

# **FORT BRAGG UNIFIED SCHOOL DISTRICT**

Audit Report

## **CALIFORNIA ASSESSMENT OF STUDENT PERFORMANCE AND PROGRESS PROGRAM**

Chapter 489, Statutes of 2013;  
and Chapter 32, Statutes of 2014

*July 1, 2014, through June 30, 2015*



**BETTY T. YEE**  
California State Controller

January 2020



**BETTY T. YEE**  
California State Controller

January 27, 2020

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

Rebecca Walker, Superintendent  
Fort Bragg Unified School District  
312 South Lincoln Street  
Fort Bragg, CA 95437

Dear Ms. Walker:

The State Controller's Office (SCO) audited the costs claimed by Fort Bragg Unified School District for the legislatively mandated California Assessment of Student Performance and Progress Program for the period of July 1, 2014, through June 30, 2015.

The district claimed \$336,689 for costs of the mandated program. Our audit found that none of the claimed costs are allowable because the district claimed reimbursement for ineligible and unsupported costs. The State made no payments to the district.

Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the district of the adjustment to its fiscal year 2014-15 claim via a system-generated letter

If you have any questions, please contact Lisa Kurokawa, Chief, Compliance Audits Bureau, by telephone at (916) 327-3138.

Sincerely,

*Original signed by*

JIM L. SPANO, CPA  
Chief, Division of Audits

JLS/lis

cc: Wendy Boise, CPA, Chief Business Officer  
Fort Bragg Unified School District  
Meg Kailikole, Director – External Business  
Business and Administrative Services  
Mendocino County Office of Education  
Caryn Moore, Director  
School Fiscal Services Division  
California Department of Education  
Amy Tang-Paterno, Education Fiscal Services Consultant  
Government Affairs Division  
California Department of Education  
Jeff Bell, Program Budget Manager  
Education Systems Unit  
California Department of Finance  
Edward Hanson, Principal Program Budget Analyst  
Education Systems Unit  
California Department of Finance  
Debra Morton, Manager  
Local Government Programs and Services Division  
State Controller's Office

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# Audit Report

## Summary

The State Controller's Office (SCO) audited the costs claimed by Fort Bragg Unified School District for the legislatively mandated California Assessment of Student Performance and Progress (CAASPP) Program for the period of July 1, 2014, through June 30, 2015.

The district claimed \$336,689 for costs of the mandated program. Our audit found that none of the claimed costs are allowable because the district claimed reimbursement for ineligible and unsupported costs. The State made no payments to the district.

## Background

Education Code section 60640, as amended by the Statutes of 2013, Chapter 489 (Assembly Bill 484) and the Statutes of 2014, Chapter 32 (Senate Bill 858); and Title 5, California Code of Regulations, sections 850, 852, 853, 853.5, 857, 861(b)(5), and 864, as added or amended by Register 2014, Nos. 6, 30, and 35 established the CAASPP Program and replaced the Standardized Testing and Reporting Program, effective January 1, 2014. The CAASPP Program requires school districts to transition from paper and pencil multiple-choice tests to computer-based tests.

On January 22, 2016, the Commission on State Mandates (Commission) adopted a decision finding that the test claim statutes and regulations impose a reimbursable state-mandated program upon school districts within the meaning of Article XIII B, Section 6 of the California Constitution and Government Code (GC) section 17514.

The Commission adopted the parameters and guidelines on March 25, 2016. The program's parameters and guidelines establish the state mandate and define the reimbursement criteria. In compliance with GC section 17558, the SCO issues claiming instructions to assist school districts in claiming mandated program reimbursable costs.

The Commission-approved reimbursable activities are as follows:

Beginning January 1, 2014, provide "a computing device, the use of an assessment technology platform, and the adaptive engine" to administer the CAASPP assessments to all pupils via computer, which includes the acquisition of and ongoing compliance with minimum technology requirements.

