



**CSIS** California School Information Services

# Monterey County Office of Education Re: San Lucas Union Elementary School District

## Extraordinary Audit - AB 139

February 3, 2011

Joel D. Montero  
Chief Executive Officer







**CSIS California School Information Services**

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February 3, 2011

Nancy Kotowski, Superintendent  
Monterey County Office of Education  
901 Blanco Circle  
Salinas, California 93912-0851

Dear Superintendent Kotowski:

In August 2010, the Monterey County Office of Education and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement to provide an Assembly Bill (AB) 139 extraordinary audit of the San Lucas Union Elementary School District. Specifically, the agreement stated that FCMAT would perform the following:

1. Review district policies, procedures and specific transactions related to an employee in the Business Department of the school district for accounts payable, payroll processing and absence tracking in accordance with the legal authorization under Education Code Section 1241.5 for the 2008-09 and 2009-10 fiscal years.

This final report contains the study team's findings and recommendations with regard to the above scope of study.

We appreciate the opportunity to serve the district and extend our thanks to all the staff of the Monterey County Office of Education and the San Lucas Union Elementary School District.

Sincerely,

Joel D. Montero  
Chief Executive Officer

**FCMAT**

Joel D. Montero, Chief Executive Officer

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Administrative Agent: Christine L. Frazier - Office of Kern County Superintendent of Schools



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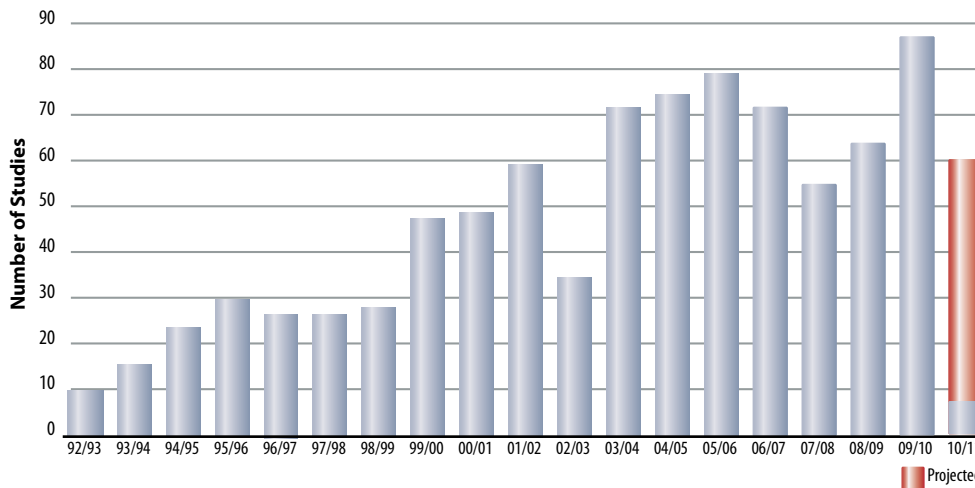
# About FCMAT

FCMAT’s primary mission is to assist California’s local K-14 educational agencies to identify, prevent, and resolve financial and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT’s fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices and efficient operations. FCMAT’s data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and share information.

FCMAT may be requested to provide fiscal crisis or management assistance by a school district, charter school, community college, county office of education, the state Superintendent of Public Instruction, or the Legislature.

When a request or assignment is received, FCMAT assembles a study team that works closely with the local education agency to define the scope of work, conduct on-site fieldwork and provide a written report with findings and recommendations to help resolve issues, overcome challenges and plan for the future.

**Study Agreements by Fiscal Year**



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help local educational agencies operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) arm of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS) and also maintains DataGate, the FCMAT/CSIS software LEAs use for CSIS services. FCMAT was created by Assembly Bill 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. Assembly Bill 107 in 1997 charged FCMAT with responsibility for CSIS and its statewide data management work. Assembly Bill 1115 in 1999 codified CSIS’ mission.

AB 1200 is also a statewide plan for county office of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756

(2004) provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 850 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.



# Introduction

## Background

The San Lucas Union Elementary School District is a single-school K-8 district located approximately 10 miles south of King City in Monterey County. The district is governed by a five-member board and was established in 1900. The main building was constructed in the 1930s and modernized in 1992-93. School facilities include a main building containing three classrooms, a computer lab, media center, multipurpose room, kitchen and office. The district has several portable buildings for additional classroom space. The enrollment for 2009-10 was 56 students, a decline of 69 students since 2004-05.

