Employer 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.
 5. The district should ensure compliance with and mitigation of workers' compensation claims, including the following:
 - The person 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.
 - Develop a plan for injured employees to receive proper safety training upon returning to work.
 - Create a plan of return to work accommodations for injured employees.

Standard Partially Implemented



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)

Sources and Documentation

1. Interviews with district and site administration and staff
2. Board policies
3. Site walks
4. District MSDS records

Findings

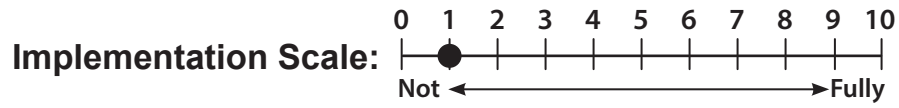
1. Through interviews FCMAT found that only one school site plant manager knew the purpose, intent, and requirement for keeping an MSDS binder. Other school site administration and staff interviewed had no knowledge of MSDS.
2. Only one MSDS binder at one school site was found and presented to FCMAT. Others either could not be located or did not exist.

Recommendations for Recovery

1. The district should develop and implement a procedure for storing, filing, and distributing MSDSs.
2. The district should ensure that all custodial equipment/material storage areas contain all required MSDSs for quick reference.
3. A program should be developed and implemented to train employees in the use of hazardous materials as required per Board Policy 3514.1.
4. Employees should be trained in the handling, cleanup, and disposal of hazardous materials.
5. 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.
6. Upon purchase and delivery, the district should ensure that the manufacturer has provided MSDS as required by law for any new materials or chemicals purchased.

7. A process should be developed and implemented to regularly monitor, inspect, and maintain MSDS binders for compliance.

Standard Partially Implemented



1.16 School Safety

Professional Standard

The LEA has a documented process for issuing and retrieving master and submaster keys. All administrators follow a standard organizationwide process for issuing keys to and retrieving keys from employees.

Sources and Documentation

1. Interviews with district and site administration and staff
2. Site walks
3. Key issuance logs at school sites
4. Key issuance procedures and observance of number of master type keys for sites
5. Board policies

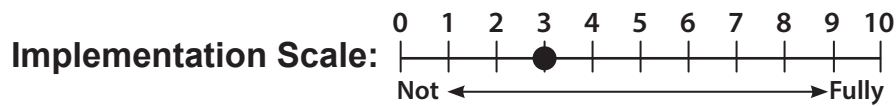
Findings

1. School sites maintain a key system to check out and return all keys assigned.
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.
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 determine who should be issued keys based on job duties or position.
6. 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 will work at all sites. Further, only the recently modernized sites have the ability to issue master and submaster keys to enable site access. Administration and maintenance employees must maintain many keys to have access to all sites.
7. The district has no master list of keys issued as required by Board Policy 3517.

Recommendations for Recovery

1. As 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 district locks on the same key system.

Standard Partially Implemented



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.

Sources and Documentation

1. Site walks
2. Interviews with district and site administration and staff
3. Facility construction and modernization plans
4. District policies

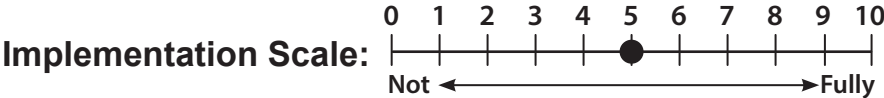
Findings

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 school sites that have been updated 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.

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



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.

Sources and Documentation

1. Interviews with district and site administration and staff
2. Site walks
3. Board policies
4. Collective bargaining agreements
5. Safety training logs

Findings

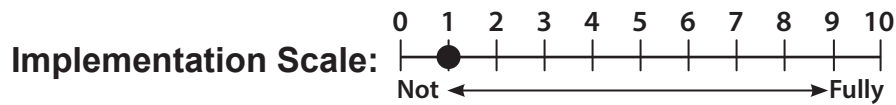
1. The district lacks a documented comprehensive safety program. A comprehensive safety program should contain a written safety plan and activities to ensure employee safety through regulatory compliance, hazard elimination, and accident prevention.
2. The district has held the following safety training as documented by employee sign-in sheets:
 - 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:
 - 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 custodians are not consistently trained in appropriate processes or procedures.
6. The district does not maintain regular staff training programs to instruct employees on how to safely perform duties.

Recommendations for Recovery

1. The district should develop employee safety components 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 training program should be created and monitored for all employees, targeting their specific duties and responsibilities.

Standard Partially Implemented



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)

Sources and Documentation

1. District facilities documents
2. Interviews with district administration and staff

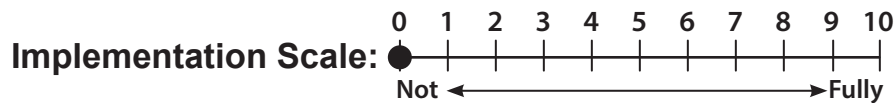
Findings

1. The district has no information regarding the existence of nonconforming buildings or the application of waivers for these.
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 3A drawings provided by the architect 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



2.3 Facility Planning

Legal Standard

The LEA has established and uses a selection process to choose licensed architectural/engineering services. (GC 4525-4526)

Sources and Documentation

1. Board policy
2. Current contracts for architectural services
3. Current contract for construction management services
4. Recent amendments to contracts
5. Interviews with district administration and staff

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 that the district selected the particular firm through a process approved by the board of trustees.
 - FCMAT was unable to locate an request for proposal (RFP) for each individual contract for BASE Architectural firm or determine what selection process the board used for each contract awarded as required in Board Policy and Administrative Regulation 7140. However, each project has its own specific contract with BASE and there appear to be no violations regarding the length of the contract as limited by Education Code 17596.
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.
 - The district pays more than the current rates for similar architectural services. The district pays approximately 10.6% of construction costs for architectural services while, according to Reed Construction Data for California, the average cost for architectural services for school construction in the Los Angeles area is 7%.
4. The district has expended considerable funds for the Los Angeles World Airports (LAWA) projects and indicated that all fees will be reimbursable. The LAWA program provides sound mitigation modernization funding for schools in the flight path of the

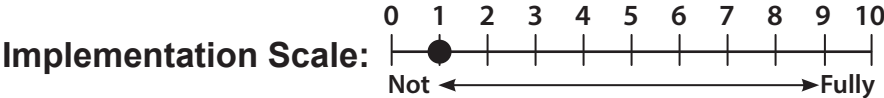
airport. The district has been identified by LAWA as eligible to receive up to \$118 million in modernization mitigation construction reimbursement for all schools if LAWA approves all expenses submitted. To date, no application for funding has been submitted to LAWA.