Beginning February 3, 2014, the local educational agency (LEA) CAASPP coordinator shall be responsible for assessment technology, and shall ensure current and ongoing compliance with minimum technology specifications as identified by the CAASPP contractor(s) or consortium.

Beginning February 3, 2014, notify parents or guardians each year of their pupil's participation in the CAASPP assessment system, including notification that notwithstanding any other provision of law, a parent's or guardian's written request to excuse his or her child from any or all parts of the CAASPP assessments shall be granted.

Beginning February 3, 2014, score and transmit the CAASPP tests in accordance with manuals or other instructions provided by the contractor or the California Department of Education (CDE).

Beginning February 3, 2014, identify pupils unable to access the computer-based version of the CAASPP tests; and report to the CAASPP contractor the number of pupils unable to access the computer-based version of the test.

Beginning February 3, 2014, report to CDE if a pupil in grade 2 was administered a diagnostic assessment in language arts and mathematics that is aligned to the common core academic content standards pursuant to Education Code section 60644.

Beginning February 3, 2014, comply with any and all requests from CAASPP contractors, and abide by any and all instructions provided by the CAASPP contractors or consortium, whether written or oral, that are provided for training or provided for in the administration of a CAASPP test.

Beginning August 27, 2014, the CAASPP test site coordinator shall be responsible for ensuring that all designated supports, accommodations and individualized aids are entered into the registration system.

The Commission also found that the following state and federal funds must be identified and deducted as offsetting revenue from any school district's reimbursement claim:

Statutes 2013, chapter 48 (\$1.25 billion in Common Core implementation funding), *if* used by a school district on any of the reimbursable CAASPP activities to support the administration of computer-based assessments.

Funding apportioned by SBE [State Board of Education] from Statutes 2014, chapter 25, Line Item 6110-113-0001, schedule (8), for FY 2013-2014 CAASPP costs.

Funding apportioned by SBE from Statutes 2015, chapter 10, Line Item 6100-113-0001, schedule (7) for FY 2014-2015 CAASPP costs.

Statutes 2014, chapter 25 (Line Item 6110-488) and chapter 32 (appropriation for outstanding mandate claims) *if* used by a school district on any of the reimbursable CAASPP activities.

Statutes 2014, chapter 25, Line Item 6110-182-0001, Provision 2 (appropriation "to support network connectivity infrastructure grants") *if* used by a school district on any of the reimbursable CAASPP activities.

Any other offsetting revenue the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other applicable state funds, shall be identified and deducted from any claim submitted for reimbursement.

## **Objective, Scope, and Methodology**

The objective of our audit was to determine whether costs claimed represent increased costs resulting from the legislatively mandated CAASPP Program. Specifically, we conducted this audit to determine whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

The audit period was July 1, 2014, through June 30, 2015.

To achieve our objective, we:

- Analyzed the annual mandated cost claim filed by the district for the audit period and identified the significant cost component of the claim as fixed assets. Determined whether the activity claimed adhered to the SCO's claiming instructions and the program's parameters and guidelines;
- Completed an internal control questionnaire by interviewing key district staff. Discussed the claim preparation process with district staff to determine what information was obtained, who obtained it, and how it was used;
- Determined the district's broadband internet capacity prior to its network upgrade;
- Compared the inventory lists of the district's existing computing devices as of December 31, 2013; June 30, 2014; and June 30, 2015. Used the Smarter Balanced Technology Readiness Calculator provided by the CDE to determine the number of computing devices and network bandwidth the district needed to administer the CAASPP tests to all eligible pupils within the testing window provided by the CDE. Errors identified are explained in the finding; and
- Surveyed expenditure reports and the district's capital lease contract for the claimed fixed asset costs, and traced all claimed fixed asset costs to the district's accounting records to determine the funding source. No errors were identified.

GC sections 12410, 17558.5, and 17561 provide the legal authority to conduct this audit. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We limited our examination of the district's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures. Our audit scope did not assess the efficiency or effectiveness of program operations. We did not audit the district's financial statements.