When a county superintendent becomes aware of an alleged misuse of public funds, the superintendent is responsible for determining whether sufficient evidence exists to support the allegations and is authorized to request a review or audit and report the results to the governing body of the local educational agency (LEA) and the local district attorney and law enforcement.

In August 2010, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the Monterey County Office of Education for an Assembly Bill (AB) 139 extraordinary audit of the San Lucas Union Elementary School District. The county office had received a complaint and allegations that the district may have made erroneous or illegal payments with respect to payroll and possibly accounts payable.

The county office requested that FCMAT provide for the assignment of professionals to study specific aspects of the San Lucas Union Elementary School District. These professionals may include staff from FCMAT, county offices of education, the California Department of Education (CDE), school districts, or private contractors.

FCMAT and the county office subsequently entered into a study agreement. All work is to be performed in accordance with the terms and conditions of this agreement, which specifies that FCMAT will perform the following:

1. Review district policies, procedures and specific transactions related to an employee in the Business Department of the school district for accounts payable, payroll processing and absence tracking in accordance with the legal authorization under Education Code Section 1241.5 for the 2008-09 and 2009-10 fiscal years.

The audit conducted by FCMAT is focused on the alleged fraud, misappropriation of funds, or other illegal fiscal practices that may have occurred in the business office. The payroll and accounts payable functions of the business office are considered high-risk audit areas in which potential fraud issues such as fictitious employees, unauthorized payments for compensation, or misappropriation of assets may be detected.

The study team obtained data and information necessary to perform sample testing of various accounts payable and payroll records. Statistical sample testing and analysis of results are intended to provide reasonable but not absolute assurance as to the accuracy of accounts payable processing, timekeeping and payroll data. This component will evaluate the effectiveness and efficiency of the district's accounts payable and payroll processing functions.

## Study Guidelines

FCMAT provides a variety of services to school districts and county offices of education upon request. Based on Education Code Section 1241.5 (b), a county superintendent of schools may review or audit the expenditures and internal controls of any school district in his or her county if he or she has reason to believe that fraud, misappropriation of funds, or other illegal fiscal practices has occurred that merit examination. The review or audit conducted by the county superintendent shall be focused on the alleged fraud, misappropriation of funds, or other illegal fiscal practices and shall be conducted in a timely and efficient manner. The basis of this audit is to determine if sufficient documentation exists to further investigate the findings, or if there is evidence of criminal activity that should be reported to the local district attorney's office.

This is in accordance with Education Code Section 42638 (b), which states:

If the county superintendent determines that there is evidence that fraud or misappropriation of funds has occurred, the county Superintendent shall notify the governing board of the school district, the State Controller, the Superintendent of Public Instruction, and the local district attorney.

FCMAT representatives visited the district in September 2010 to conduct interviews, collect data and review documents. Specifically, FCMAT reviewed business records including board policies, board minutes, administrative regulations, employee contracts and financial reports secured from the district and from independent sources. The review process also included interviews with the site administrator to develop information concerning any alleged mismanagement or fraud during the past two fiscal years.

This report is the result of those activities and is divided into the following sections.

- Executive Summary
- Background and Chronology
- Findings and Recommendations
- AB 139 Classifications

## Study Team

The FCMAT study team was composed of the following members:

Deborah Deal, CFE  
FCMAT Fiscal Intervention Specialist

Anthony L. Bridges, CFE  
FCMAT Deputy Executive Officer

Laura Haywood  
FCMAT Public Information Specialist

# Executive Summary

Located in southern Monterey County, the San Lucas Union Elementary School District is one of the smaller districts in the county. It is typical in small school districts to have one employee in the business office that is tasked with several functions of business operations. In these cases it is difficult to maintain optimum internal controls, especially with regard to separation of duties. Even in the smallest organization, management must develop internal control systems for proper authorization and review. Therefore, small districts should have another employee or an outside agency periodically perform some oversight functions such as reviewing transactions for accounts payable and payroll.

The district employed a business manager on August 15, 2007. This employee had previously worked for the district for many years as the district's administrative assistant. She terminated her employment in July 2004 and returned approximately three years later to fill the business manager position.

In May 2010 the board of trustees directed the superintendent to evaluate and review the business manager's contract and make any recommendations prior to the expiration of that contract on June 30, 2010. During this review, the superintendent discovered that the amounts paid monthly through the county payroll system did not agree with the total amount authorized by the board of trustees as stated in the employment contract.

