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Office of Audits and Investigations
Audit Status Summary Report
For the Period September 21, 2011 through June 25, 2012

Time and Labor Audits:								
Major Findings	Crawford-IDEA	SDHS-Complex	SDHS-International Studies	SDHS-Business	SDHS-CIMA	SDHS-LEADS	SDHS-MVPA	SDHS-SciTech
All extended-day payments for several employees lacked written approval or certification from the principal for services rendered by the employees.		\$125,626.44						
Timekeeper entered units of extended day payments for himself for additional assignment that he did not actually perform.		3 units \$2,721.16						
Timekeeper entered units of extended day payments for to a teacher for additional assignment that the teacher did not actually perform.		1 unit \$907.05						
Timekeeper unofficially approved/certified units of extended day payments for 6 employees.		14.5 units \$13,152.25						
Extended day units were given to several employees although there was no allocated extended units for each of these assignments.		\$11,111.38						
Extended day units paid to several employees exceeded the number of units allocated to each assignment.		\$9,750.81						
The financial clerk, a classified employee, not qualified to served as a Freshman Club advisor received additional pay.		\$907.05						
Inappropriate approval of timecards	8.5 hours \$2,007.41							
Overtime hours entered by the administrative assistant did not have supporting timecards on file.								214 Hours \$5,886.64
Overtime hours of the administrative assistant were significantly higher compared to overtime hours of administrative assistant at the other five sites.								X
Overtime hours entered by the administrative assistant for himself exceeded the overtime hours indicated on the timecard, resulted in overpayments.								\$123.75
Timekeeper paid employee for work that was not done.								\$100.07

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Employees submitted additional hourly timecards that are within the normal teaching days that are part of the regular service contract resulted in overpayments.			\$1,094.55	\$1,030.67	\$1,100.39	\$453.70	\$336.15	\$10,229.96
Employees submitted timecards with overlapping hours resulting in overpayments.			\$571.58					
Discrepancies in hours reported resulted in overpayments.				\$578.61		\$1,028.05		
Time reporting code was incorrectly used resulting in overpayments.				\$503.82			\$4,554.87	
The principal authorized the misuse of district assets by paying a pupil advocate for time that was not actually work - to reimburse for expenditures incurred attending 2 conferences.			\$668.59					
Hours not eligible for payment were reported on a different date in order to enable the pay to process.							X	
Classified staff, lacking management authority, signed as the approver for timecards. The signing staff member also input the data into the time and labor system.			\$1,360.58	\$574.74		\$2,078.12		
Absences were not recorded in the system.			86 Hours	37 Hours	40 Hours	81.50 Hours	111 Hours	91 Hours
Timecards not reported to the time and labor system.								
Timecards were missing authorization.	14.5 hours \$431.23		53 Hours 5 Units \$6,486.77	96 hours \$2,376.46		75 Hours 23 Units \$23,238.74		
Benefit absences missing authorizations.	136 hours			8 hours				
Regular full time employees were allowed to work more than 10 additional hours per week, exceeding the hourly assignment cap.			224 hours \$7,100.08	79.97 Hours \$3,232.16	27 hours \$802.98	117.60 Hours \$3,471.94	110 Hours \$4,050.21	104 Hours \$4,001.08
Timecards paid did not indicate the reason or description of overtime work.							115.5 Hours \$3,921.78	651.5 Hours \$22,765.51

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Outdated timecards were used as a result starting and ending hours are not accounted.								425.5 Hours \$16,450.54
Supporting documents such as timecards were missing.	26 hours \$8,919.40		27.5 Hours \$872.46	141.8 Hours \$4,615.33	315 Hours \$9,751.82	90.50 Hours \$2,759.33	108 Hours \$3,834.83	497 Hours \$15,581.52
Supporting documentation for absences were missing.	29 instances 152.75 hours		62 instances 414.76 Hours	21 instances 159.36 hours	159 Hours	30 instances 224.36 Hours	325 Hours	264 Hours
Errors in the proper completion of timecards.	39	36 (50%)	141	46		446		
Timekeeper posted vacation hours for days during Thanksgiving week that are required to be posted as "Unpaid".				3 days 24 Hours				
Personal business leave taken exceeded the limit of 3 days per fiscal year.				X				
"Short Term Leave with Pay Request" form lacked the required explanation.				X		X		
The monthly Audit Paid to Reported Time reports are not prepared and not signed by the principal documenting review and approval.	X	X		X				X
Posting errors resulting in employee's accrued benefit balances being understated.						56 Hours		
Payroll documents such as timecards and leave forms are not filed in an efficient manner.								X
Audit Response	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations	Administrator is responsive to Internal Audit's recommendations
Results		District has taken necessary action.	District has taken necessary action.	District has taken necessary action.	District has taken necessary action.	District has taken necessary action.	District has taken necessary action.	District has taken necessary action.