5. Most architectural agreements have several board-approved amendments that increased the original cost for services. The original BASE contract for architectural services to complete the modernization and the 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. 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. Current 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 current architectural contracts with legal counsel 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 of the construction management contract for necessity.
6. Architectural services should be coordinated by school site 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



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.

Sources and Documentation

1. Board policies
2. Board meeting minutes
3. Facility plans created in July 2012 and October 2012
4. LAWA sound mitigation agreement (Obtained through the LAWA website, board presentations and meeting minutes)
5. E-Rate reimbursable projects
6. District capital budget

Findings

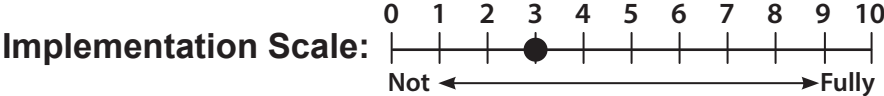
1. The district has completed and adopted a recent facility master plan.
 - The July 2012 plan was reduced in scope for the October 2012 plan (BP 7110) to meet the recent voter-approved general obligation bond modernization/construction plan amount.
 - The recent plan (October 2012) is not prioritized to meet the district's most needed repairs to facilities as it prioritizes bond projects and not facility repair needs.
2. The LAWA settlement status per 2005 mitigation agreement (per LAWA website) for the district qualifies 10 schools and up to \$118 million to mitigate sound and reduce noise levels for schools located within the airport area. However, at the time of FCMAT review:
 - No funding had been received.
 - The passenger facility charge application had not been submitted to the FAA. According to the LAWA board meeting in May 2012, the district's outside professionals appear not to work well with LAWA, with tension between the two agencies.
 - The mitigation agreement was signed in 2005; however, FCMAT was unable to determine the status except for determining that no application was filed with the FAA.
3. The district has relied on its architect to comply with and make application to LAWA for sound mitigation funding, which appears to be an ineffective approach since another local school district has already received funding per its Passenger Facility Charge approved application.

4. The district has spent more than \$7 million on architectural services for modernization plans that have not received DSA approval or been coordinated with LAWA for acceptable projects that it will reimburse the district for completing. Measure K bond funds were used to pay for these services.
5. 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.
6. The district has not realized full regional development agency payments following statutory guidelines. RDA funds are not considered in facilities plans.
7. 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 for FCMAT review.

Recommendations for Recovery

1. The district should review the facility master plan in conjunction with the bond language of recently passed (November 2012) Measure GG to ensure that a list of prioritized projects is developed.
2. The district should ensure coordination of modernization projects with the LAWA sound mitigation projects and RDA funds.
3. 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.
4. The status of all projects with BASE architecture should be reviewed to establish completion schedules and submission to state agencies for approvals.
5. The district should complete the LAWA-PFC application and submission to FAA. District personnel should be involved in all facets of this process from directing architectural services to working directly with LAWA to complete the application and begin to receive funding for allowable projects.

Standard Partially Implemented



2.8 Facility Planning

Professional Standard

The LEA has a facility planning committee.

Sources and Documentation

1. Board policy
2. Interviews with district administration and staff
3. Facility master plan
4. Bond oversight committee meeting agendas and minutes

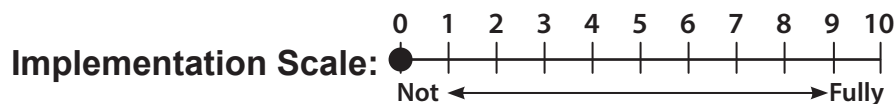
Findings

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.
3. In reviewing the current and previous facility plans, it is unclear that the community or other groups were involved in their creation.

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



3.1 Facilities Improvement and Modernization

Legal Standard

The LEA maintains a plan for maintaining and modernizing its facilities. (EC 17366)

Sources and Documentation

1. Board Policies 3509, 3510, 7110, and 7000
2. Interviews with district and site administration and staff
3. Site walks
4. Facilities master plan (2012)
5. Routine restricted maintenance budget/expenses
6. Facility work orders completed and status of open repair requests
7. Periodic maintenance schedule work
8. Facility maintenance inspections

Findings

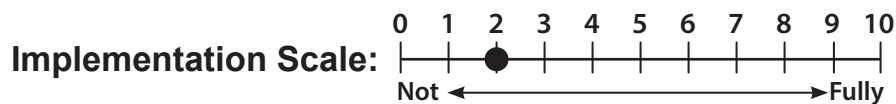
1. The district has no plan for periodic maintenance and repairs.
2. The district compiled a list of identified facility repairs needs, but it lacks information on the existing condition, the person making the observation and reporting the condition, and an ongoing plan to review all school facilities.
3. The district does not follow the periodic work cycles as outlined in Board Policy 3510.
4. The periodic maintenance project list primarily identifies heating, ventilation and air conditioning (HVAC) work needed, but also includes other items such as emergency exit signage needs and vehicle maintenance.
5. Site administrative staff has identified multiple work orders that have been pending for several months.
6. 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.
7. Deferred maintenance funds have been transferred to the general fund per authorization by state flexibility budget provisions and adoptions in prior years.

