

CLOVIS UNIFIED SCHOOL DISTRICT

Audit Report

NOTIFICATION OF TRUANCY PROGRAM

Chapter 498, Statutes of 1983; Chapter 1023, Statutes of 1994;
Chapter 19, Statutes of 1995; and Chapter 69, Statutes of 2007

July 1, 2006, through June 30, 2009



JOHN CHIANG
California State Controller

January 2012



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California State Controller

January 31, 2012

Jim Van Volkinburg, D.D.S., President
Governing Board
Clovis Unified School District
1450 Herndon Avenue
Clovis, CA 93611

Dear Dr. Volkinburg:

The State Controller's Office audited the costs claimed by the Clovis Unified School District for the legislatively mandated Notification of Truancy Program (Chapter 498, Statutes of 1983; Chapter 1023, Statutes of 1994; Chapter 19, Statutes of 1995; and Chapter 69, Statutes of 2007) for the period of July 1, 2006, through June 30, 2009.

The district claimed \$818,587 for the mandated program. Our audit disclosed that \$694,615 is allowable and \$123,972 is unallowable. The costs are unallowable because the district claimed non-reimbursable and noncompliant initial truancy notifications. The State paid the district \$113,847. The State will pay allowable costs claimed that exceed the amount paid, totaling \$580,768, contingent upon available appropriations.

If you disagree with the audit findings, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (CSM). The IRC must be filed within three years following the date that we notify you of a claim reduction. You may obtain IRC information at the CSM's Web site at www.csm.ca.gov/docs/IRCForm.pdf.

If you have any questions, please contact Jim L. Spano, Chief, Mandated Cost Audits Bureau, at (916) 323-5849.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD
Chief, Division of Audits

JVB/bf

cc: Janet Young, Ed.D., Superintendent
Clovis Unified School District
Michael Johnston, Assistant Superintendent
Business Services
Clovis Unified School District
Pat Kraft, Director
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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by the Clovis Unified School District for the legislatively mandated Notification of Truancy Program (Chapter 498, Statutes of 1983; Chapter 1023, Statutes of 1994; Chapter 19, Statutes of 1995; and Chapter 69, Statutes of 2007) for the period of July 1 2006, through June 30 2009.

The district claimed \$818,587 for the mandated program. Our audit disclosed that \$694,615 is allowable and \$123,972 is unallowable. The costs are unallowable because the district claimed non-reimbursable and noncompliant initial truancy notifications. The State paid the district \$113,847. The State will pay allowable costs claimed that exceed the amount paid, totaling \$580,768, contingent upon available appropriations.

Background

Education Code section 48260.5 (added by Chapter 498, Statutes of 1983) originally required school districts, upon a pupil's initial classification as a truant, to notify the pupil's parent or guardian by first-class mail or other reasonable means that: (1) the pupil is truant; (2) parents or guardians are obligated to compel the pupil's attendance at school; (3) parents or guardians who fail to meet this obligation may be guilty of an infraction and subject to prosecution; (4) alternative educational programs are available in the district; and (5) they have the right to meet with appropriate school personnel to discuss solutions to the pupil's truancy.

Chapter 1023, Statutes of 1994, amended Education Code section 48260.5 to additionally require school districts to notify the pupil's parent or guardian that (1) the pupil may be subject to prosecution; (2) the pupil may be subject to suspension, restriction, or delay of the pupil's driving privilege; and (3) it is recommended that the parent or guardian accompany the pupil to school and attend classes with the pupil for one day.

Chapter 1023, Statutes of 1994, and Chapter 19, Statutes of 1995, amended Education Code section 48260 and renumbered it to section 48260, subdivision (a), stating that a pupil is truant when he or she is absent from school without valid excuse three full days in one school year or is tardy or absent for more than any 30-minute period during the school day without a valid excuse on three occasions in one school year, or any combination thereof.

On November 29, 1984 the State Board of Control (now the Commission on State Mandates [CSM]) determined that Chapter 498, Statutes of 1983, imposed a state mandate upon school districts reimbursable under Government Code section 17561.

The parameters and guidelines establish the state mandate and define reimbursement criteria. The CSM adopted parameters and guidelines on August 27, 1987. The CSM subsequently amended the parameters and guidelines four times, most recently on May 27, 2010. In compliance with Government Code section 17558, the SCO issues claiming instructions to assist local agencies and school districts in claiming mandated program reimbursable costs.

Objective, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Notification of Truancy Program for the period of July 1, 2006, through June 30, 2009.

Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, were not funded by another source, and were not unreasonable and/or excessive.

We conducted this performance audit under the authority of Government Code sections 12410, 17558.5, and 17561. We did not audit the district's financial statements. We conducted the 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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.

Conclusion

Our audit disclosed instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Summary of Program Costs (Schedule 1) and in the Findings and Recommendations section of this report.

For the audit period, Clovis Unified School District claimed \$818,587 for costs of the Notification of Truancy Program. Our audit disclosed that \$694,615 is allowable and \$123,972 is unallowable.

The State paid the district \$113,847. Our audit disclosed that \$694,615 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$580,768, contingent upon available appropriations.

