

KERN HIGH SCHOOL DISTRICT

Audit Report

AIDS PREVENTION INSTRUCTION II PROGRAM

Chapter 818, Statutes of 1991; Chapter 650,
Statutes of 2003; Chapter 403, Statutes of 1998; and
Chapter 234, Statutes of 1999

July 1, 2003, through June 30, 2008



JOHN CHIANG
California State Controller

February 2010



JOHN CHIANG
California State Controller

February 26, 2010

Joel Heinrichs, President
Board of Trustee
5801 Sundale Avenue
Bakersfield, CA 93309

Dear Mr. Heinrichs:

The State Controller's Office audited the costs claimed by Kern High School District for the legislatively mandated AIDS Prevention Instruction II Program (Chapter 818, Statutes of 1991; Chapter 650, Statutes of 2003; Chapter 403, Statutes of 1998; and Chapter 234, Statutes of 1999) for the period of July 1, 2003, through June 30, 2008.

The district claimed \$2,321,025 for the mandated program. Our audit disclosed that the entire amount is allowable. The State paid the district \$973,854. The State will pay allowable costs claimed that exceed the amount paid, totaling \$1,347,171, contingent upon available appropriations.

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/sk:vb

cc: David Chalupa

Director of Fiscal Services
Kern High School District

Paul Bealesio

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Audit Report

Summary

The State Controller's Office (SCO) audited the costs claimed by Kern High School District for the legislatively mandated AIDS Prevention Instruction II Program (Chapter 818, Statutes of 1991; Chapter 650, Statutes of 2003; Chapter 403, Statutes of 1998; and Chapter 234, Statutes of 1999) for the period of July 1, 2003, through June 30, 2008.

The district claimed \$2,321,025 for the mandated program. Our audit disclosed that the entire amount is allowable. The State paid the district \$973,854. The State will pay allowable costs claimed that exceed the amount paid, totaling \$1,347,171, contingent upon available appropriations.

Background

Chapter 818, Statutes of 1991, added Education Code sections 51201.5 and 51229.8. Chapter 650, Statutes of 2003, moved the content to sections 51934 and 51935, respectively. Chapter 818, Statutes of 1991, requires school districts with pupils in grades 7 through 12 do the following:

- Cooperatively plan and conduct in-service training for all teachers and school employees who provide AIDS prevention instruction, including salaries and benefits of resource teachers who instruct employees and students;
- Provide appropriate written notice explaining the purpose of the AIDS prevention instruction to each pupil's parent or guardian; and
- Participate in the selection and purchase of AIDS instructional materials.

Chapter 403, Statutes of 1998, amended Education Code section 51201.5 and added section 51554. Chapter 650, Statutes of 2003, moved the content to sections 51934 and 51930, respectively. Chapter 403, Statutes of 1998, added new mandate activities on school districts as follows:

- Include various information in the AIDS prevention instruction;
- Revise the annual parent or guardian notifications regarding the right to obtain a copy of specified Education Code sections from the school district;
- Keep file copies of the specified Education Code sections and make them available to parents or guardians on request;
- Notify parents or guardians by mail or other method used by the school district to provide notices each time an outside organization or guest speaker is scheduled to deliver AIDS prevention instruction, each time an assembly is held to deliver AIDS prevention instruction. This activity is a mandate if the notification is due to the twice-required (once in junior high or middle school and once in high school) AIDS prevention; and

- Provided notification to parents or guardians, at the beginning of each school year or for pupils that enroll thereafter, at the time of that pupil's enrollment about instruction on sexually transmitted diseases, AIDS, human sexuality or family life that is delivered in an assembly by a teacher or district administrator that is employed by the district only if the notification is due to the twice-required AIDS prevention instruction.

Chapter 234, Statutes of 1999, amended Education Code section 51553, subdivisions (b)(1)(A), and moved the content to section 51930. The law states that factual information presented in course material and instruction shall be medically accurate and objective.