8. The district has passed two general obligation bond measures that provide funding for new construction or modernization of school facilities.
9. 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 create a facilities inspection tool (form) 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.
3. The district should create a plan and routine for maintenance work order processes and completion procedures.
4. The district should work to create greater efficiency and improve response to requested repairs for school sites.
5. 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.

Standard Partially Implemented



3.3 Facilities Improvement and Modernization

Legal Standard

All relocatable buildings in use meet statutory requirements. (EC 17292)

Sources and Documentation

1. Interviews with district and site administration and staff
2. District list of portable buildings
3. DSA Project Tracker information on DSA website
4. Site visits

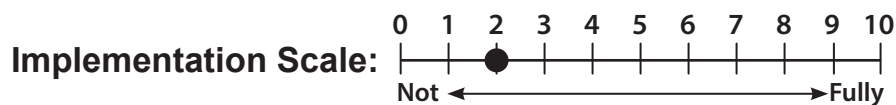
Findings

1. The district does not have comprehensive maps of each school site that provides site layout and includes 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.

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) or last date modernized or new construction completed.
2. The district should determine whether all portable building 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.

Standard Partially Implemented



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.

Sources and Documentation

1. The district's five-year deferred maintenance plan as last submitted to CDE in 2002
2. Fund 14, deferred maintenance fund

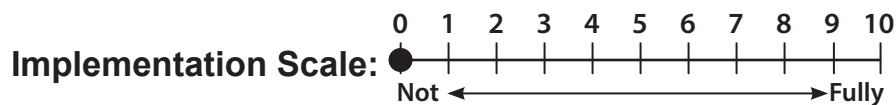
Finding

1. The district does not adequately fund its deferred maintenance needs.
 - The deferred maintenance fund carried a balance of only \$23,302 on June 30, 2012.
 - The district does not make annual contributions to fund 14.

Recommendations for Recovery

1. The district should implement and maintain a plan to fund current and future facility maintenance needs.
2. The use of funds released by the State Allocation Board for deferred maintenance, which have been made flexible by the state and may be used for any educational purpose, should be reviewed and prioritized.

Standard Not Implemented



3.10 Facilities Improvement and Modernization

Professional Standard

The LEA's staffs are knowledgeable about procedures in the Office of Public School Construction (OPSC) and the Division of the State Architect (DSA).

Sources and Documentation

1. Interviews with district administration and staff
2. Correspondence from SAGE consulting

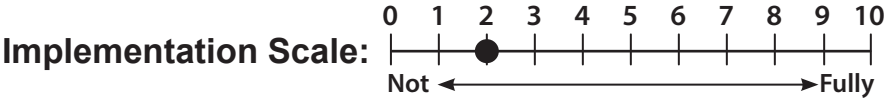
Findings

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 every expense and all funding received from bond sales and state participation for all Measure K projects.
3. District facility staffs have a working knowledge of the accounting requirements for OPSC applications.
4. The district does not have employees with knowledge of the entire 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) or California Environmental Quality Act (CEQA).

Recommendations for Recovery

1. Personnel should work with and investigate OPSC requirements for the facility application requirements of SAB.
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 take over this duty from SAGE.
3. The district should investigate the status of architectural drawings for all modernization/LAWA projects and set up a time schedule to file all required applications.
4. Issues with LAWA should be resolved to complete the application process.

Standard Partially Implemented



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.

Sources and Documentation

1. Interviews with district administration and staff
2. Interview with the construction manager and field coordinator
3. Measure K Oversight Committee meeting agendas and minutes
4. District organization chart

Findings

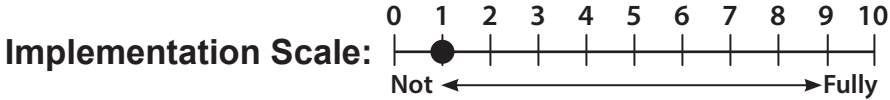
1. The district has reduced the staffing structure it created to implement its planned construction projects under the Measure K facilities bond passed in November 1998. The current staffing structure funded by the Measure K bond fund consists of three positions: a construction manager, a financial analyst, and a person in charge of document control.
2. The district organization chart does not accurately reflect the current level of staffing for the management of district construction projects.
3. Although not legally required, since Measure K was not passed under the authority of Proposition 39, the district formed a citizen's oversight committee to oversee the expenditure of Measure K funds. The committee's activities included selecting and approving contracts and purchase orders for a wide variety of consultants and contractors as well as reviewing and approving change orders during projects. While the practice of review by the committee is appropriate, approval is the duty of the governing board and, at this time, the state administrator.
4. A review of the Measure K Citizen's Oversight Committee agendas and minutes over a 21-month period indicates that financial accounting information was not on the agenda or presented each month as required by district oversight committee rules.
5. The district is close to fully expending the funds provided by the passage of the Measure K Bond.
6. The fiscal analyst develops all fund and project budgets independently, using architect's estimates.
7. The district extensively uses outside consultants to help manage and oversee its construction projects.

8. In November 2012, the district passed Measure GG, which provided \$90 million for future construction projects. A bond oversight committee has not been established but will be required to oversee the funds provided by Measure GG.
9. The district expects to receive \$118 million from LAWA to construct noise reduction measures at schools throughout the district.

Recommendations for Recovery

1. The district should establish a bond oversight committee before expending any funds authorized under Measure GG as required by Proposition 39. This includes the adoption of bylaws and public notice requirements.
2. Monthly oversight committee meetings should 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.
3. The district should engage an independent auditor for the oversight committee and audit the activity at the end of each fiscal year to verify that funds have been expended pursuant to the provisions contained in Education Code 15278 and the intended use of the bond.
4. Expenditures of funds from Measure GG should be accounted for separately in the accounting records to allow for specific accountability.
5. The district should establish a staffing structure with clearly defined roles and lines of authority to manage the new construction funds under Measure GG. The structure should have one manager who is responsible for all communication with the state administrator, as well as support staff for administration and accountability.
6. The district should ensure that the state administrator reviews and approves all budgets within the bond fund before their implementation and expenditure.
7. A new organizational structure should be established for its Maintenance and Facilities Department that clearly defines relationships and roles regarding the facility maintenance, repair and construction activities and the expenditure of facility funds.
8. The district should continue to outsource construction project management on bond projects until an adequate staffing structure is developed that is capable of managing the large projects.
9. A process should be established to evaluate the outside construction management to determine its effectiveness. Use this information to guide decision-making regarding degree of need for continued use of outside construction management.