Views of Responsible Official

We issued a draft audit report on December 14, 2011. On January 9, 2012, we received an e-mail from Joni Eisner, Mandated Costs Coordinator, stating that the district would not respond to the draft audit report.

Restricted Use

This report is solely for the information and use of Clovis Unified School District, the Fresno 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 report, which is a matter of public record.

Original signed by

JEFFREY V. BROWNFIELD
Chief, Division of Audits

January 31, 2012

**Schedule 1—
Summary of Program Costs
July 1, 2006, through June 30, 2009**

<u>Cost Elements</u>	<u>Actual Costs Claimed</u>	<u>Allowable Per Audit</u>	<u>Audit Adjustment</u>	<u>Reference ¹</u>
<u>July 1, 2006, through June 30, 2007</u>				
Number of initial truancy notifications	16,734	15,344	(1,390)	Findings 1, 2
Uniform cost allowance	x \$16.15	x \$16.15	x \$16.15	
Subtotal	270,254	247,806	(22,448)	
Noncompliant initial truancy notifications	-	(61,952)	(61,952)	Finding 3
Total program costs	<u>\$ 270,254</u>	185,854	<u>\$ (84,400)</u>	
Less amount paid by the State		<u>(53,706)</u>		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 132,148</u>		
<u>July 1, 2007, through June 30, 2008</u>				
Number of initial truancy notifications	16,374	14,896	(1,478)	Finding 2
Uniform cost allowance	x \$17.28	x \$17.28	x \$17.28	
Total program costs	<u>\$ 282,943</u>	257,403	<u>\$ (25,540)</u>	
Less amount paid by the State		<u>(8)</u>		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 257,395</u>		
<u>July 1, 2008, through June 30, 2009</u>				
Number of initial truancy notifications	14,960	14,169	(791)	Finding 2
Uniform cost allowance	x \$17.74	x \$17.74	x \$17.74	
Total program costs	<u>\$ 265,390</u>	251,358	<u>\$ (14,032)</u>	
Less amount paid by the State		<u>(60,133)</u>		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 191,225</u>		
<u>Summary: July 1, 2006, through June 30, 2009</u>				
Total program costs	<u>\$ 818,587</u>	694,615	<u>\$ (123,972)</u>	
Less amount paid by the State		<u>(113,847)</u>		
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 580,768</u>		

¹ See the Findings and Recommendations section.

Findings and Recommendations

**FINDING 1—
Overstated allowable
initial truancy
notifications**

For fiscal year (FY) 2006-07, the district overstated the number of allowable initial truancy notifications distributed. As a result, the district claimed unallowable costs totaling \$5,184.

The district provided a list of students for whom it distributed initial truancy notifications. The number of initial truancy notifications documented did not agree with the number of notifications claimed.

The following table details the audit adjustment:

	Fiscal Year 2006-07
Number of notifications documented	16,413
Less number of notifications claimed	<u>(16,734)</u>
Overstated number of notifications	(321)
Uniform cost allowance	<u>x \$16.15</u>
Audit adjustment	<u>\$ (5,184)</u>

The program’s parameters and guidelines instruct claimants to claim mandate-related costs by reporting the number of initial truancy notifications distributed during the year. They also require claimants to maintain documentation that supports the total number of initial notifications of truancy distributed.

Recommendation

We recommend that the district claim the number of allowable initial truancy notifications that its records support for the current school year.

**FINDING 2—
Non-reimbursable initial
truancy notifications**

The district claimed non-reimbursable initial truancy notifications totaling \$56,836. The district claimed notifications for students who did not accumulate the required number of unexcused absences or tardiness occurrences to be classified as truant under the mandated program.

The district accounts for student attendance differently depending on the student’s grade level. Therefore, we stratified students into two groups for each year: those students subject to daily attendance accounting and those subject to period attendance accounting. We excluded notifications distributed for Clovis Community Elementary Day School students from the population used to select our sample and extrapolate the sample results. We excluded five notifications for FY 2007-08 and eight notifications for FY 2008-09.

The following table summarizes the notifications sampled:

	Fiscal Year		
	2006-07	2007-08	2008-09
Daily attendance accounting:			
Documented notifications	4,517	4,615	4,171
Number of notifications excluded	-	(5)	(8)
Total notifications sampled, daily attendance accounting	<u>4,517</u>	<u>4,610</u>	<u>4,163</u>
Total notifications sampled, period attendance accounting	<u>11,896</u>	<u>11,759</u>	<u>10,789</u>

For each group of students, we selected a statistical sample of initial truancy notifications based on a 95% confidence level, a precision rate of +/-8%, and an expected error rate of 50%. We used statistical samples so that we could project the sample results to the population for each group.

Some initial truancy notifications the district claimed were non-reimbursable for the following reasons:

- Students accumulated fewer than three unexcused absences or tardiness occurrences while between ages 6 and 18.
- Students accumulated fewer than three unexcused absences or tardiness occurrences.

