

LA CAÑADA 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, 2013, through June 30, 2016



BETTY T. YEE
California State Controller

September 2020



BETTY T. YEE
California State Controller

September 30, 2020

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

Wendy K. Sinnette, Superintendent
La Cañada Unified School District
4490 Cornishon Avenue
La Cañada, CA 91011

Dear Ms. Sinnette:

The State Controller's Office audited the costs claimed by La Cañada Unified School District for the legislatively mandated California Assessment of Student Performance and Progress Program for the period of July 1, 2013, through June 30, 2016.

The district claimed \$547,497 for costs of the mandated program. Our audit found that none of the claimed costs are allowable because the district claimed costs that are ineligible, unsupported, and funded by another source. The State made no payments to the district.

Following issuance of this audit report, the Local Government Programs and Services Division of the State Controller's Office will notify the district of the adjustment to its claims via a system-generated letter for each fiscal year in the audit period.

This final audit report contains an adjustment to costs claimed by the district. If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (Commission). Pursuant to the Commission's regulations, outlined in Title 2, California Code of Regulations, section 1185.1, subdivision (c), an IRC challenging this adjustment must be filed with the Commission no later than three years following the date of this report, regardless of whether this report is subsequently supplemented, superseded, or otherwise amended. IRC information is available on the Commission's website at www.csm.ca.gov/forms/IRCFForm.pdf.

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/as

cc: Joe Radabaugh, President
Board of Education
La Cañada Unified School District
Mark Evans, Associate Superintendent
Business and Administrative Services
La Cañada Unified School District
Jamie Lewsadder, Chief Technology Officer
La Cañada Unified School District
Jackie Ong, Manager of Fiscal Services
La Cañada Unified School District
Jeff Young, Interim Director
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Elizabeth Dearstyne, Director
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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by La Cañada Unified School District for the legislatively mandated California Assessment of Student Performance and Progress (CAASPP) Program for the period of July 1, 2013, through June 30, 2016.

The district claimed \$547,497 for costs of the mandated program. Our audit found that none of the claimed costs are allowable because the district claimed costs that are ineligible, unsupported, and funded by another source. The State made no payments to the district.

Background

Education Code Section 60640, as amended by Statutes 2013, Chapter 489 (Assembly Bill 484) and Statutes 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, 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 of 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 contractor 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 revenues 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 [the State Board of Education (SBE)] from Statutes 2014, chapter 25, Line Item 6110-113-0001, schedule (8), for fiscal year [(FY)] 2013-2014 CAASPP costs.

Funding apportioned by SBE from Statutes 2015, chapter 10, Line Item 6110-113-0001, 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.¹

The audit period was July 1, 2013, through June 30, 2016.

To achieve our objective, we:

- Reviewed the annual mandated cost claims filed by the district for the audit period and identified the significant cost components of each claim as salaries, benefits, materials, and supplies. We determined whether there were any errors or any unusual or unexpected variances from year to year. We also reviewed the activities claimed to determine whether they adhered to SCO's claiming instructions and the program's parameters and guidelines;
- Completed an internal control questionnaire by interviewing key district staff, and discussed the claim preparation process with district staff members to determine what information was obtained, who obtained it, and how it was used;
- Reviewed supporting time documentation for the salaries and benefits costs claimed for the entire audit period. The time documents provided did not identify the reimbursable activities performed and identified different district staff members from those claimed for reimbursement (see Finding 1);
- Reviewed lists of existing computing devices as of December 31, 2013; June 30, 2014; June 30, 2015; and June 30, 2016. We used the Smarter Balanced Technology Readiness Calculator 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 CDE. We also set the number of available hours for the testing computers each day at two hours, as specified by the district (see Finding 2);
- Compared the claimed indirect cost rates to the rates approved by CDE; and
- Reviewed expenditure reports and the accounting records for the salaries, benefits, materials, and supplies costs claimed during the audit period. We found that the district underreported offsetting revenues because the district used a combination of restricted local revenue and CDE revenues to fund the claimed material and supply costs (see Finding 3).

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

¹ Unreasonable and/or excessive costs include ineligible costs that are not identified in the programs parameters and guidelines as a reimbursable cost.

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 review 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 found that the district claimed costs that are ineligible, unsupported, and funded by another source, as quantified in the Schedule and described in the Findings and Recommendations section of this audit report.

For the audit period, La Cañada Unified School District claimed \$547,497 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 claims via a system-generated letter for each fiscal year in the audit period.