Standard Partially Implemented



4.2 Construction of Projects

Professional Standard

The LEA maintains appropriate project records and drawings.

Sources and Documentation

1. Interviews with district administration and staff
2. District facilities records facility

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.

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 rooms 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.

Standard Fully Implemented



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)

Sources and Documentation

1. Board policies
2. Interviews with the district and site administration and staff
3. Site walks
4. Facilities inspection tools
5. School Accountability Report Card (SARC) reports

Findings

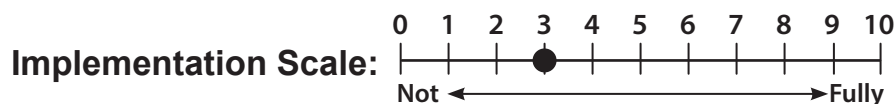
1. The Los Angeles County Office of Education has conducted the facilities inspections required under the Williams Act.
2. Board Policy 3509 regarding facilities inspections was last updated October 2008.
3. FCMAT observed substandard conditions in several restroom facilities, including one boys' restroom that smelled bad, with toilets and sinks clogged and inoperable.
4. FCMAT observed classrooms at several school sites that had inoperable door handles.
5. FCMAT observed student restrooms that were locked during school hours.
6. Staff members indicated that one school site had a roof leak that was not repaired for more than six months, resulting in the closure of three rooms in the school office because of water damage.
7. FCMAT noticed that one fire alarm is not audible in all parts of the campus. Interviews indicated that other similar issues could exist on other sites.
8. Staff at one school site indicated that they had a classroom without a functioning HVAC unit for more than three months during the school year, resulting in uncomfortable conditions.

9. The district did not provide the completed Facilities Inspection Tool (FIT) forms for each school site, and they were not available on the district Web page. Some facilities information that was available as part of the SARC data was two years old.
10. 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.

Recommendations for Recovery

1. The district should continue facilities inspections as required by the Williams Settlement.
2. Periodic self-assessment facilities inspections should be conducted to identify, prioritize, and correct facility issues.
3. The district should ensure sites are monitored for cleanliness, and unsanitary conditions are reported immediately to the district Maintenance Department and the site administration.
4. A system should be developed so that facility issues pertaining to health and safety are prioritized and a system set up so that the issues are reported, logged, scheduled for repair, and tracked until acceptable repair is verified.
5. The district should require the site administration or plant manager 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.
6. 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.
7. 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.

Standard Partially Implemented



6.2 Facilities Maintenance and Operations

Legal Standard

The LEA has established the required account for ongoing and major maintenance. (EC 17014, 17070.75)

Sources and Documentation

1. Interviews with district administration and staff
2. District accounting and fund records
3. District deferred maintenance plan
4. District list of completed deferred maintenance projects
5. 2011-12 Standardized Account Code Structure (SACS) unaudited actuals report

Findings

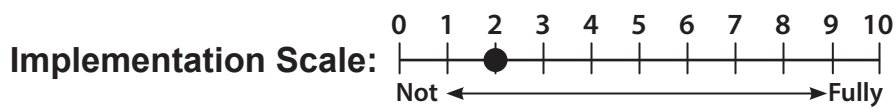
1. The district has established the required account for ongoing and major maintenance.
2. The district's five year deferred maintenance plan has not been updated since 2002-03 and covered through 2006-07. While the deferred maintenance plan is no longer required to qualify for deferred maintenance funding, facility maintenance best practices dictate that the district should keep a current plan of maintenance needs and budget funds to address those needs.
3. The district identified eight deferred maintenance projects that have been completed since 2008; however, no plan exists to identify and prioritize deferred maintenance projects.
4. The district no longer makes its matching contribution to the deferred maintenance fund and does not transfer state funds that were previously designated for deferred maintenance from the general fund to fund 14, which is allowable per the Tier III flexibility provisions. In effect, the outcome is that the district has no deferred maintenance program.
5. Some maintenance projects were completed using Measure K proceeds.

Recommendations for Recovery

1. The district should update routine and deferred maintenance plans to identify the most critical maintenance needs.

2. Identified critical maintenance needs should be aligned with funding sources and planned projects including routine maintenance, deferred maintenance, modernization, and bond funded projects.
3. The district should regularly review its routine restricted maintenance budget to ensure it is used to complete highest priority projects and in consideration and alignment with the deferred maintenance plan.
4. A list of completed projects should be developed as part of the routine restricted maintenance budget to measure the effectiveness of the program.

Standard Partially Implemented



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, reducing the cost of utilities. An energy analysis has been completed for each site.

Sources and Documentation

1. District policies
2. Interviews with district administration and staff

Findings

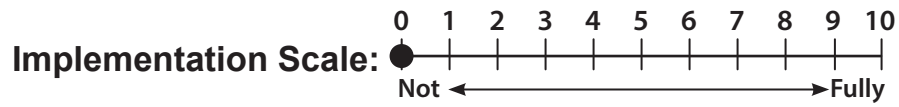
1. No board policy exists to address this standard.
2. The district has no system to track utility costs or energy consumption.
3. A Facilities Department employee reviews utility bills monthly with no comparison to past months or prior years.
4. The district had a limited computerized energy management system (EMS) but no longer uses it.
5. The district has not completed an energy analysis for each site.

Recommendations for Recovery

1. The district should create a board policy and administrative regulations 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 ensure that it functions and can be utilized at all sites.
4. A district-level person should be assigned to be specifically responsible for tracking and monitoring energy consumption and costs.
5. The district should work with its local utility providers to conduct energy audits for each of its sites.