The following table summarizes the non-reimbursable initial truancy notifications identified in our statistical sample:

	Fiscal Year		
	2006-07	2007-08	2008-09
Number of unexcused absences and tardiness occurrences accumulated during the school year:			
Daily attendance accounting:			
Fewer than three while between ages 6 and 18	(23)	(11)	(24)
Fewer than three total	<u>(1)</u>	<u>(8)</u>	<u>(1)</u>
Unallowable initial truancy notifications, daily attendance accounting	<u>(24)</u>	<u>(19)</u>	<u>(25)</u>
Period attendance accounting:			
Fewer than three while between ages 6 and 18	(3)	(7)	(1)
Fewer than three total	<u>(1)</u>	<u>(4)</u>	<u>-</u>
Unallowable initial turancy notifications, period attendance accounting	<u>(4)</u>	<u>(11)</u>	<u>(1)</u>

The following table summarizes the audit adjustment based on the unallowable initial truancy notifications identified for each group sampled:

	Fiscal Year			Total
	2006-07	2007-08	2008-09	
Daily attendance accounting:				
Number of unallowable initial truancy notifications from statistical sample	(24)	(19)	(25)	
Statistical sample size	÷ 145	÷ 145	÷ 145	
Unallowable percentage	(16.55)%	(13.10)%	(17.24)%	
Population sampled	x 4,517	x 4,610	x 4,163	
Extrapolated number of unallowable initial truancy notifications	(748)	(604)	(718)	
Uniform cost allowance	x \$16.15	x \$17.28	x \$17.74	
Unallowable costs, daily attendance accounting	\$ (12,080)	\$ (10,437)	\$ (12,737)	\$ (35,254)
Period attendance accounting:				
Number of unallowable initial truancy notifications from statistical sample	(4)	(11)	(1)	
Statistical sample size	÷ 148	÷ 148	÷ 148	
Unallowable percentage	(2.70)%	(7.43)%	(0.68)%	
Population sampled	x 11,896	x 11,759	x 10,789	
Extrapolated number of unallowable initial truancy notifications	(321)	(874)	(73)	
Uniform cost allowance	x \$16.15	x \$17.28	x \$17.74	
Unallowable costs, period attendance accounting	\$ (5,184)	\$ (15,103)	\$ (1,295)	\$ (21,582)
Audit adjustment	\$ (17,264)	\$ (25,540)	\$ (14,032)	\$ (56,836)

Education Code section 48260, subdivision (a), as amended in 1994 states:

Any pupil subject to compulsory full-time education or to compulsory continuation education [emphasis added] who is absent from school without valid excuse three full days in one school year or tardy or absent for more than any 30-minute period during the schoolday [sic] without a valid excuse on three occasions in one school year, or any combination thereof, is a truant. . . .

Education Code section 48200 states that children between the ages of 6 and 18 are subject to compulsory full-time education. Therefore, student absences that occur before the student’s 6th birthday or after the student’s 18th birthday are not relevant when determining whether a student is a truant.

The parameters and guidelines state:

A truancy occurs when a student is absent from school without valid excuse three (3) full days in one school year, or is tardy or absent without valid excuse for more than any thirty (30)-minute period during the school day on three (3) occasions in one school year, or any combination thereof.

Recommendation

We recommend that the district claim initial truancy notifications only for those students who meet the truancy definition provided in the parameters and guidelines.

**FINDING 3—
Noncompliant initial
truancy notifications**

The district claimed unallowable costs totaling \$61,952 for FY 2006-07. The costs are unallowable because the district distributed initial truancy notifications that did not comply with the parameters and guidelines.

Effective July 1, 2006, the parameters and guidelines require that districts distribute initial truancy notification forms that notify parents/guardians of the following eight items:

1. The pupil is truant.
2. The parent or guardian is obligated to compel the attendance of the pupil at school.
3. Parents or guardians who fail to meet the obligation specified in item 2 may be guilty of an infraction and subject to prosecution pursuant to Article 6 (commencing with Section 48290) of Chapter 2 of Part 27.
4. Alternative educational programs are available in the district.
5. The parent or guardian has the right to meet with appropriate school personnel to discuss solutions to the pupil’s truancy.
6. The pupil may be subject to prosecution under Education Code section 48264.
7. The pupil may be subject to suspension, restriction, or delay of the pupil’s driving privileges pursuant to Vehicle Code section 13202.7.
8. It is recommended that the parent or guardian accompany the pupil to school and attend classes with the pupil for one day.

The district distributed notifications that included only items one through six above. Therefore, we allowed only 75% of the unit cost allowance for each allowable notification.

The following table summarizes the audit adjustment:

	Fiscal Year 2006-07
Number of notifications documented	16,413
Less unallowable daily attendance notifications (Finding 2)	(748)
Less unallowable period attendance notifications (Finding 2)	<u>(321)</u>
Allowable initial truancy notifications	15,344
Uniform cost allowance	<u>x \$16.15</u>
Subtotal	\$ 247,806
Unallowable percentage	<u>x (25)%</u>
Audit adjustment	<u>\$ (61,952)</u>

Recommendation

We recommend that the district ensure that all initial truancy notifications contain the minimum information required by the parameters and guidelines.

**State Controller's Office
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<http://www.sco.ca.gov>