

Sanders Unified School District

District spent more on salaries and benefits in all operational areas than its peers, lacked internal controls and did not comply with important requirements in multiple areas, putting public monies, sensitive computerized data, and District property at risk

Audit purpose

To assess the District's efficiency and effectiveness in 4 operational areas—administration, plant operations and maintenance, food service, and transportation—and its compliance with certain State requirements.

Key findings

- District operated its schools far below capacity levels, using at least an estimated \$697,000 that may have been more effectively used for other priorities.
- District did not adequately monitor its contracted food service management company, resulting in wasted food and spending.
- District did not systematically perform school bus preventative maintenance, risking student safety.
- District lacked approval for some purchases and paid travel reimbursements in advance of travel, resulting in unauthorized purchases and increasing its risk of waste, fraud and abuse.
- District assigned too much access to its accounting system and did not secure its information technology (IT) equipment, increasing its risk of errors, fraud, property damage, and data loss.

Key recommendations

The District should:

- Evaluate how it utilizes its space at its schools and determine and implement ways to reduce it, including evaluating whether to consolidate school operations to increase operating capacity to a more efficient level.
- Provide student counts to its food service contractor and monitor meal production to minimize wasted food and consider rebidding its food service contract to obtain a contract based on cost per meal rather than cost reimbursement.
- Develop and implement procedures to ensure school bus maintenance and mileage is tracked and monitored, so that maintenance is performed according to the District's preventative maintenance schedule and document preventative maintenance in accordance with Minimum Standards requirements.
- Require authorized District officials to independently review and approve purchases and payments prior to being made and discontinue paying travel reimbursements in advance and reconcile travel expense claims to actual travel costs incurred to determine whether any public monies were overpaid to recover any overpayments identified.
- Limit employees' access to its accounting system to only those functions needed to perform their job duties and develop and implement written policies and procedures to limit physical access to its IT server room so that only appropriate personnel have access.