6. Individual sites should be assessed for energy saving retrofit projects, such as high-efficiency lighting systems, and solar energy development.
7. The district should create incentives for energy conservation and utility cost savings by site and/or department.

Standard Not Implemented



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.

Sources and Documentation

1. Interviews with district and site administration and staff
2. Inventory records
3. Inspection of the district maintenance facility
4. Site walks
5. Staff training records

Findings

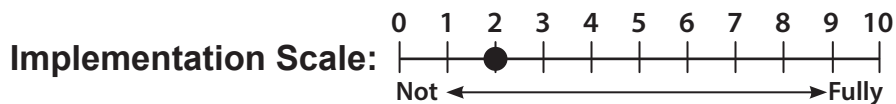
1. The district lacks a computerized inventory of supplies, tools, or equipment for the Maintenance or Facilities departments.
2. School sites order custodial supplies from a central warehouse on a noncomputerized system.
3. The district maintains a computerized inventory of supplies kept at the central warehouse.
4. The field coordinator oversees the central warehouse fulfillment of the maintenance and custodial supply requisitions from the school sites. The central warehouse sometimes does not give school sites the supplies they order and often reduces the order based on what warehouse employees determine 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 staff at most sites indicated they are provided with the supplies and equipment they need to perform their job, but at times run out and must wait for more. Custodians and plant managers at other sites indicate they do not have adequate supplies and equipment.
7. FCMAT observed most schools maintaining a small amount of custodial supplies at the school site, but they did not keep a supply inventory list.

8. Two school sites indicated they had no working vacuum cleaners.
9. 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. School sites should develop an inventory of supplies kept on site, which could be checked regularly to ensure it is adequate but not excessive.
3. The district should maintain a minimum inventory of custodial and maintenance supplies and equipment to support timely access to essential items.
4. An online computerized custodial supply ordering system should be developed that is networked with the central warehouse and school sites that supports the ordering of supplies, communication of order status, and historical usage.
5. The district should inventory the custodial equipment to ensure each site has the equipment necessary to complete custodial duties. Damaged or inoperable equipment should be repaired or replaced in a timely manner.
6. A training schedule should be developed for all employees to ensure training for new employees; new products, equipment and procedures; and safety and best practices. Records of all training including instructor, topic, dates, and attendees should be maintained.
7. 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



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.

Sources and Documentation

1. Interviews with district and site administration and staff
2. Job descriptions
3. District personnel commission rules and regulations
4. CSEA bargaining unit agreement with the district
5. Evaluation logs
6. District organizational chart

Findings

1. Principals conduct annual evaluations for site plant managers and night custodians.
2. There is confusion about the evaluation process and who is responsible for evaluating site maintenance personnel. District administration and staff stated that the field coordinator should help principals 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 instead take direction from the field coordinator. The state administrator indicated principals are not responsible for evaluating maintenance and custodial personnel at their site because this is the field coordinator's responsibility.
3. The district has no current organizational chart for the Maintenance and Custodial departments that reflects the organizational chain of command or evaluation responsibilities.
4. The district does not have a practice of evaluating substitute custodians and has many substitute custodians who have never been evaluated.

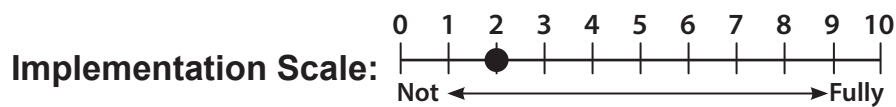
Recommendations for Recovery

1. The district should develop and maintain a current organizational chart for the Maintenance and Custodial departments 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.

2. Regular evaluation processes should be established using a current and standardized evaluation form.
3. The district should provide all supervisory personnel with in-service training in the proper methods of evaluation and standards expected by the district.
4. A process should be developed to schedule and monitor evaluations to ensure they are completed as prescribed by the district and in alignment with collective bargaining agreements.
5. A process should be implemented to evaluate frequently used substitutes, and their use should be reviewed to ensure they are utilized effectively and efficiently.

Standard Partially Implemented



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.

Sources and Documentation

1. Board policies
2. Job descriptions for custodial and maintenance staff
3. Interviews with the district and site administration
4. District organizational chart

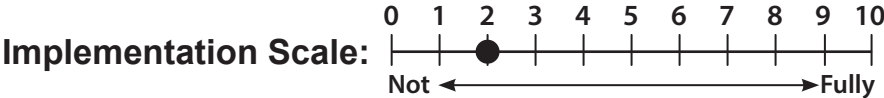
Findings

1. According to interviews with the state administrator, all maintenance positions report to the director of maintenance and operations, a position that is vacant. As a result, there is confusion about direct supervision and evaluation responsibilities.
2. There are no board policies describing employee performance standards or how employees will be evaluated using those standards.
3. Job descriptions are outdated and do not clearly identify and define areas of responsibility for all facilities, maintenance, and custodial staff.

Recommendations for Recovery

1. The district should update its organization chart to reflect lines of responsibility with the current staffing structure, or reorganize the Maintenance Department to reflect a new organization structure, including clearly defined roles and responsibilities.
2. Site custodians should be informed about who they report to and who is responsible for evaluating their job performance while the director of maintenance and operations position is vacant.
3. All affected job descriptions should be updated to reflect new roles and responsibilities under the current or new organization structure. This information should be distributed to all affected parties.
4. The district should annually review job descriptions with staff so they clearly understand to whom they report, what is expected of them, and how they will be evaluated.

Standard Partially Implemented



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.