When questioned, the business manager explained that the differences were due to the inclusion of unused vacation and payment for legal holidays, which were added to the monthly base compensation. The superintendent disagreed and believed that the business manager should have been compensated based solely on the employment contract base pay amount, according to her interpretation of the employment contract and California Education Code.

Upon further investigation, the superintendent noted that the business manager had taken several days of vacation according to the school district records for the current fiscal year (2009-10) and was not entitled to any payment for unused vacation. Once the business manager became aware that the superintendent was reviewing the absence book (called the Look Book) and personnel records, the business manager destroyed all prior year absence records, stating that these records could be destroyed because they were not listed in the California Association of School Business Officials' (CASBO) Records Retention Manual as "permanent" records.

On June 30, 2010, the business manager's contract was not renewed by the board of trustees, and the superintendent filed a formal complaint with the Monterey County District Attorney's office on July 6, 2010.

On August 20, 2010, the assistant district attorney notified the district that the complaint "appears to be a contract dispute" in which the District Attorney's Office does not generally get involved, and recommended that the district may wish to pursue civil remedies.



# Findings and Recommendations

The concept of separation of duties is based on the need to separate custodial, accounting, and operational responsibilities. This approach provides a system of checks and balances on the competency and integrity of personnel, making it difficult for a single individual to control a complete transaction without review and/or interaction by other employees. Good internal controls in the payroll area require that one employee should not record payroll transactions, reconcile leave records, and have physical control of payroll checks. Appropriate controls for accounts payable would include proper authorization, a review of the commercial warrant listing by another employee to the backup documentation and having all goods delivered to a warehouse or a separate employee who could sign off the delivery receipt.

San Lucas is a very small district and therefore the business employee performs all of the accounting functions that would normally be separated among several other employees in the business office. The business manager was the only employee in the business office and had complete access to all records, processes and interaction with the county financial system for payroll, accounts payable, budget adjustments, budget control, year-end reconciliation, periodic financial reporting and correcting journal entries.

FCMAT reviewed several internal and third party documents for the fiscal years 2007-08, 2008-09 and 2009-10, as follows:

- Payroll records provided by the Monterey County Office of Education
- Financial reports for all payments made in the last three fiscal years for commercial warrants
- The business manager's contract with the district
- Personnel action forms
- Declaration of compensation to the Association of California School Administrators (ACSA) organization
- Monthly salary calculations
- The Look Book – daily staff attendance record for 2009-10

FCMAT noted no irregularities in the accounts payable area; however, there were several discrepancies between the actual payroll records, individual time records and the employment contract that was issued to the business manager during the 2007-08, 2008-09 and 2009-10 fiscal years.

## Payroll Irregularities

The employment contract between the district and the business manager was for the period of August 15, 2007 through June 10, 2010. According to the employment contract, annual compensation was \$49,567 for the 2007-08 school year and increased by 3% per year thereafter. The annual salary was based on a work year of 1728 hours, equivalent to 216 workdays.

In addition to the annual compensation for 2007-08, the business manager was entitled to “ten (10) working days annual vacation with pay, and in addition will receive 11 federally recognized holidays paid.” The vacation days increased to 12 days in 2008-09 and 15 days in 2009-10.

The contract stated that if the business manager did not utilize the full amount of vacation days within the fiscal year, excess days could be either carried over to the subsequent fiscal year or compensated at the hourly rate of pay.

The table below summarizes the annual compensation, number of hours/workdays, vacation allotment and federally recognized holidays per the business manager's employment contract dated August 15, 2007:

***Employment Contract Annual Compensation - Business Manager  
Fiscal Years 2007-08 through 2009-10***

Fiscal Year	Annual Compensation	Work Hours/Days	Vacation Allotment	Federally Recognized Holidays
2007-08	\$49,567	1728 / 216	10	11
2008-09	\$51,054	1728 / 216	12	11
2009-10	\$52,586	1728 / 216	15	11

Because the business manager did not start employment until August 15, 2007, the available workdays would be calculated from the actual start date to June 30, 2008. Therefore, total workdays are reduced by 31 days in the initial year of the employment contract to a total of 185 workdays for the 2007-08 school year.

The district prepares a Personnel Action Form (PAF) for all new hires, changes in compensation or separation from employment. This form contains hourly and monthly rates of pay. In addition, the PAF shows the number of workdays, paid holidays and vacation days signed and approved by the superintendent.

