

## Cedar Unified School District

### Performance Audit

District wasted over \$17,000 by holding Governing Board retreats outside District boundaries and did not ensure that Board members and employees complied with conflict-of-interest requirements. The District also put student safety at risk by not limiting access to its buildings and ensuring school buses and drivers met safety requirements; and it did not properly handle cash and credit cards, nor limit access to IT systems.

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#### 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 held Governing Board retreats outside of District boundaries, limiting public access and wasting over \$17,000 of public monies on unnecessary travel.
- ▶ District did not ensure that school bus drivers met certification and drug testing requirements and that school buses were maintained in accordance with Minimum Standards, which increased risks to student safety; and the District inaccurately reported required transportation information to ADE, potentially impacting its funding amounts.
- ▶ Some employees and Board members did not consistently follow the District's conflict-of-interest policy, increasing the risk that they did not disclose substantial interests that might influence or affect their official conduct.
- ▶ District did not properly handle cash paid for adult meals in its cafeteria, made inaccurate and/or unapproved payments for extra-duty assignments, did not properly manage credit cards and purchases, and inaccurately classified its expenditures, leading to an increased risk of errors, loss, fraud, and theft.
- ▶ District did not appropriately restrict building access, increasing risks to students, and did not consistently perform building preventative maintenance.
- ▶ Excessive user access to sensitive computerized data and other IT deficiencies increased the District's risk of unauthorized access to sensitive information, data loss, errors, and fraud.

## Key recommendations to the District

- ▶ Stop holding Board meetings outside the District's boundaries to reduce wasteful spending and increase public transparency; and ensure all travel-related expenditures and reimbursements comply with State requirements.
- ▶ Develop and implement policies, procedures, and processes to ensure that school bus drivers meet all certification and testing requirements, school buses are properly maintained, and transportation reporting to ADE is accurate.
- ▶ Review conflict-of-interest forms for accuracy and completeness; identify and remediate any disclosed substantial interests; and annually provide conflict-of-interest training to employees and Board members.
- ▶ Develop and implement procedures to properly handle cash paid for adult cafeteria meals, ensure payments for extra duties are approved and accurate, track possession of District credit cards, and accurately classify expenditures in accordance with the USFR Chart of Accounts.
- ▶ Conduct an inventory and track the keys to its facilities to limit access only to authorized employees, and implement procedures and training for plant operations employees to ensure it routinely conducts preventative maintenance on its buildings and related infrastructure.
- ▶ Eliminate unnecessary user access to IT systems; limit users' access to critical systems to only those functions necessary to perform their job duties; enforce strong system authentication controls; and conduct cybersecurity awareness training for all employees.