Sources and Documentation

1. Board policies
2. Interviews with district administration and staff
3. District work order listing and sample work orders
4. Maintenance work schedules

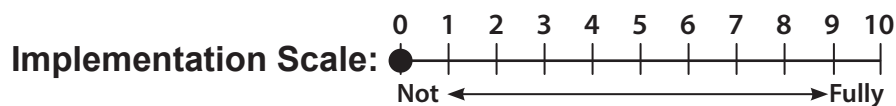
Findings

1. The district has no board policy relating to preventive maintenance.
2. The district has no written preventive or routine maintenance plan that includes plans for ongoing painting, HVAC servicing, or plumbing repair.
3. The district does not maintain a schedule for repairing or replacing equipment.
4. The work order system allows district and site staff to report issues that require the Maintenance Department's attention. The maintenance workers' daily schedule is driven only by the specific work order tasks without considering overall maintenance needs.
5. The Maintenance Department reacts only to maintenance work orders based on an informal evaluation of urgency and importance.
6. The field coordinator assigns maintenance tasks because of the director of maintenance and operations vacancy.
7. According to the field coordinator and site administrators, site administrators should sign the form for completed maintenance work order tasks. However, FCMAT found that the form is inconsistently signed, sometimes completed by the principal, the site plant manager, a staff member, or not at all.
8. 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.

Recommendations for Recovery

1. A board policy should be developed emphasizing the need for a preventive maintenance plan.
2. The district should develop a written comprehensive and proactive preventive maintenance plan that includes identified maintenance funding, service intervals, long-term repair/replacement schedules, and costs as part of the fiscal recovery plan.
3. The preventive maintenance plan should be reviewed and updated no less than annually.
4. Maintenance Department procedures should be developed as well as standards specific to the district's organization structure, facility needs, and equipment.
5. 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).
6. The district should regularly communicate with school site administration to help identify maintenance needs as early as possible.
7. The district should ensure that after the task is completed, all work orders are reviewed and signed by both the employee performing the work and the site principal.
8. Work orders should be regularly reviewed and analyzed to identify recurring needs and incorporate them into the maintenance plan.

Standard Not Implemented



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 estimated life expectancies, replacement timelines and the financial resources needed to maintain the facilities.

Sources and Documentation

1. Interviews with the district administration and staff
2. Work order list and sample work orders
3. Facilities inspection tool
4. Inventory report
5. Site walks

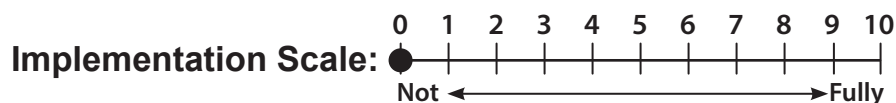
Findings

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 facilities list that contains relevant information on each 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, and low voltage power.
2. A comprehensive district equipment inventory should be developed and maintained, including the age, useful life, and replacement cost of all 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, if any.

Standard Not Implemented



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.

Sources and Documentation

1. Interviews with district and site administration and staff
2. Work order system records and sample work orders
3. Site walks

Findings

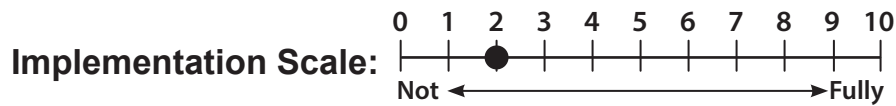
1. The sites and departments submit work orders to the Maintenance Department using the district network in the Track-It software system.
2. The work orders are printed and organized by the department secretary and then given to the field coordinator who prioritizes and assigns the work orders to maintenance staff.
3. Upon completion of the work order, this form is returned to the department clerk, who enters its completion date into a separate Excel worksheet specifically and solely developed for tracking these work orders and files the work order.
4. School site principals and plant managers, in general, indicated the response time to their work order requests is slow, and some are never addressed.
5. Work order progress is often not updated on the network system, so the sites cannot monitor scheduling and/or progress.
6. Several new district principals are unfamiliar with the work order system and therefore call the Maintenance Department directly instead of entering information into the system.
7. During FCMAT's office visit, no completed work orders were returned to the maintenance office.

Recommendations for Recovery

1. The district should utilize the Track-It computerized work order system more extensively for all work assigned.
2. The status of work orders should be updated more frequently in the computerized work order system to allow administrators and sites to regularly monitor their status.

3. The field coordinator should continue to prioritize the work orders based on the urgency of health and safety, and ensure those priorities are followed by maintenance staff.
4. The district should assign the field coordinator to meet with site principals to review how the computerized work order system is utilized and train each in its use. Site needs and the current process should be reviewed to determine if the process can be improved. A replacement to the current system should be considered if deemed necessary.
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 Track-It system should be used improve the accountability of maintenance workers and to obtain feedback from the district and sites.
7. The district should collect and track the labor hours and materials used for each work order.

Standard Partially Implemented



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)

Sources and Documentation

1. Board policies
2. Districtwide facilities implementation master plan draft dated October 2012
3. Bond language
4. Interviews with district and site administration and staff
5. Site walks

Findings

1. Board Policy 7000 recognizes the board's major responsibility to provide healthful, safe and adequate facilities that enhance the instructional program.
2. The district has no specific policy or plan that addresses ensuring equality and equity of all its school site facilities.
3. Board Policy 7110 authorizes a district facilities master plan that is based on the district needs and aligned with the district's vision 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.
4. The districtwide facilities implementation master plan draft identifies projects to "provide the most appropriate learning environment for the 21st century." Each site is listed with the estimate of project costs to make "a safe learning environment capable of using current and future technology."
5. Facility funds and resources are not distributed evenly throughout the district. Two school sites have been completely rebuilt and modernized while other school sites have seen few improvements in recent years. The newly modernized sites have current and modern facilities, classrooms, and technology, while other sites have inadequate infrastructure and outdated facilities. School sites Crozier, La Tijera, and Highland received more than half of the Measure K funds, or \$46.9 million, \$38.5 million, and \$31.8 million, respectively, in new construction and modernization. Three other sites, Hudnall, Parent, and Monroe, were funded with between \$10 million and \$15 million in improvements, two sites received between \$5 million and \$9.9 million, four sites received between \$1

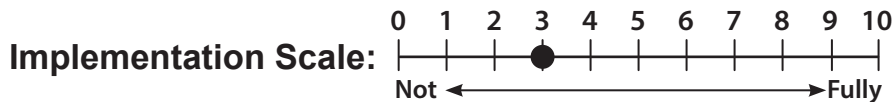
million and \$4.9 million, and the remaining eight received less than \$3.75 million in site work combined.