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 the draft audit report on August 5, 2020. Mark Evans, Associate Superintendent, responded by letter dated August 17, 2020 (Attachment). The district did not agree or disagree with the findings. This audit report includes the district's complete response.

Restricted Use

This audit report is solely for the information and use of La Cañada Unified School District, the Los Angeles County Office of Education, CDE, the California Department of Finance, and 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.

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

September 30, 2020

Schedule—
Summary of Program Costs
July 1, 2013, through June 30, 2016

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference ¹
<u>July 1, 2013, through June 30, 2014</u>				
Direct costs:				
Salaries and benefits				
Notify parents or guardians	\$ 794	\$ -	\$ (794)	
Score and transmit CAASPP tests	2,154	-	(2,154)	
ID and report pupils unable to access the computer-based tests	235	-	(235)	
Review supplemental videos and webcasts	1,795	-	(1,795)	
Read and view CAASPP materials	2,872	-	(2,872)	
Enter designated supports and accommodations in registration system	646	-	(646)	
Total salaries and benefits	8,496	-	(8,496)	Finding 1
Materials and supplies				
Computers, browsers, or peripherals	148,024	-	(148,024)	
Internet service, network equipment, consultants, or engineers	2,041	-	(2,041)	
Total materials and supplies	150,065	-	(150,065)	Finding 2
Total direct costs	158,561	-	(158,561)	
Indirect costs	7,754	-	(7,754)	Finding 1, 2
Total direct and indirect costs	166,315	-	(166,315)	
Less offsetting revenues and reimbursements	(15,108)	(11,029)	4,079	Finding 3
Adjustment to eliminate negative balance	-	11,029	11,029	
Total program costs	\$ 151,207	-	\$ (151,207)	
Less amount paid by the State ²		-		
Allowable costs claimed in excess of amount paid		\$ -		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference ¹
<u>July 1, 2014, through June 30, 2015</u>				
Direct costs:				
Salaries and benefits				
Notify parents or guardians	\$ 835	\$ -	\$ (835)	
Score and transmit CAASPP tests	2,257	-	(2,257)	
Report to CDE pupils administered a diagnostic assessment	247	-	(247)	
Review supplemental videos and webcasts	1,505	-	(1,505)	
Read and view CAASPP materials	2,257	-	(2,257)	
Enter designated supports and accommodations in registration system	1,204	-	(1,204)	
Total salaries and benefits	8,305	-	(8,305)	Finding 1
Materials and supplies				
Computers, browsers, or peripherals	270,841	-	(270,841)	
Internet service, network equipment, consultants, or engineers	30,178	-	(30,178)	
Total materials and supplies	301,019	-	(301,019)	Finding 2
Total direct costs	309,324	-	(309,324)	
Indirect costs	15,930	-	(15,930)	Finding 1, 2
Total direct and indirect costs	325,254	-	(325,254)	
Less offsetting revenues and reimbursements	(15,109)	(30,178)	(15,069)	Finding 3
Adjustment to eliminate negative balance	-	30,178	30,178	
Total program costs	\$ 310,145	-	\$ (310,145)	
Less amount paid by the State ²		-		
Allowable costs claimed in excess of amount paid		\$ -		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference ¹
<u>July 1, 2015, through June 30, 2016</u>				
Direct costs:				
Salaries and benefits				
Notify parents or guardians	\$ 568	\$ -	\$ (568)	
Score and transmit CAASPP tests	1,947	-	(1,947)	
ID and report pupils unable to access the computer based CAASPP tests	1,913	-	(1,913)	
Review supplemental videos and webcasts	1,090	-	(1,090)	
Read and view CAASPP materials	1,765	-	(1,765)	
Enter designated supports and accommodations in registration system	<u>1,014</u>	<u>-</u>	<u>(1,014)</u>	
Total salaries and benefits	<u>8,297</u>	<u>-</u>	<u>(8,297)</u>	Finding 1
Materials and supplies				
Computers, browsers, or peripherals	<u>80,173</u>	<u>-</u>	<u>(80,173)</u>	
Total materials and supplies	<u>80,173</u>	<u>-</u>	<u>(80,173)</u>	Finding 2
Total direct costs	88,470	-	(88,470)	
Indirect costs	<u>7,431</u>	<u>-</u>	<u>(7,431)</u>	Finding 1, 2
Total direct and indirect costs	95,901	-	(95,901)	
Less offsetting revenues and reimbursements	(9,756)	(10,106)	(350)	Finding 3
Adjustment to eliminate negative balance	<u>-</u>	<u>10,106</u>	<u>10,106</u>	
Total program costs	<u>\$ 86,145</u>	<u>-</u>	<u>\$ (86,145)</u>	
Less amount paid by the State ²				
Allowable costs claimed in excess of amount paid		<u>\$ -</u>		