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ASB Audits:			
Major Findings	Crawford High	San Diego High	Wilson Middle
Athletic Director submitted expenses and received payment from the illegal Foundation-Athletics account for expenses already reimbursed to him by the district.		\$590.65	
Principal had the illegal Foundation-Athletics account pay for personal expenses known to be not permitted expenditure.		\$466.65	
The illegal Foundation-Athletics account was used to pay the financial clerk for services already paid by the district.		\$500.00	
Misappropriation of district facility rentals by diverting monies to ASB after being instructed that practice was prohibited-5/2005-7/2008		\$123,570.00	
District facilities were rented to non district organizations without a permit-7/2009-8/2010 and proceeds were deposited into ASB instead of district.		\$21,956.25	
Part of the rental income-7/2009-6/2010 was transferred to 2 trust accounts under the discretion of the Athletic Director and used for his personal expenses and expenses benefitting the faculty.		\$7,662.68	
Inappropriate expenses using facility rental income deposited in the ASB by the Athletic Director.		\$2,885.42	
Athletic Director continued renting facilities-9/2010-3/2011 despite being advised by the rental office to stop the practice and to prevent oversight and expenditure monitoring, diverted rental income from the district to the illegal Foundations-Athletics account.		\$27,987.50	
Basketball team trip to Las Vegas did not have approval of the Board of Education.		X	
Financial clerk paid a questionable invoice.		\$2,455.24	
Prohibited purchase using the illegal Foundation-Athletics account.		\$2,033.21	
The illegal Foundation-Athletics account was used to pay for restricted expenditures.		\$800.00	
The illegal Foundation-Athletics account was used to pay several expense without supporting documents.		\$15,508.32	
Rental income-7/2010-10/2011 were commingled in the ASB trust accounts for various athletics account.		\$27,067.50	
School continued to allow non-district organizations not qualified to use the School site facilities without a permit from the Rental Office. FY 2010-2011		X	
A teacher sold various sporting goods to the school in violation of district procedure 2225 and 2415.		\$29,186.07	
The teacher selling various sporting goods to ASB introduced a vendor to the school who did not have a business license, and acted like an agent for the vendor-9/2010-3/2012		\$28,543.25	
ASB funds were used to pay for salaries instead of through the district's payroll system.		\$5,430.00	
Inappropriate donations to nonprofit organizations, students or families in need.		\$1,071.74	

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ASB Audits:			
Major Findings	Crawford High	San Diego High	Wilson Middle
Improper payment processing resulting in overpayments.		\$549.37	
Failure to follow proper accounting practice through validating invoice totals resulted in overpayments.		\$750.03	
High risk activities were conducted at the school site in violation of procedure no. 5153.		\$3,376.50	
District official records destroyed by employee.	X		
Misuse of ASB funds through inappropriate expenditures.	\$580.11	\$7,460.52	
Collections were not deposited timely.	\$124.92		
ASB fund was used to purchase gift cards	\$95.00		
Employees were over reimbursed.	\$33.00		
Unaccounted/Missing collections.		\$100.00	
Unaccounted sales income-Student Store	\$9,145.37		
Unaccounted sales income-Yearbooks		\$1,445.00	
Unaccounted sales income-Spirit packs	\$435.00		
A teacher collected monies and deposited collection in his own personal checking account.		\$14,600.00	
A teacher used an unofficial supplementary receipts.		X	
Supplementary receipts were not crossed referenced on the master receipts.			X
Tickets were not properly controlled resulting in unaccounted tickets.		\$541.00	
Tickets sold had no ticket recap to reconcile cash deposits.			X
The 80% net proceeds from football games in 2010 and 2011 remitted by the school to the district were understated.		\$1,325.51	
The financial clerk violated district policy by giving out cash refunds from the collections.		\$110.00	
To avoid compliance to district policy on the restriction that limits purchases to less than \$500, a district purchase card purchase was combined with the use of ASB funds.		\$655.74	
ASB checks were released to payee bearing only one signature of the required two signatures.		23	
Raffle was conducted at the school site in violation of procedure no. 2265.		X	
Duplicate payments	\$219.80		