On February 25, 1993, the Commission on State Mandates (CSM) determined that Education Code sections 51201.5 and 51229.8 imposed a state mandate reimbursable under Government Code section 17514.

On October 24, 2002, the CSM determined that Education Code sections 51201.5, as amended, and 51554 imposed a state mandate reimbursable under Government Code section 17514.

The program's parameters and guidelines establish the state mandate and define reimbursement criteria. The CSM adopted the parameters and guidelines on July 22, 1993, and last amended them on December 2, 2003. 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 AIDS Prevention Instruction II Program for the period of July 1, 2003, through June 30, 2008.

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 no material instances of noncompliance with the requirements outlined above.

For the audit period, Kern High School District claimed \$2,321,025 for costs of the AIDS Prevention Instruction II Program. Our audit disclosed that the entire amount is allowable. The State paid the district \$973,854. The State will pay allowable costs claimed that exceed the amount paid, totaling \$1,347,171, contingent upon available appropriations.

**Views of
Responsible
Official**

In a February 19, 2010 e-mail, Paul Bealesio, Budget Director, agreed with the audit results.

Restricted Use

This report is solely for the information and use of Kern High School District, the Kern 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

February 26, 2010

**Schedule 1—
Summary of Program Costs
July 1, 2003, through June 30, 2008**

<u>Cost Elements</u>	<u>Actual Costs Claimed and Allowable per Audit</u>
<u>July 1, 2003, through June 30, 2004</u>	
Direct costs:	
Salaries and benefits	\$ 343,077
Materials and supplies	22,419
Contract services	4,997
Total direct costs	370,493
Indirect costs	22,986
Total direct and indirect costs	393,479
Less amount paid by the State	(393,479)
Allowable costs claimed in excess of (less than) amount paid	\$ —
<u>July 1, 2004, through June 30, 2005</u>	
Direct costs:	
Salaries and benefits	\$ 435,713
Materials and supplies	30,589
Contract services	1,585
Total direct costs	467,887
Indirect costs	31,938
Total direct and indirect costs	499,825
Less amount paid by the State	(499,825)
Allowable costs claimed in excess of (less than) amount paid	\$ —
<u>July 1, 2005, through June 30, 2006</u>	
Direct costs:	
Salaries and benefits	\$ 392,007
Materials and supplies	27,220
Travel training	1,486
Total direct costs	420,713
Indirect costs	10,506
Total direct and indirect costs	431,219
Less amount paid by the State	—
Allowable costs claimed in excess of (less than) amount paid	\$ 431,219

Schedule 1 (continued)

Cost Elements	Actual Costs Claimed and Allowable per Audit
<u>July 1, 2006, through June 30, 2007</u>	
Direct costs:	
Salaries and benefits	\$ 404,668
Materials and supplies	12,938
Total direct costs	417,606
Indirect costs	12,788
Total direct and indirect costs	430,394
Less amount paid by the State	(80,550)
Allowable costs claimed in excess of (less than) amount paid	<u>\$ 349,844</u>
<u>July 1, 2007, through June 30, 2008</u>	
Direct costs:	
Salaries and benefits	\$ 501,505
Materials and supplies	30,903
Travel training	5,064
Total direct costs	537,472
Indirect costs	28,636
Total direct and indirect costs	566,108
Less amount paid by the State	—
Allowable costs claimed in excess of (less than) amount paid	<u>\$ 566,108</u>
<u>Summary: July 1, 2003, through June 30, 2008</u>	
Direct costs:	
Salaries and benefits	\$ 2,076,970
Materials and supplies	124,069
Contracted services	6,582
Travel training	6,550
Total direct costs	2,214,171
Indirect costs	106,854
Total direct and indirect costs	2,321,025
Less amount paid by the State	(973,854)
Allowable costs claimed in excess of (less than) amount paid	<u>\$ 1,347,171</u>

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