Schedule (continued)

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustment	Reference ¹
<u>Summary: July 1, 2013, through June 30, 2016</u>				
Direct costs:				
Salaries and benefits				
Notify parents or guardians	\$ 2,197	\$ -	\$ (2,197)	
Score and transmit CAASPP tests	6,358	-	(6,358)	
ID and report pupils unable to access the computer based CAASPP tests	2,148	-	(2,148)	
Reports of a pupil administered a diagnostic assessment to CDE	247	-	(247)	
Review supplemental videos and webcasts	4,390	-	(4,390)	
Read and view CAASPP materials	6,894	-	(6,894)	
Enter designated supports and accommodations in registration system	2,864	-	(2,864)	
Total salaries and benefits	<u>25,098</u>	<u>-</u>	<u>(25,098)</u>	Finding 1
Materials and supplies				
Computers, browsers, or peripherals	499,038	-	(499,038)	
Internet service, network equipment, consultants, or engineers	32,219	-	(32,219)	
Total materials and supplies	<u>531,257</u>	<u>-</u>	<u>(531,257)</u>	Finding 2
Total direct costs	556,355	-	(556,355)	
Indirect costs	31,115	-	(31,115)	Finding 1, 2
Total direct and indirect costs	587,470	-	(587,470)	
Less offsetting revenues and reimbursements	(39,973)	(51,313)	(11,340)	Finding 3
Adjustment to eliminate negative balance	-	51,313	51,313	
Total program costs	<u>\$ 547,497</u>	<u>-</u>	<u>\$ (547,497)</u>	
Less amount paid by the State ²				
Allowable costs claimed in excess of amount paid		<u>\$ -</u>		

¹ See the Findings and Recommendations section.

² Payment amount current as of August 17, 2020.

Findings and Recommendations

FINDING 1— Unallowable salaries and benefits

The district claimed \$25,098 in salaries and benefits for the audit period. We found that the entire amount is unallowable. The costs are unallowable because the district did not provide contemporaneous time documents to support the time and activities claimed, as required by the program's parameters and guidelines.

The district misinterpreted the program's parameters and guidelines requirement that it maintain contemporaneous source documentation to support all claimed salary and benefit costs for the audit period. Unallowable related indirect costs total \$1,540, for a total finding of \$26,638.

The district claimed salary and benefit costs for the following seven reimbursable activities:

- Notifying parents or guardians each year of their pupil's participation in the CAASPP assessment system, including notifying them that notwithstanding any other provision of law, a parent's or guardians written request to excuse his or her child from any or all parts of the CAASPP assessments shall be granted;
- Scoring and transmitting CAASPP tests in accordance with manuals or other instructions provided by the contractor or the CDE;
- Identifying pupils unable to access the computer-based version of the CAASPP tests and reporting to the CAASPP contractor the number of pupils unable to access the computer-based version of the test;
- Reporting to CDE if a pupil in grade 2 was administered a diagnostic assessment in language arts and mathematics that is aligned with the common core academic content standards pursuant to Education Code section 60644;
- Participating in the training directed by the CAASPP contractors or consortium by reviewing the applicable supplemental videos and archived webcasts;
- Participating in the training directed by the CAASPP contractors or consortium by reading the *CAASPP Online Test Administration Manual*, the *Smarter Balanced Assessment Consortium: Usability, Accessibility, and Accommodations Guidelines*, and the *California Assessment of Student Performance and Progress Test Administrator Reference Guide*, and viewing the associated Smarter Balanced training modules; and
- Ensuring that all designated supports, accommodations and individualized aids are entered into the registration system by the CAASPP test site coordinator.

The district provided timesheets to support the claimed salary and benefit costs. The timesheets included employees' names, dates, and hours worked. However, the timesheets did not identify the reimbursable CAASPP activities performed. Additionally, the timesheets identified different district staff members from those claimed for reimbursement.

Based on the program's parameters and guidelines, the timesheets provided cannot be considered contemporaneous source documentation.