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ASB Audits:			
Major Findings	Crawford High	San Diego High	Wilson Middle
Missing supporting documents.		\$19,346.01	
Inadequate supporting documents.	\$3,120.52	\$58,296.69	\$922.19
Invoices supporting expenditures were not canceled.		X	X
Funds collected for Lost Book are not remitted to the district.		\$10,796.16	
The required documentation is not prepared for refunds for "Lost Books"		X	
Proper approval signatures were missing on the ASB requisition.	116	299	
Consultant form missing.		11 \$2,021.20	
Equipment purchased from ASB without approval of Area Superintendent.	\$1,291.83		
Competitive bids not solicited.	X	X	
School signed a multi year contract against district policy that restricts contracts to the current year.		X	
Sales and use tax were not reported to the district.		X	
Journal vouchers not posted resulting in inaccurate book balances.		3	
Scholarship accounts are inactive and the criteria for granting scholarships are missing.		\$216,755.29	
Students working at the student store were paid wages in the guise of scholarships.		\$7,900.00	
Inappropriate expenditures in paying students' grad night tickets.		\$880.00	
Food was prepared on the premises in violation of procedure no. 2270.		X	
Missing approval forms for non-district organizations' fund-raisers.	X	X	
Revenue potential analysis of fund raising was not prepared.	X	X	
Inactive trust accounts were not reviewed.	26 accounts \$12,294.38	19 accounts \$9,596.04	6 accounts \$2,360.32
ASB Constitution was not found.			X
Missing "Request for Organization of a School Club"	X	X	X
Missing "Club Advisor Checklist".	X	X	X
ASB Minutes lacks required information.			X
ASB advisor is not a certificated member of the school faculty.		2	

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ASB Audits:			
Major Findings	Crawford High	San Diego High	Wilson Middle
Club constitutions were not on file.	X	49 clubs	
Annual merchandise inventory was not taken.	X	X	4 years
Audit Response	Principal is responsive to Internal Audit's recommendations	The Principal of Operation is responsive to Internal Audit's recommendations	Principal is responsive to Internal Audit's recommendations
Result		District has taken necessary action.	

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Purchase Card Audits:

Major Findings	Crawford High	SDHS-CIMA	SDHS-IS	SDHS-MVPA	SDHS- SciTech
Inappropriate use of purchase card.	\$1,363.38		\$89.00		
Split purchase		\$902.57	\$1,080.00		
Missing supporting documents.	\$1,002.66			\$158.09	\$597.58
Inadequate supporting documents	\$6,219.54	\$1,508.11		\$1,308.86	\$2,947.12
Food purchases in violation of procedure 2518	\$1,115.68	\$1,531.53		\$1,177.26	\$215.86
Food purchases in violation of 2010-11 Spending Guidelines		\$275.09			
Use tax not reported		\$24.13		\$114.40	\$120.86
Audit Response	Principal was responsive to Internal Audit's recommendati ons	Principal was responsive to Internal Audit's recommendati ons	Principal was responsive to Internal Audit's recommendati ons	Principal was responsive to Internal Audit's recommendati ons	Principal was responsive to Internal Audit's recommendati ons
Results					

