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AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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February 10, 2004

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **LOS ANGELES UNIFIED SCHOOL DISTRICT CONTRACT REVIEW**

We have completed a contract compliance review of the Los Angeles Unified School District (LAUSD), an After-School Enrichment Program (ASEP) service provider for the period of September 2002 through August 2003. The review was conducted as part of the Auditor-Controller's Centralized Contract Monitoring Pilot Project.

Background

The Department of Public Social Services (DPSS) contracts with LAUSD, a governmental agency, to provide an after school enrichment program to eligible CalWORKs children who are enrolled in LAUSD. LAUSD administers after school programs, which incorporate educational, recreational and enrichment activities at 71 elementary school sites with a high enrollment of CalWORKs children. LAUSD is also required to provide technical assistance and monitor the school sites to ensure that they comply with the program requirements. LAUSD's ASEP sites are located in all five Supervisorial Districts.

DPSS reimburses actual costs incurred by LAUSD. For Fiscal Year 2002-03, DPSS paid LAUSD approximately \$1,265,000 for program administration.

Purpose/Methodology

The purpose of the review was to determine whether LAUSD has provided the services outlined in their Statement of Work and County contract. Since LAUSD functions as the administrator to 71 schools participating in the ASEP, we reviewed LAUSD's administrative staffing levels, staff qualifications and services performed by the

administrative staff. We also interviewed staff at 15 school sites to confirm the services provided by LAUSD. As we complete our visits at the school sites, we will issue separate monitoring reports on LAUSD's program services.

Results of Review

Overall, LAUSD's Administration is providing the services outlined in its County contract and it uses qualified administrative staff to perform those services. LAUSD staff assigned to the school sites stated that the services they receive from LAUSD Administration meet their expectations. They also stated that LAUSD traveling supervisors make periodic visits to their school sites to assist them with lesson plans and resources. In addition, LAUSD appropriately bills DPSS for only administrative costs directly attributed to the ASEP and maintains documentation to support those costs.

Attached is a detailed report of the monitoring review.

Review of Report

On January 29, 2004, we discussed our report with LAUSD representatives who agreed with the report's findings. In addition, we notified DPSS of the results of our review.

We thank LAUSD for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1122.

JTM:DR:DC

Attachment

c: David E. Janssen, Chief Administrative Officer
Department of Public Social Services
Bryce Yokomizo, Director
Gail Dershewitz, Division Chief, Research, Evaluation and Quality Assurance Division
Sheri Lewis, HSA III, Child Care Program Section
Roy Romer, Superintendent, Los Angeles Unified School District
Violet Varona-Lukens, Executive Officer
Public Information Office
Audit Committee

**CENTRALIZED CONTRACT MONITORING PILOT PROJECT
AFTER SCHOOL ENRICHMENT PROGRAM
FISCAL YEAR 2003-2004
LOS ANGELES UNIFIED SCHOOL DISTRICT**

BILLED SERVICES / STAFFING LEVELS

DPSS reimburses Los Angeles Unified School District (LAUSD) for the costs that LAUSD incurs administering the After School Enrichment Program (ASEP). The administrative costs include salaries paid to the staff assigned to the ASEP, employee benefits and services and supplies (overhead) expenses.

Objective

Determine whether LAUSD billed DPSS for only expenses directly attributed to the ASEP. In addition, determine that LAUSD's reported staffing levels are equal to those identified in the County contract.

Verification

We reviewed LAUSD's roster and timekeeping records to identify the staff assigned to the ASEP. We also interviewed the Project Manager and 15 staff assigned to the ASEP. In addition, we reviewed LAUSD's payroll register, compared the amount paid to staff working on the ASEP to the amounts LAUSD billed DPSS, and evaluated the employee benefits and overhead rates to determine whether the expenses billed were reasonable.

Results

No exceptions. Our review of LAUSD's timekeeping records and payroll register disclosed that LAUSD appropriately billed DPSS for expenses directly attributed to the ASEP. We also noted that the employee benefits and overhead expenses billed were reasonable. In addition, LAUSD's staffing levels are equal to those indicated in the County contract.

Recommendations

There are no recommendations in this section.

STAFFING QUALIFICATIONS

Objective

Determine whether LAUSD's administrative staff meet the qualifications as required by DPSS' contract.

Verification

We judgmentally selected 10 staff and reviewed their job descriptions and personnel files to determine their qualifications.

Results

No exceptions. Our review of LAUSD's administrative staff's personnel files disclosed that the administrative staff assigned to DPSS' contract possess the required education and experience identified in DPSS' contract.

Recommendation

There are no recommendations for this section.

SERVICE LEVELS**Objectives**

Determine whether LAUSD's reported services did not significantly vary from planned service levels.

Verification

We obtained the number of students serviced from LAUSD's invoices for the period of September 2002 to August 2003 and compared the numbers against the budgeted amounts.

Results

No exceptions. LAUSD serviced more students than the planned service level indicated in the County contract. For the period of September 2002 to August 2003, LAUSD's planned service level was 24,708 students, but LAUSD serviced 28,858 students. Per LAUSD's Project Manager, LAUSD enrolled more children to the ASEP due to a high student attendance caused by multi-track school systems.

Recommendation

There are no recommendations for this section.

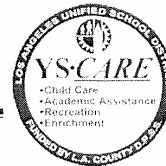


Los Angeles Unified School District
BEYOND THE BELL BRANCH - STUDENT AUXILIARY SERVICES

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DIRECTOR

BRUCE AUBRY
PROJECT DIRECTOR

SCOTT KENNEDY
REGIONAL RECREATION DIRECTOR

TO: J. Tyler McCully, Auditor Controller

DATE: 2/4/04

FROM:  Bruce Aubry, Project Director

**SUBJECT: LOS ANGELES UNIFIED SCHOOLS DISTRICT
CONTRACT REVIEW**

I would like to take this opportunity to say it has been a pleasure working with two knowledgeable professionals such as Joan Kurtz and Susan Kim from your office.

We have reviewed the audit of the administrative portion of the LAUSD After-School Enrichment Program and agree with your findings that the billing, staffing levels, qualifications, monitoring, and service levels were consistent with what was outlined in our Statement of Work and County contract.

Approved: C. Takaki 
Cc: J. Liechty
D. Padilla