The following table summarizes the audit adjustment related to salaries and benefits by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment	Claimed		Total Adjustment
				Indirect Cost Rate	Indirect Cost Adjustment	
2013-14	\$ 8,496	-	\$ (8,496)	4.89%	\$ (415)	\$ (8,911)
2014-15	8,305	-	(8,305)	5.15%	(428)	(8,733)
2015-16	8,297	-	(8,297)	8.40%	(697)	(8,994)
Total	<u>\$ 25,098</u>	<u>-</u>	<u>\$ (25,098)</u>		<u>\$ (1,540)</u>	<u>\$ (26,638)</u>

The following table summarizes the audit adjustment related to salaries and benefits by reimbursable activity:

Reimbursable Activity	Amount Claimed	Amount Allowable	Audit Adjustment
Notify parents or guardians	\$ 2,197	-	\$ (2,197)
Score and transmit CAASPP tests	6,358	-	(6,358)
ID and report pupils unable to access computer-based tests	2,148	-	(2,148)
Report to CDE pupils administered a diagnostic assessment	247	-	(247)
Review supplemental videos and webcasts	4,390	-	(4,390)
Read and view CAASPP materials	6,894	-	(6,894)
Enter designated supports and accommodations in registration system	2,864	-	(2,864)
Total	<u>\$ 25,098</u>	<u>-</u>	<u>\$ (25,098)</u>

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

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agenda, and declarations. Declarations must include a certification or declaration stating, "I certify (or declared) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and

federal government requirements. However, corroborating documents cannot be substituted for source documents.

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 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 this audit finding.

FINDING 2— Unallowable materials and supplies

The district claimed \$531,257 in materials and supplies 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. In addition, the district claimed ineligible material and supply costs.

A requirement for reimbursement is that the district's existing inventory of computing devices and accessories 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 and accessories. The district was not aware of the reimbursement requirements outlined in the program's parameters and guidelines. Unallowable related indirect costs total \$29,575, for a total finding of \$560,832.

The district claimed material and supply costs for the reimbursable activity of providing sufficient number of desktop or laptop computers, iPads, or other tablet computers for which Smarter Balanced Assessment Consortium provided secure browser support in the academic year, along with a keyboard, headphones, and a pointing device for each student to administer the CAASPP. The claimed costs represent the acquisition of computing devices and accessories.

The following table summarizes the audit adjustment related to materials and supplies by fiscal year:

Fiscal Year	Amount Claimed	Amount Allowable	Audit Adjustment	Claimed Indirect Cost Rate	Indirect Cost Adjustment	Total Adjustment
2013-14	\$ 150,065	-	\$ (150,065)	4.89%	\$ (7,338)	\$ (157,403)
2014-15	301,019	-	(301,019)	5.15%	(15,502)	(316,521)
2015-16	80,173	-	(80,173)	8.40%	(6,735)	(86,908)
Total	\$ 531,257	-	\$ (531,257)		\$ (29,575)	\$ (560,832)

The following table summarizes the audit adjustment related to materials and supplies by reimbursable activity:

Reimbursable Activity	Amount Claimed	Amount Allowable	Audit Adjustment
Computers, browsers, or peripherals	\$ 499,038	-	\$ (499,038)
Internet service, network equipment, consultants, or engineers	32,219	-	(32,219)
Total	\$ 531,257	-	\$ (531,257)

The district claimed \$499,038 in materials and supplies related to computers, browsers, and peripherals. We found that the entire amount is unallowable. Of that amount, the district claimed \$72,495 for laptop charging carts and memory cards and/or hardware that are not reimbursable. Additionally, claimed costs of \$426,543 are unallowable because the district did not meet the existing inventory requirement outlined in the program's parameters and guidelines.

The district claimed \$32,219 in materials and supplies related to internet service, network equipment, consultants, and engineers. We found that the entire amount is unallowable because the district did not meet the existing inventory requirement outlined in the program's parameters and guidelines.

Existing inventory of computing devices and broadband internet service

The district provided an existing inventory of computing devices as of December 31, 2013. For each fiscal year, we accounted for the computing devices that did not meet the minimum technical specifications, surplus devices, devices with no specifications identified, and new purchases to determine the number of computing devices available to students for CAASPP assessments.