6. In November 2012, the district passed Measure GG, which provides \$90 million for future construction projects. Measure GG bond language lists all district sites as eligible for improvements that include but are not limited to school site health, safety and security projects; renovation, repair, upgrade, and construction projects; wiring and technology for instructional support and effective learning projects; as well as, 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 policy and subsequently a plan that addresses equality and equity in the district school sites.
2. Clearly defined minimum standards should be developed and adopted as well as desired standards 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 discrepancies and ensure equality and equity of school sites. This plan should reference the current status of school site facilities, project facility needs, and identify actions needed.
4. In expending the bond funds from Measure GG within the scope of the projects identified in the bond language, the district should prioritize projects so that all sites in the district meet minimum facility standards before expending to enhance beyond the standards.
5. The district should identify, coordinate, and budget available current and future district resources to meet the identified facility needs equitably.

Standard Partially Implemented



7.4 Instructional Program Issues

Professional Standard

The LEA's grounds are appropriately landscaped and maintained to enhance an educational environment.

Sources and Documentation

1. Board policies
2. Interviews with district and site administration and staff
3. Gardeners' schedule
4. Site walks
5. Job descriptions
6. District organizational chart
7. Work order system

Findings

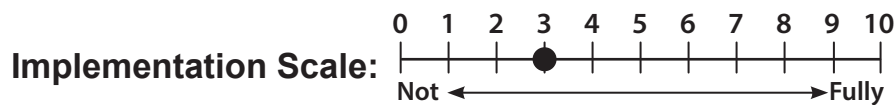
1. Through BP 7000, the board recognizes its responsibility to provide for healthful, safe and adequate facilities that enhance the instructional program.
2. District sites vary greatly in footprint and landscaping, with some sites covering several acres with a great amount of lawn and fields. Other sites have small lots with no grass or lawn access.
3. Sites are staffed with a plant manager and custodian(s) whose site specific responsibilities include cleaning and upkeep of facilities and grounds. In addition, their duties include reporting and/or ensuring that staff corrects dangerous, unsightly or inefficient conditions. Overall, the grounds were clean and mostly litter free.
4. The district has a gardening team that is scheduled to rotate through the sites 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. 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. 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.

5. 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 when they were expected to return. Many sites rely on their own site staff to maintain their grounds.
6. 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.
7. The lawns at Coleman Field were not recently mowed or weeded, the track was not recently swept, and perimeter trees and hedges not manicured. Morningside High School, Woodworth Elementary, and the maintenance grounds had tall grass and were due for mowing. Dried clippings from the previous mow showed that the grass was also tall during the last mowing, and the lawn was not raked.
8. FCMAT found gardening tools such as string trimmers and push lawn mowers in storage and unused when the crew was out on rounds. A large gang mower was not in use and FCMAT was told it needed to be repaired and therefore was parked with no repair scheduled.

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 the items available and what needs to be repaired, replaced or purchased.
4. Based on standards, organization, and available resources, the district should evaluate staffing needs and adjust staffing accordingly.

Standard Partially Implemented



8.2 Community Use of Facilities

Professional Standard

The LEA has a plan to promote community involvement in schools.

Sources and Documentation

1. Board policies
2. Interviews with district and site administration and staff
3. Facilities use requests
4. Site walks

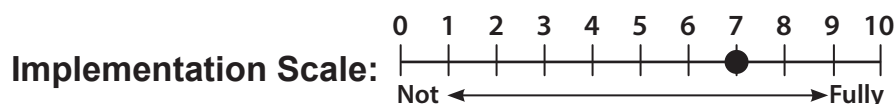
Findings

1. Through BP 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. Further, the board will make the 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 2012-13 fiscal year. Most applications were to use the facilities for multiple dates.
3. FCMAT observed community use of the Coleman Field and track for morning exercise. Staff are scheduled to open and stock the restrooms for the community during the morning hours.

Recommendations for Recovery

1. The district should continue to facilitate and promote community use of 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 Partially Implemented



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.

Sources and Documentation

1. Board policies
2. Interviews with district and site administration and staff
3. Board minutes
4. School Accountability Report Cards
5. Annual audits
6. Construction management reports
7. Measure 'K' Oversight Committee meeting minutes
8. LACOE facilities inspections tool (FIT)
9. LACOE follow-up reports on extreme deficiencies found on FIT
10. Work order system

Findings

1. Board Policy 7110 authorizes a district facilities master plan that is required to be based on district needs and aligned with the district's vision 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.
2. Board Policy 7131 recognizes the importance of maintaining relations with local agencies to include consulting, coordinating, and communicating to provide for the best possible school facilities and resource allocation.
3. Board Policy 3509 requires the development of facilities inspection and maintenance program. Further, the board is required to be provided with regular reports regarding the inspections.
4. The Maintenance Department provided work order procedures that requires the use of the work order system for all work and offers assistance in submission of work orders.

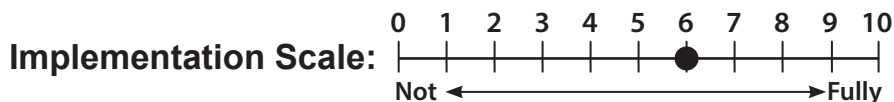
Maintenance staff confirmed that all work performed is recorded on work orders; however, FCMAT observations found that there is little follow-up to ensure submitted work orders are completed. Site staff indicated there are several issues regarding lack of tracking, follow-up, and closure of submitted work orders.