The table below shows the PAFs for each of the three fiscal years:

***Personnel Action Forms - Business Manager  
For the Fiscal Years 2007-08 through 2009-10***

Fiscal Year	Monthly Compensation	Hourly Rate of Pay	Work Hours/Days	Vacation Allotment	Federally Recognized Holidays
2007-08	\$3,966.23	\$26.56	1728 / 216	10	11
2008-09	\$4,707.53	\$29.55	1728 / 216	12	11
2009-10	\$4,909.62	\$30.43	1728 / 216	15	11

The monthly calculation in the table above includes the workdays plus the vacation days and holidays and agrees with the actual payroll records received from the Monterey County Office of Education except for fiscal year 2007-08.

## **Fiscal Year 2007-08**

The payroll records for 2007-08 reflect a monthly payment of \$4,570.68 beginning August 2007. A review of the records indicates that a prior contract, dated July 1, 2007, was initially calculated on 216 workdays plus eight vacation days. This contract was subsequently amended but a new PAF was not completed. The correct monthly calculation is the total workdays (216 - 31) of

185 plus 11 holidays, for a total annual 196 days (without vacation.) Unused vacation would be granted at 0.833 days per month.

Classified Leave Request forms for 2007-08 signed by the employee show that the business manager used 84 hours, or 10.5 days, of vacation as follows:

***Signed Classified Leave Request Forms - Business Manager  
For the Fiscal Year 2007-08***

Date	Number of Hours	Equivalent Number of Days
08/17/07	8	1.0
09/14/07	8	1.0
09/18/07	8	1.0
11/16/07	8	1.0
12/07/07	8	1.0
02/15/08	4	0.5
03/24/08 – 03/27/08	32	4.0
05/02/08	8	1.0
<b>Total</b>	<b>84</b>	<b>10.5</b>

The correct calculation shows that the business manager was overpaid by \$5,414.76 as shown here:

Daily Rate of Pay	\$229.48
Total Available Workdays (185) plus holidays (11)	196
Total Compensation	\$44,977.46
Total Paid	\$50,277.48
Over Vacation Day Allotment – 0.5 days	\$114.74
<b>Total Overpayment for the 2007-08 school year</b>	<b>\$5,414.76</b>

## Fiscal Year 2008-09

The payroll records for 2008-09 reflect a monthly payment of \$4,707.55 equivalent to \$29.55 per hour or 239 total days, and the records agree with the PAFs for that fiscal year. Total days included 216 workdays plus 12 vacation days and 11 holidays.

According to a spreadsheet prepared by the business manager, a total of 96 hours (12 days) of vacation were used in this year:

### *Leave Accounting Record Prepared by the Business Manager For Fiscal Year 2008-09*

Month	Number of Hours	Equivalent Number of Days
July 2008	8	1.0
September 2008	24	3.0
November 2008	16	2.0
April 2009	40	5.0
June 2009	8	1.0
<b>Total</b>	<b>96</b>	<b>12</b>

According to the FCMAT calculations, the employee was overpaid by 12 days for vacation days that were actually taken, for a total of \$2,921.28.

## Fiscal Year 2009-10

The payroll records for 2009-10 reflect a monthly payment of \$4,909.64 equivalent to \$30.43 per hour or 242 total days, and agree with the PAF for that fiscal year. Total days included 216 workdays plus 15 vacation days and 11 holidays.

According to a spreadsheet prepared by the business manager, a total of 120 hours (15 days) of vacation were used in this year:

### *Leave Accounting Record Prepared by the Business Manager For Fiscal Year 2009-10*

Month	Number of Hours	Equivalent Number of Days
July 2009	8	1.0
August 2009	32	4.0
December 2009	18.7	2.34
June 2010	61.3	7.66
<b>Total</b>	<b>120</b>	<b>15</b>

According to the FCMAT calculations, the employee was overpaid by 15 days for vacation days taken of \$3,651.60 less a payroll deduction of \$955.20 in June 2010, for a net overpayment of 2,696.40.

The total overpayment to the business manager totals \$11,032.44 over the three-year period of 2007-08 through 2009-10.



## Internal Controls, Oversight Responsibilities and Other Observations

As demonstrated by the irregularities in the payroll area, proper internal controls and oversight could have prevented these overpayments. For example, the district superintendent or other designated employee could have verified the PAF calculation against the employment contract and the actual monthly payroll. This would have revealed the discrepancy immediately. Having a second review in a small district would provide at least some assurance that internal controls are in place.