The following table shows the number of existing computing devices that were available at the beginning of each fiscal year:

	(A)	(B)	(C)	(D)	(E) = (A)+(B)+(C)+(D)	(F)	(G)	(H) = (E)+(F)+(G)
Fiscal Year	Beginning Inventory	Devices Not Meeting Minimum Specifications	Devices with No Specifications Identified	Devices Surplused Before Testing	Devices Available for Testing	Devices Surplused After Testing	New Purchases	Ending Inventory
2013-14	1,546	(48)	(352)	-	1,146	-	239	1,385
2014-15	2,633	(91)	(409)	-	2,133	-	568	2,701
2015-16	2,998	(211)	(265)	-	2,522	-	246	2,768

The district's network service contracts state that its broadband internet speed was 50 Mbps (megabits per second) from July 1, 2011, through June 30, 2014, and 1 Gbps (gigabits per second) from July 1, 2014, through June 30, 2017.

Determining the sufficiency of existing computing devices and broadband internet service

CDE provides a tool called the Smarter Balanced Technology Readiness Calculator to assist districts in preparing technology resources for computer-based assessments. This web-based calculator 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 CDE on the Smarter Balanced Technology Readiness Calculator's formula. We set the number of available hours for the testing computers each day at two hours, as specified by the district.

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

Results based on computing devices that the district needed					
Fiscal Year	Students Tested	Devices Needed for Testing	Days in Testing Window	District's Internet Speed	Estimated Bandwidth Required
2013-14	2,217	189	47	50 Mbps	3.78 Mbps (7.56% of total bandwidth)
2014-15	2,219	148	60	1 Gbps	2.96 Mbps (0.30% of total bandwidth)
2015-16	2,175	145	60	1 Gbps	2.90 Mbps (0.29% of total bandwidth)

The following table shows the required number of days and network bandwidth that the district needed in order to complete the assessments using its existing inventory of computing devices:

Results based on computing devices that the district had for student use

Fiscal Year	Students Tested	Devices Available for Testing	Days to Complete Testing	District's Internet Speed	Estimated Bandwidth Required
2013-14	2,217	1,146	7.74	50 Mbps	22.92 Mbps (45.84% of total bandwidth)
2014-15	2,219	2,133	4.16	1 Gbps	42.66 Mbps (4.27% of total bandwidth)
2015-16	2,175	2,522	4.00	1 Gbps	43.50 Mbps (4.35% of total bandwidth)

For FY 2013-14, the district had 1,146 existing computing devices that met the minimum technical specifications for CAASPP assessments. Our calculation estimated that the district could complete the assessments for 2,217 students in 7.74 days using 45.84% of a 50-Mbps bandwidth. However, CDE provided a 47-day testing window to complete the assessments; therefore, the district needed only 189 computing devices using 7.56% of a 50-Mbps bandwidth to complete the assessments.

For FY 2014-15, the district had 2,133 existing computing devices that met the minimum technical specifications for CAASPP assessments. Our calculation estimated that the district could complete the assessments for 2,219 students in 4.16 days using 4.27% of a 1-Gbps bandwidth. However, CDE provided a 60-day testing window to complete the assessments; therefore, the district needed only 148 computing devices using 0.30% of a 1-Gbps bandwidth to complete the assessments.

For FY 2015-16, the district had 2,522 existing computing devices that met the minimum technical specifications for CAASPP assessments. Our calculation estimated that the district could complete the assessments for 2,175 students in 4 days using 4.35% of a 1-Gbps bandwidth. However, CDE provided a 60-day testing window to complete the assessments; therefore, the district needed only 145 computing devices using 0.29% of a 1-Gbps bandwidth to complete the assessments.

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 includes the following:

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 CAASPP to all eligible pupils within the testing window provided by CDE regulations.

Broadband internet service providing at least 20 Kbps [kilobits 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.

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 La Canada Unified School District successfully met the objectives to effectively implement the CAASPP Program. The District aggressively pursued increasing devices and bandwidth to assure students could successfully complete the testing.

The objective was to complete the testing both effectively and efficiently. While the state allowed for testing dates to range between 47 and 60 days, the District did not want to interrupt instruction for such a large portion of the instructional year. To support this goal, we ran two testing sessions per day, AM and PM, with students testing in shifts. This process took about 5 weeks to cycle all students through with the number of devices we initially purchased and utilizing the computer lab on each campus. We were able to keep the cohort testing windows to about two weeks per grade level to save instructional days. The level of tech support and training needed was tremendous. Resources of staff, equipment, and funding were applied to achieve the District's goal of minimizing impact to classroom instruction, while successfully completing testing.