5. Updates for Measure K bond are regularly on the agenda of board meetings and discussed.
6. District representatives and the construction management group for Measure K develop regular (monthly) reports to inform the district and community of the construction progress. Community meetings are held at the beginning of each project to answer questions regarding the construction.
7. LACOE FIT reported several deficiencies in facilities including some that were identified as extreme. Upon follow-up by LACOE, most of these were corrected but several extreme deficiencies involving major leaks and severe wall damage were not.
8. Facilities conditions are to be reported by site via the SARC posted online. These reports are required in response to the Williams Legislation of 2004 to indicate the overall condition of facilities as well as to outline those areas deemed in need of repair and maintenance. FCMAT found that the latest facility inspections are not available online for all sites. In addition, according to annual audits, previous FIT reports have not been available for review, and FCMAT's review of available FIT reports found that information reported in the SARC online is sometimes inaccurate.
9. Regular Measure 'K' Oversight Committee meetings were held and minutes kept to report, discuss, approve, and record progress on the Measure K projects and activities.

Recommendations for Recovery

1. Procedure should be implemented to oversee the FIT and the SARC processes to ensure the information is accurately reported.
2. The district should continue to communicate facilities conditions and projects to the community of Inglewood.
3. The district should review, correct, and enforce the importance of using the work order system, including updating work orders to identify when the work is scheduled, progress of the work, and when the work is completed.

Standard Partially Implemented



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)

Sources and Documentation

1. Board policies
2. Requested documentation on charter school facility requests and charter facility agreements
3. Board minutes
4. Site walks
5. Interviews with district administration
6. SARCs

Findings

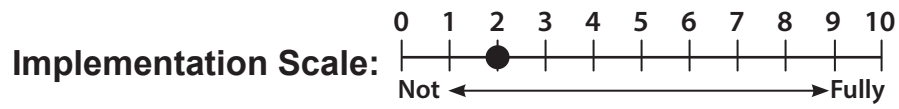
1. Board Policy 7160 supports the access of charter school students to safe and adequate facilities. The district is required to make facilities available to eligible charter schools in accordance with law. These facilities are to be contiguous, furnished, equipped, and sufficient to accommodate students in conditions reasonably equivalent to those students attending other district schools.
2. The district houses one dependent charter school, City Honors College Preparatory Charter School, on the site of Inglewood High School. Unlike other district sites, the charter site is composed of all portable classrooms and, since the charter does not have its own athletic fields or on-site recreational area, accesses the Inglewood high schools as needed for athletics, dance and band activities.
3. No other charter facility requests were provided for review, indicating that the district did not receive any; therefore, no charter facility requests were denied or disputed since all of the independent or direct-funded charter schools (seven) in the district have found their own facilities, which are nondistrict.

Recommendations for Recovery

1. The district should maintain compliance with Board Policy and Administrative Regulation 7160 supporting charter school facility needs requests.

- The district should assess conditions at City Honors College Preparatory Charter School to ensure it provides access to safe, adequate, and equitable facilities for the charter school students.

Standard Partially Implemented



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.

Sources and Documentation

1. Board policies
2. Annual audit reports
3. 2011-12 purchase order listing
4. Sample district invoices
5. Interviews with district and site administration and staff
6. Organization chart
7. Site walks

Findings

1. Board Policy 3320 requires the maintenance of effective purchasing procedures to ensure that maximum value is received. Open purchase orders may be used to facilitate the purchase of minor items. The purchase order is required to contain detail to include the authorized individual, the types of items that can be purchased, a maximum purchase amount, and an expiration date.
2. 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 not provided, and incorrect coding was used. A few findings refer to transactions in the Maintenance and Operations Department.
3. 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 or the amount available and sometimes fill orders with a lesser amount than requested. The warehouse maintains a list of previous orders, but FCMAT observed no other system for monitoring usage by site or department.

Recommendations for Recovery

1. The district should implement adequate controls over purchasing and authorization of expenditures.
2. Accurate record of supplies stored and used at each site as well as the location should be maintained to help manage supplies and ensure availability of resources when needed.
3. The district should identify and enforce clear purchasing authorization lines to ensure oversight of the procurement of maintenance and operations supplies.

Standard Partially Implemented

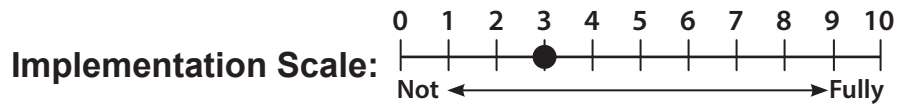


Table of Facilities Management Ratings

Facilities Management Standards		June 2013 Rating
1.1	<p>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)</p>	2
1.3	<p>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)</p>	3
1.8	<p>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)</p>	2
1.9	<p>LEGAL STANDARD – SCHOOL SAFETY The LEA complies with Injury and Illness Prevention Program requirements. (CCR Title 8, Section 3203)</p>	1
1.15	<p>LEGAL STANDARD – SCHOOL SAFETY The LEA maintains updated material safety data sheets for all required products. (LC 6360-6363; CCR Title 8, Section 5194)</p>	1
1.16	<p>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.</p>	3
1.18	<p>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.</p>	5
1.20	<p>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.</p>	1
2.2	<p>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)</p>	0

Facilities Management Standards		June 2013 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
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
2.8	PROFESSIONAL STANDARD – FACILITY PLANNING The LEA has a facility planning committee.	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	LEGAL STANDARD – FACILITIES IMPROVEMENT AND MODERNIZATION All relocatable buildings in use meet statutory requirements. (EC 17292)	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
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
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
4.2	PROFESSIONAL STANDARD – CONSTRUCTION OF PROJECTS The LEA maintains appropriate project records and drawings.	8

Facilities Management Standards		June 2013 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
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
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, reducing the cost of utilities. An energy analysis has been completed for each site.</p>	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
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
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
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

Facilities Management Standards		June 2013 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
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
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
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
8.2	<p>PROFESSIONAL STANDARD – COMMUNITY USE OF FACILITIES</p> <p>The LEA has a plan to promote community involvement in schools.</p>	7
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
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
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

Facilities Management Standards	June 2013 Rating
Collective Average Rating	2.24