Since the departure of the business manager, the district superintendent is performing all the administrative and business functions. This means the superintendent both authorizes and enters transactions into the financial system for accounts payable and payroll. As discussed with the superintendent, these functions need to be separated immediately because this violates generally accepted accounting principles for proper internal controls.

One option that the district superintendent requested and that the Monterey County Office of Education is pursuing is to have a county office employee provide the business services for several small districts at a shared cost. This is an excellent way to provide much-needed services by a well-trained business person while protecting these small districts from improper transactions. In addition, the districts would realize reduced costs because they would not need to hire their own business employee.

Several of the forms signed by the business manager and/or the superintendent were not dated, completely filled out or signed by an authorized agent of the board. The district should ensure that all forms are properly completed and dated by the person authorized to represent the board of trustees.

## Destruction of District Property

It was noted during fieldwork that the business manager destroyed several district records. In particular, the Look Book, which is the official attendance record of each employee, was destroyed for 2007-08 and 2008-09 by the business manager upon learning that the superintendent had directed the assistant principal to review and prepare an accounting of the business manager's attendance.

In a written statement, the assistant principal states that when approached, the business manager told the assistant principal:

“she believed she had thrown out those records while cleaning out the District files. She said she would look through the storage boxes but she was fairly certain they had been trashed since the Look Book was not part of the California Association of School Business Officials (CASBO) ‘Records Retention Manual.’”

In fact, the absence records referred to are clearly identified as permanent records and must not be destroyed. The business manager asserts that the language in the Records Retention Manual does not specifically state a “Look Book,” and therefore this record can be destroyed. District records may have many different titles; however, the intent of absence records is very clear. Under the section of the CASBO Records Retention Manual called Time Records and Time Reports, absence records are considered permanent records.



# AB 139 Classifications

Each audit finding is classified as a material weakness, a reportable condition or an area for management improvement. These classifications are provided to assist the district in developing a corrective plan of action. The district's plan should first address the material weaknesses, then the reportable conditions, and finally the areas for management improvement.

## **Material Weakness**

Material weaknesses are deficiencies in the district's internal controls that are so serious that errors or fraud may occur and not be detected in a timely manner by employees during the normal course of business. A material weakness may also be a violation of current laws or regulations. A material weakness is the most serious type of finding.

## **Reportable Condition**

A reportable condition is a significant deficiency in the design or operation of the district's internal control processes that could adversely affect the district's ability to record, process, summarize and report financial data.

## **Management Improvement**

A management improvement is not a material weakness or reportable condition, but provides suggestions for improving the district's operations to conform to industry best practices.

# Conclusion

Every organization faces a variety of internal and external risks that must be identified, assessed and managed. While all employees in the organization bear some responsibility for internal controls, the governing board, superintendent and upper management are ultimately responsible. These leaders must identify procedures and communicate them clearly and in a timely manner so that personnel can carry out their responsibilities.

FCMAT found significant material weaknesses in the district's internal controls related to payroll and record-keeping processes, which increases the probability of fraud and/or abuse. This concern has intensified because without a business employee, the superintendent is performing all administrative and business functions, which leaves the district without the appropriate internal controls. The district needs to work closely with the Monterey County Office of Education to find solutions that will provide a level of assurance that internal controls are in place and functioning.

Regular external audits are a strong deterrent to mismanagement and fraud, but they cannot serve as the only method of ensuring accountability. The district and governing board should review the findings and recommendations in this report and work with the Monterey County Office of Education to identify and develop internal control systems that will strengthen to reduce the probability of fraud and/or abuse in the future.



# Appendix A

## Study Agreement



02:41:45 p.m. 10-08-2010

# FCMAT

FISCAL CRISIS & MANAGEMENT  
ASSISTANCE TEAM

CSIS California School Information Services

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**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM  
AB 139 EXTRAORDINARY AUDIT  
STUDY AGREEMENT  
September 28, 2010**

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Monterey County Office of Education hereinafter referred to as the COE, mutually agree as follows:

**1. BASIS OF AGREEMENT**

The Team provides a variety of services to school districts and county offices of education upon request. Based on the provisions of Education Code Section 1241.5 (b), a county superintendent of schools may review or audit the expenditures and internal controls of any school district in his or her county if he or she has reason to believe that fraud, misappropriation of funds, or other illegal fiscal practices have occurred that merit examination. The review or audit conducted by the county superintendent shall be focused on the alleged fraud, misappropriation of funds, or other illegal fiscal practices and shall be conducted in a timely and efficient manner.

