



Business Services Division Memo

To: OUSD Audit Committee
Elizabeth Ross, Chair

From: Lisa Grant Dawson, Chief Business Officer
DeCarlos Kaigler, Chief Financial Officer
Ryan Nguyen, Controller

Subject: 2021-22 Audit Findings Resolution and Corrective Action Plan

Date: March 6, 2023

Dear Chair Ross and the members of the OUSD Audit Committee,

Annually, the California Department of Education (CDE) reviews the District's Audit report upon submission and determines if any required corrective action is required. The CDE has determined that audit findings 2022-006, 2022-008 thru 2022-011 from the 2021-22 Audit will require resolution. Next steps include working with the related departments, writing the plan in response to each finding, submitting the plan, and waiting for approval or recommended amendments from the CDE. The District concurrently operationalizes these changes in an effort to mitigate these and related findings in the current year(s).

The District's Corrective Action Plan response will be available for the Audit Committee to review and discuss at the April meeting; however, we are providing the letter for information received to provide the committee context on this stage of the process.

Attachment: California Department of Education 2021-22 Audit Resolution Letter



**CALIFORNIA DEPARTMENT
OF EDUCATION**

TONY THURMOND
STATE SUPERINTENDENT OF
PUBLIC INSTRUCTION

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January 25, 2022

Kyla Johnson-Trammell, Superintendent
Oakland Unified School District
1000 Broadway, Suite 450
Oakland, CA 94607-4099

Dear Superintendent Johnson-Trammell:

Subject: 2021–22 Audit Findings Resolution

Pursuant to California *Education Code (EC)* Section 41020, the State Superintendent of Public Instruction is responsible for ensuring that local educational agencies (LEAs) correct or develop acceptable corrective action plans for all federal and state compliance audit exceptions identified in the annual audit of their books and accounts. In addition, the California Department of Education (CDE) is required by federal regulations, Title 2 of the *Code of Federal Regulations* §200.331, to issue a management decision and ensure LEAs take appropriate and timely action to correct audit findings affecting federally funded programs.

During our review of the findings and recommendations reported in your 2021–22 fiscal year audit report, we determined the following finding(s) require(s) resolution by our office: 2022-006, 2022-008 thru 2022-011. Within three weeks from the date of this letter, please let us know the additional corrective action you have taken or are planning to take to address the finding(s) identified in the enclosed Management Decision List and provide any requested supporting documentation. Send your response to the following address, together with a completed Certification of Corrective Action form (enclosed), and a copy of the documents that evidence the corrective actions:

Audit Resolution Office
School Fiscal Services Division
California Department of Education
Email: leaaudits@cde.ca.gov or
FAX: (916) 327-6157

We will determine from the information and documentation you submit if the actions taken appropriately address the audit findings so we can clear them.

You may also receive separate communication from your county office of education (COE) with regard to certain audit findings. The COE, rather than the CDE, is responsible for reviewing and resolving LEA audit exceptions related to attendance, inventory of equipment, internal control issues, and other miscellaneous items (*EC* Section 41020[i][1]), as well as audit exceptions related to local control and accountability plans, classroom teacher salaries (*EC* Section 41372), teacher misassignments, information

Kyla Johnson-Trammell, Superintendent

January 25, 2022

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reported on the school accountability report card, and sufficiency of textbooks and instructional materials (*EC* sections 41020[i][2] and 41344.4). In addition, a COE pursuant to *EC* Section 41020(k) will require an LEA whose audit report includes attendance-related audit exception(s) involving state funds to submit appropriate reporting forms for processing by the CDE.

You may appeal apportionment significant findings contained in the audit report. These are state compliance findings involving one or more units of average daily attendance or a value equivalent to the Local Control Funding Formula funding for one or more units of average daily attendance. Upon receipt of the State Controller's Office (SCO) letter certifying that your audit report met specified standards, you have 30 days to file a written request for summary review (*EC* Section 41344.1[d]) or 60 days to file for formal appeal (*EC* Section 41344[d]) with the Education Audit Appeals Panel (EAAP). A summary review is a voluntary, informal, appeals process for audit exceptions that clearly constitute substantial compliance as that term is defined in *EC* Section 41344.1(c). If you request a summary review, you may appeal the findings included in that review by filing a formal appeal with the EAAP within 30 days after receiving a determination of the review.