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Special Audit		Audit Findings
1. Review of Purchases from Lapes Athletic Team Sales	1.1	The SRHS ASB accounts made 9 payments to Lapes totaling \$8,572.42 including one payment that created a \$25.00 credit in the "slush account".
	1.2	The SRHS name and address were used on invoices that were sent to the attention of the former football coach for purchases from Lapes that were actually Booster Club purchases.
	1.3	On June 10, 2010, SRHS management entered into a subsequent contract with Adidas to buy athletic equipment and supplies in violation of District Procedure 1570.
Results		Scripps Ranch High School management has agreed with Internal Audit's finding and has agreed to follow district policies and procedures for the purchase of athletic equipment and supplies.
2. Review of Police Services Vehicle Usage	2.1	The Chief of Police and one Lieutenant reside outside the 20 miles radius defined by Police Services policy and procedure for the assignment of a take home district "law enforcement" vehicle.
	2.2	A specific district Administrative Procedure has not been developed and approved by the San Diego Unified School District Board of Education governing the usage of district "law enforcement" vehicles.
Results		Police Services agrees with these findings and will enforce existing policy and procedure by April 1, 2012. Police services will also implement policies and procedures to govern the use of District "law enforcement" vehicles for approval by the Board of Education.
3. Review of Instructional Minutes at Specific High Schools	3.1	The approved instructional minutes for the 2011-2012 school year for Point Loma High School do not conform to the direction provided by the California Department of Education and may not meet the minimum requirement for calculation of instructional minutes.
	3.2	The approved instructional minutes for the 2011-2012 school year for Henry High School do not conform to the direction provided by the California Department of Education and may not meet the minimum requirement for calculation of instructional minutes.
	3.3	The approved instructional minutes for the 2011-2012 school year for Serra High School do not conform to the direction provided by the California Department of Education and may not meet the minimum requirement for calculation of instructional minutes.
Results		The Deputy Superintendent of Academics asked the Area Superintendents to speak with the affected principals to provide suggested remedies to bring these schools into compliance with the required number of instructional minutes per day.
4. Review of Instructional Minutes and Enrollment Reporting	4.1	Four of twenty schools sampled did not submit a monthly "Gain/Loss Report" to Pupil Accounting in violation of district Administrative Procedure 6166.
	4.2	Four of twenty schools sampled did not submit a "Monthly Accumulative Daily Attendance Report" to Pupil Accounting in violation of district Administrative Procedure 6166.
Results		The Attendance Department agreed with the findings, has obtained all missing reports and signatures, and will contact schools and area superintendents to ensure compliance.

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Special Audit		Audit Findings
5. Review of Warrant and Check Processing Control	5.1	The School District has not designated a person to issue warrants, thus violating State of California Education code section 42647.
	5.2	Blank warrant stock maintained by the district Fiscal Control Department was not properly secured.
	5.3	A permanent log of warrant and check stock was not maintained, thus violating district Administrative Procedure 2215.
	5.4	A "Spoiled Warrant/Check Stock Log" was not maintained for spoiled warrants that were processed by Fiscal Control, Accounts Payable and Computer Operations, thus violating district Administrative Procedure 2215.
	5.5	School District Administrative Procedure 2215 has not been revised since 2003 and is out of date with current procedures for warrant and check processing and control.
	5.6	School District Administrative Procedure 2217 has not been revised since 2003 and is out of date with current procedures for warrant check signature control.
	5.7	Old unnumbered warrant stock, unusable defective warrant stock and voided printed warrants from 2006 were not accounted for and destroyed.
	5.8	Errors were noted for the completion of the "Warrant Accountability Log" and the electronic computer file titled. "Payroll Warrant Log" maintained by the Computer Operations Department.
	5.9	The "Warrant Accountability Log" completed by the Computer Operations Department does not include specific areas for approval and receipt of printed warrants.
	5.10	An incomplete zip code for the mailing of completed warrants and payroll advices prevents the printing of postal bulk mailing permit information on warrants and payroll advices.
Results		General Counsel, the school district Finance Division and the school district Information and Technology Department agree with the findings and will implement the recommendations to improve internal controls and comply with the California Education Code.
6. Additional Administrative Pay Audit	6.1	The review identified \$11,734 of the \$409,010 (3%) paid for 264.5 hours for dates worked within the contract and therefore not eligible for paying for additional time worked.
	6.2	Site administrators self-paid in the amount of \$30,413 in 71 occurrences for 464 hours without having documented approval of the next level supervision (Area Superintendent) or signed self-approving.
	6.3	Timecard processing showed 129 timecards (10%) for 782 hours totaling \$41,841 were missing.
	6.4	Timecard processing showed 279 timecards (24%) for 1,778 hours totaling \$98,402 had various errors in completion.
Results		This audit disclosed discrepancies in payroll accounting for administrators. IT changed the payroll input process to prevent administrator pay entry. The Deputy Superintendent of Instruction and Area Superintendents addressed the need for compliance to district policy and procedure. The payroll department will monitor to acquire reimbursement for all overpayments.