**Conclusion**

As a result of performing the audit procedures, we found that the district did not comply with the requirements described in our audit objective. We concluded that the district claimed costs that were supported by appropriate source documents and not funded by another source; however, we did find that it claimed ineligible costs, as quantified in the Schedule and described in the Finding and Recommendation section of this audit report. To the extent that the district claimed ineligible costs, such costs are also unreasonable and excessive.

For the audit period, Fort Bragg Unified School District claimed \$336,689 for costs of the legislatively mandated CAASPP Program. Our audit found that none of the claimed costs are allowable. The State made no payments to the district.

Following issuance of this audit report, the SCO's Local Government Programs and Services Division will notify the district of the adjustment to its fiscal year (FY) 2014-15 claim via a system-generated letter.

**Follow-up on  
Prior Audit  
Findings**

We have not previously conducted an audit of the district's legislatively mandated CAASPP Program.

**Views of  
Responsible  
Officials**

We issued a draft audit report on November 19, 2019. We contacted Wendy Boise, CPA, Chief Business Officer, by email on December 5, 2019. Ms. Boise declined to respond to the draft report.

**Restricted Use**

This audit report is solely for the information and use of Fort Bragg Unified School District, the Mendocino County Office of Education, the California Department of Education, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this audit report, which is a matter of public record and is available on the SCO website at [www.sco.ca.gov](http://www.sco.ca.gov).

*Original signed by*

JIM L. SPANO, CPA  
Chief, Division of Audits

January 27, 2020



**Schedule—**  
**Summary of Program Costs**  
**July 1, 2014, through June 30, 2015**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment <sup>1</sup>
<u>July 1, 2014, through June 30, 2015</u>			
Direct costs:			
Fixed assets			
Broadband internet service, network equipment, consultants, or engineers	\$ 336,689	\$ -	\$(336,689)
Total program costs	<u>\$ 336,689</u>	-	<u>\$(336,689)</u>
Less amount paid by the State <sup>2</sup>		-	
Allowable costs claimed in excess of amount paid		<u>\$ -</u>	

<sup>1</sup> See the Finding and Recommendation section.

<sup>2</sup> Payment amount current as of January 7, 2020.

# Finding and Recommendation

## **FINDING — Unallowable fixed assets**

The district claimed \$336,689 in fixed assets for the audit period. We found that the entire amount is unallowable. The costs are unallowable because the district did not meet the reimbursement requirements outlined in the program’s parameters and guidelines.

A requirement for reimbursement is that the district’s existing inventory of computing devices, accessories, technology infrastructure, and broadband internet service be insufficient to administer the CAASPP tests to all eligible pupils within the testing window, based on the minimum technical specifications identified by the contractor(s) or consortium. For the audit period, the district had a sufficient existing inventory of computing devices, accessories, technology infrastructure, and broadband internet service. The district was not aware of the reimbursement requirements outlined in the program’s parameters and guidelines.

The district claimed fixed asset costs for “broadband internet service providing at least 20 Kbps [kilobytes per second] per pupil to be tested simultaneously, costs for acquisition and installation of wireless or wired network equipment, and hiring consultants or engineers to assist a district in completing and troubleshooting the installation.” The claimed costs represent the expansion of existing technology infrastructure.

The following table summarizes the audit adjustment related to fixed assets related to providing broadband internet service:

Reimbursable Activity	Fixed Assets		
	Amount Claimed	Amount Allowable	Audit Adjustment
Internet service, network equipment, consultants, or engineers	\$ 336,689	\$ -	\$ (336,689)
	<u>\$ 336,689</u>	<u>\$ -</u>	<u>\$ (336,689)</u>

### **Determining the sufficiency of existing broadband internet service**

The CDE provides a tool called the Smarter Balanced Technology Readiness Calculator (SBTRC) on its website to assist districts in preparing technology resources for computer-based assessments. The SBTRC estimates the number of days, and associated network bandwidth required, to administer English Language Arts and Mathematics assessments given the existing number of students, the current number of computers available for use in CAASPP testing, and the number of hours per day those computers are available for use in CAASPP testing.