The Monterey COE has requested that the Team provide for the assignment of professionals to study specific aspects of the San Lucas Union Elementary School District and conduct an AB 139 Extraordinary Audit. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

**2. SCOPE OF THE WORK**

- A. Scope and Objectives of the Study pursuant to the provisions of Education Code Section 1241.5:
1. Review district policies, procedures and specific transactions related to an employee in the Business Department of the school district for accounts payable, payroll processing and absence tracking in accordance with the legal authorization under Education Code Section 1241.5 for the 2008-09 and 2009-10 fiscal years.

The objective of the AB 139 Extraordinary Audit is to determine if any components of fraud, misappropriation of funds or other illegal practices have occurred that merit further examination.

**B. Services and Products to be Provided**

- 1) Orientation Meeting - The Team will conduct an orientation session at the COE to brief COE management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct an on-site review at the COE office and at school sites if necessary.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site review to inform the COE of significant findings and recommendations to that point.
- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the COE administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the COE following completion of the review. The final report will be published on the FCMAT website.
- 7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the COE, if requested, to confirm the COE's progress in implementing the recommendations included in the report, at no cost. Status of the recommendations will be documented to the COE in a FCMAT Management Letter.

**3. PROJECT PERSONNEL**

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer, CFE of the Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- |    |                  |   |
|----|------------------|---|
| A. | Deborah Deal     | FCMAT Fiscal Intervention Specialist, CFE |
| B. | To Be Determined | FCMAT Consultant                          |

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.



02:42:22 p.m. 10-08-2010

#### 4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$800.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings. Cost per day for outside consultants will be billed at the actual daily rate.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. The COE will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the COE.

**Based on the scope of work identified in section 2 A, the estimated total cost is \$10,000.**

- C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools - Administrative Agent.

#### 5. RESPONSIBILITIES OF THE COE

- A. The COE will provide office and conference room space while on-site reviews are in progress.
- B. The COE will provide the following (if requested):
  - 1) A map of the local area
  - 2) Existing policies, regulations and prior reports addressing the study request
  - 3) Current or proposed organizational charts
  - 4) Current and two (2) prior years' audit reports
  - 5) Any documents requested on a supplemental listing
  - 6) Any documents requested on the supplemental listing should be provided to FCMAT in electronic format when possible.
  - 7) Documents that are only available in hard copy should be scanned by the district and sent to FCMAT in an electronic format.
  - 8) All documents should be provided in advance of field work and any delay in the receipt of the requested documentation may affect the start date of the project.

C. The COE Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report. The final report will be posted on the FCMAT website.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with COE pupils. The COE shall take appropriate steps to comply with EC 45125.1(c).

6. **PROJECT SCHEDULE**

The following schedule outlines the planned completion dates for key study milestones:


<b><i>Orientation:</i></b>	<b><i>to be determined</i></b>
<b><i>Staff Interviews:</i></b>	<b><i>to be determined</i></b>
<b><i>Exit Interviews:</i></b>	<b><i>to be determined</i></b>
<b><i>Preliminary Report Submitted:</i></b>	<b><i>to be determined</i></b>
<b><i>Final Report Submitted:</i></b>	<b><i>to be determined</i></b>
<b><i>Board Presentation:</i></b>	<b><i>to be determined</i></b>
<b><i>Follow-Up Support:</i></b>	<b><i>If requested</i></b>

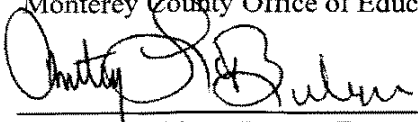
7. **CONTACT PERSON**


Name of contact person: Gary Bousum, Associate Superintendent, Finance

Telephone: (831) 755-0307 FAX: (831) 753-1686

E-mail: gbousum@monterey.k12.ca.us

  
 \_\_\_\_\_  
 Dr. Nancy Kotowski, Superintendent  
 Monterey County Office of Education  
 Date 10/8/10

  
 \_\_\_\_\_  
 Anthony Bridges, Deputy Executive Officer, CFE  
 Fiscal Crisis and Management Assistance Team  
 Date September 28, 2010

REVIEWED FOR FISCAL IMPACT AND  
 ADHERANCE TO MCOE REGULATIONS,  
 POLICIES AND PROCEDURES.  
  
 \_\_\_\_\_  
 AUTHORIZED SIGNATURE