The timelines and procedures to follow for the appeal process are posted on the EAAP web site at <http://www.eaap.ca.gov>. If you have any questions on the summary review or formal appeal process, please contact the EAAP staff by email at filing@eaap.ca.gov.

You may request a plan to repay an apportionment significant audit exception or to pay a penalty arising from an audit exception. To request a repayment plan you must submit a letter to the CDE within 90 days of the SCO letter or within 30 days of withdrawing or receiving a determination of a summary review if there is no appeal, or within 30 days of withdrawing or receiving a final determination regarding an appeal (*EC* Section 41344[a]). More information on the audit resolution process, audit appeals, and repayment plans can be found on the CDE web page at <https://www.cde.ca.gov/fg/au/ag>.

Thank you for your attention to this matter. If you need further information, please contact the Audit Resolution Office at LEAAudits@cde.ca.gov.

Sincerely,

Raquel Tucker, Education Fiscal Services Consultant
Categorical Allocations and Audit Resolution Office
School Fiscal Services Division

RT:

Enclosure

cc: Alysse Castro, Superintendent, Alameda County Office of Education
Chief Business Official, Oakland Unified School District

CERTIFICATION OF CORRECTIVE ACTION
Resolution of 2021–22 Audit Findings

January 25, 2022

LEA: Oakland Unified School District

County: Alameda

CDS #: 01-61259

Superintendent or Designee's Signature: _____
(The Superintendent certifies that all corrective action(s) specified on the attached page(s) have been implemented and assures that the corrective procedures will be used in ensuing years.)

Contact Person: _____ E-mail Address: _____

Phone Number: _____ Fax Number: _____

INSTRUCTIONS

On a separate sheet, please describe the specific corrective action which has been taken for each audit finding identified on the enclosed Management Decision List and provide any requested documentation. Be certain that your responses are clear and concise. You will need to provide all documentation that confirms specific actions resolving the problem, i.e., copies of amended reports, certification number of the amended P-2 or Annual Reports of Attendance, revised procedures, corrective action plans, etc.

Please sign and date this Certification of Corrective Action form and submit the original certification form, response, and corresponding documentation to:

Audit Resolution Office
School Fiscal Services Division
California Department of Education
Email: leaaudits@cde.ca.gov or
FAX: 916-327-6157

Your response must be submitted **within three weeks of the date of this letter.**

If the Superintendent, Chief Business Officer, or mailing address shown in our letter is incorrect, please report any updated information on our web page at <https://www3.cde.ca.gov/opuscds/default.aspx>.

MANAGEMENT DECISION LIST

LEA: Oakland Unified

County: Alameda

CDS#: 01-61259

Finding

CDE Decision

2022-006 Twenty-First Century Attendance Reporting Federal Finding: Sustained due to deficiency in internal control

Corrective Action/
Documentation
Required:

Based on the LEA's response included in the audit, the LEA's corrective action plan has been accepted

2022-008 Independent Study

Corrective Action/
Documentation
Required:

Compliance with independent study laws must be met in order to claim independent study ADA. Provide copy of revised P2 and Annual Reports of Attendance excluding all ineligible independent study ADA. If your LEA is planning to file a summary review or appeal, an adjustment is not required until a determination is made on your summary review or appeal.

2022-009 ASES Early Release

Corrective Action/
Documentation
Required:

Staff from the California Department of Education After School Education and Safety Program will review this finding and contact you if additional information is needed.

2022-010 ASES Attendance Reporting

Corrective Action/
Documentation
Required:

Staff from the California Department of Education After School Education and Safety Program will review this finding and contact you if additional information is needed.

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Finding

2022-011

Immunizations

CDE Decision

Corrective Action/
Documentation
Required:

Report revised figures on your P-2 and Annual Attendance Reporting and provide the data identification (Data ID) number. If your LEA is planning to file a summary review or appeal, an adjustment is not required until a determination is made on your summary review or appeal