The costs incurred by the District were spent on the objectives set forth by the State of California to provide computing devices and minimum technology specifications, notify parents of the tests and the scores, and properly administer the test. Over 90% of the rejected claim was for the investment in devices and bandwidth. These investments exceeded state inventory requirements and were unallowable. Our computer inventory at the start of the new testing program consisted of 2-4 desktops per classroom and staff devices for instruction. It would have been very impracticable to use these as testing devices as we would be unable to test more than a few students at a time and unable to create a secure testing environment with the rest of the students still in class. The

objective to follow state guidelines on testing environments and implement testing with minimal impact to instruction drove the decision to acquire additional devices. Clarity on guidelines at the time of submitting our claim resulted in the disallowance.

The best practices in accounting for those dollars in relation to the state guidelines for reimbursement were not met, but the goals for student access to testing devices and bandwidth were. Changes in staffing, coding of accounts, time, and devices resulted in the declined claims. Future programs will be more closely monitored and correlated with state guidelines. Based on feedback and recommendations from the State Controller’s Office, the District will be better able to document the costs and procedures of upcoming programs.

SCO’s Response

Our finding and recommendation remain unchanged.

**FINDING 3—
Underreported
offsetting revenues**

The district reported \$39,973 in offsetting revenues for the audit period. We found that the district underreported offsetting revenues by \$11,340.

The district misinterpreted the program’s parameters and guidelines requirement that it identify and deduct any revenue received for this mandated program from any source.

Based on the district’s accounting records, we found that the district used the Capital Facilities Fund to pay for claimed materials and supplies costs of \$30,178. The district did not reduce the claimed materials and supplies costs by these funds.

In addition, the district offset \$39,973 of the Assessment Apportionment Funds received from CDE from claims submitted for reimbursement. However, based on our review of the Assessment Apportionment Funds received from CDE, we determined that the district should have offset only \$21,135 of the claims submitted for reimbursement.

For the audit period, the district applied \$51,313 of the following funds to the CAASPP Program:

- \$30,178 of Local Resources Restricted; and
- \$21,135 of Assessment Apportionments.

The following table summarizes the audit adjustment related to offsetting revenues by fiscal year:

Fiscal Year	Offset Reported	Revenue Applied to CAASPP Program	Audit Adjustment
2013-14	\$ (15,108)	\$ (11,029)	\$ 4,079
2014-15	(15,109)	(30,178)	(15,069)
2015-16	(9,756)	(10,106)	(350)
	<u>\$ (39,973)</u>	<u>\$ (51,313)</u>	<u>\$ (11,340)</u>

Section VII of the parameters and guidelines (Offsetting Revenues and Reimbursements) states that the following state and federal funds must be identified as offsetting revenues:

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

Funding apportioned by SBE 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.

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 parameters and guidelines when preparing its reimbursement claims; and
- Ensure that all offsetting revenues are identified and deducted from claimed costs.

District’s Response

The district did not respond to this audit finding.

**Attachment—
District's Response to Draft Audit Report**

Wendy K. Sinnette
Superintendent

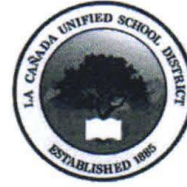
Anaís Wenn
Associate Superintendent
Educational Services

Mark Evans
Associate Superintendent
Business & Administrative Services

Jamie Lewsadder
Chief Technology Officer

La Cañada Unified School District

...a learning community committed to personal growth and
academic excellence



August 17, 2020

California Assessment of Student Performance and Progress Program Audit

Response from La Cañada Unified School District

The La Cañada Unified School District successfully met the objectives to effectively implement the CASSPP Program. The District aggressively pursued increasing devices and bandwidth to assure students could successfully complete the testing.

The objective was to complete the testing both effectively and efficiently. While the state allowed for testing dates to range between 47 and 60 days, the District did not want to interrupt instruction for such a large portion of the instructional year. To support this goal, we ran two testing sessions per day, AM and PM, with students testing in shifts. This process took about 5 weeks to cycle all students through with the number of devices we initially purchased and utilizing the computer lab on each campus. We were able to keep the cohort testing windows to about two weeks per grade level to save instructional days. The level of tech support and training needed was tremendous. Resources of staff, equipment, and funding were applied to achieve the District's goal of minimizing impact to classroom instruction, while successfully completing testing.

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Sincerely,

A handwritten signature in black ink, appearing to read "Mark Evans".

Mark Evans

Associate Superintendent of Business and Administrative Services

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

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