We based our calculation for determining the number of computing devices and network bandwidth that the district needed to administer the CAASPP tests to all eligible pupils within the testing window provided by the CDE based on the SBTRC’s formula. The district stated that it used a “T1” line during the audit period; the T1 line provided a broadband internet speed of 1.5 megabytes-per-second (Mbps) or 1,500 Kbps. As the district did not provide the actual number of available hours the testing computers were available each day, we selected two hours each day, the lowest time increment used in the SBTRC’s formula.

The following table shows the number of computing devices and network bandwidth that the district needed to complete the assessments within the testing window:

Fiscal Year	Students Tested	Devices Needed for Testing	Days to Complete Testing	District's Internet Speed	Estimated Bandwidth Required
2014-15	884	59	59.93	1.5 Mbps	1.18 Mbps (78.67% of total bandwidth)

For FY 2014-15, the district had 589 existing computing devices that met the minimum technical specifications for CAASPP assessments. Our calculation estimated that the district could complete the assessments for its 884 students in six days by running all 589 computing devices simultaneously. However, doing so would have required a bandwidth of 11.78 Mbps, which is 785.3% of the district's available bandwidth. As the CDE allows a 60-day testing window to complete the assessments, we determined that the district needed only 59 computing devices running simultaneously using 1.18 Mbps (78.67%) of its 1.5 Mbps bandwidth to complete the assessments. Therefore, the district had sufficient broadband internet service to complete the student assessments within the CDE's 60-day testing window.

The following table shows the required bandwidth per student the district needed to complete the assessments within the testing window:

Fiscal Year	Students Tested	Devices Needed for Testing	Computer Hours Per Day	Days in Testing Window	Estimated Network Bandwidth (Kbps)	Bandwidth per Student (Kbps)
2014-15	884	59	2	60	1,180	1.34

Section IV.A of the parameters and guidelines (Reimbursable Activities) states:

Beginning January 1, 2014, provide "a computing device, the use of an assessment technology platform, and the adaptive engine" to administer the CAASPP assessments to all pupils via computer, which includes the acquisition of and ongoing compliance with minimum technology specifications, as identified by the CAASPP contractor(s) or consortium. Reimbursement for this activity include the following:

1. A sufficient number of desktop or laptop computers, iPads, or other tablet computers for which Smarter Balanced provides secure browser support in the academic year, along with a keyboard, headphones, and a pointing device for each, to administer the CASPP to all eligible pupils within the testing window provided by CDE regulations.
2. Broadband internet service providing at least 20 Kbps per pupil to be tested simultaneously, costs for acquisition and installation of wireless or wired network equipment, and hiring consultants or engineers to assist a district in completing and troubleshooting the installation.

Claimants shall maintain supporting documentation showing how their existing inventory of computing devices and accessories, technology infrastructure, and broadband internet service is not sufficient to

administer the CAASPP test to all eligible pupils in the testing window, based on the minimum technical specifications identified by the contractor(s) or consortium.

### Recommendation

As of FY 2017-18, the CAASPP Program is funded through a mandate block grant. The district elected to receive mandate block grant funding pursuant to GC section 17581.6, in lieu of filing annual mandated cost claims. If the district chooses to opt out of receiving mandate block grant funding, we recommend that the district:

- Follow the mandated program claiming instructions and the parameters and guidelines when preparing its reimbursement claims; and
- Ensure that claimed costs include only eligible costs, are based on actual costs, and are supported by contemporaneous source documentation.

### District's Response

The district did not respond to the draft report.

**State Controller's Office  
Division of Audits  
Post Office Box 942850  
Sacramento, CA 94250**

**<http://www.sco.ca.gov>**