OFFICE OF AUDITOR GENERAL

Adult Education
Audit Report

January 6, 2010

Adult Education
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Adult Education
Executive Summary

OBJECTIVE

To evaluate the operating control environment supporting the Office of Adult and Career Education (OACES) program, its Grant Administration and related activities to achieve funding objectives.

BACKGROUND

The Office of Adult and Career Education Services helps students of all ages learn the skills they need for success in the workplace. Rochester residents learn new skills in programs offered throughout the community and the District offers comprehensive services to recruit, instruct, counsel, train, and place adult learners in jobs. Grant revenue, which has continued to increase over the last three years, is used to provide free educational opportunities to adults who do not have a high school or equivalency diploma, or speak English, as well as to help offset the costs of other occupational apprenticeship classes to keep student fees reasonable. Over the last several years, OACES has shown continuous improvement in various performance measures including enrollment, contact hours generated, and average retention rates.

In the 2008-09 school year, over $5.5 Million was expended for adult and career education services which included over $4 Million funded through grants.

SCOPE

We collaborated with Management and Staff to obtain an understanding of the Office of Adult and Career Education Services program and its processes. Grants were reviewed to ensure compliance with grant requirements, including reporting, as well as determine if performance targets were met. We determined proper compliance with National Reporting System requirements. Attendance processes were evaluated and student contact hours were validated for accuracy.

We will identify opportunities for improvement and issue recommendations to improve the control environment. Management will be asked to respond in writing to our recommendations within 30 days.

Adult Education
Executive Summary

CONCLUSION

OACES would improve their overall operating control environment by developing comprehensive, written standards and operating procedures and enforcing consistency with these standards. NRS requirements must be complied with to reduce the risk of possible corrective action. Improved accountability procedures should be implemented to effectively monitor grant spending and program outcomes. This should include creating appropriate reporting to monitor program information. Due to the significant reliance on grant funding, increased monitoring of compliance should be performed.

Attention is required to ensure that data entry in ASIST Student Management System is accurate and complete. The attendance reporting structure and process should be re-evaluated to reduce inaccuracies and inconsistencies. Student files must be maintained, readily available and contain all of the required documentation. Enhancements should also be made to develop and implement a standard curriculum for programs, expand student counseling services and increasing departmental communication to the various program leaders within OACES.

Management should be recognized for their efforts to develop and utilize a strategic plan. The next critical step is to measure key results and documenting success to keep the organization focused on the established goals.

Adult Education
Summary of Recommendations

Rec#	Recommendations
1	***Develop comprehensive written protocols and procedures for the entire OACES program. Communicate and enforce compliance with the protocols.***
2	***Evaluate the staffing needs of the OACES program and assign permanent employees to fulfill the positions for consistency in operations.***
3	***Ensure compliance with all NRS requirements. Develop a process for obtaining secondary outcome measures. Include initial assessment dates, test type, results and enrollment information on the Individual Student Record Form. Develop a process to ensure post testing frequency complies with NRS maximum requirements.***
4	***Develop a process to ensure the consistent administration of assessment testing. Ensure post tests are taken within the appropriate hours to ensure compliance with NRS.***
5	***Develop a procedure to ensure all student files are maintained, readily available, and contain all required documentation. Checklists could aid in ensuring compliance with student file documentation requirements.***
6	***Develop a process to evaluate teachers' certification, training and professional development requirements and ensure compliance with the requirements is maintained.***
7	***Develop procedures to ensure OACES is meeting performance outcomes and compliance requirements as specified in the grants.***
8	***Develop a process to ensure the full utilization of grant funding.***
9	***Develop a process to ensure the accurate reporting of contact hours and enrollment numbers on the EPE reports.***
10	***Reevaluate the current attendance reporting structure. Implement a process to validate attendance to ensure accurate reporting and hold teachers accountable for their attendance reports.***

Adult Education
Summary of Recommendations

Rec#	Recommendations
11	*Develop a process to ensure accurate data input into ASISTS. Develop policies and procedures regarding the reporting and archiving of testing information in ASISTS to ensure accuracy. Evaluate the feasibility of modifying the grant structure within ASISTS to allow for reliable and accurate reporting*
12	*Develop, implement and document a core curriculum for the Adult Education Program.*
13	*Evaluate the need for counseling for the over 21 population. For all students, utilize reporting in ASISTS to determine high risk students in need of counseling.*
14	*Develop a process to measure key results and document measured successes for the strategic plan. Utilize the strategic plan on an on-going basis and measure successes regularly to ensure achievement.*
15	*Develop a process to ensure financial and budgetary information is communicated to the various program leaders within OACES.*
16	*Discontinue commingling program funds with the faculty/staff funds. Report all vendor commissions to the District.*

Adult Education
Observations, Recommendations and Action Plans

OBSERVATION #1

Lack of Comprehensive Protocols and Procedures

There is a lack of comprehensive protocols and procedures for the entire OACES program. Although some protocols and procedures are documented in a manual, it is not complete nor are all of the protocols updated. Desk procedures, which communicate how to perform daily responsibilities in compliance with protocols are not complete. OACES prepared a Protocols and Procedure Manual for the 2009-2010 year, but these protocols are not all inclusive, nor are they completely updated. A Protocols Manual for OACES should be detailed, comprehensive and up to date to ensure consistent application and compliance with OACES protocols. Written and communicated protocols would enhance the consistency of recorded data, consistency in the handling of transactions, and aid in holding employees accountable for the work performed.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop comprehensive written protocols and procedures for the entire OACES program. Communicate and enforce compliance with the protocols.

Management Responses: There is a distinct need to produce a comprehensive protocols and procedures manual for OACES program. Protocol and procedure documentation has denigrated over the last seven years as the leadership team continues to experience attrition year over year. The Director of OACES will produce a comprehensive protocols and procedures manual. This will build on existing documented protocols and procedures manual and be maintained annually moving forward.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: June 30, 2010 - working draft

Adult Education
Observations, Recommendations and Action Plans

OBSERVATION #2

Utilization of Temporary Employees

During our audit, it was noted that OACES had temporary employees filling full time positions instead of utilizing District employees. Most of these temporary employees have held their position longer than 90 days. A determination should be made regarding what positions are required to support programs. Once the program need is established, perform the necessary steps to secure permanent employment for program continuity. Use of temporary employees can create turnover which causes a lack of consistency in operations.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Evaluate the staffing needs of the OACES program and assign permanent employees to fulfill the positions for consistency in operations.

Management Responses: OACES would like to hire the appropriate staff to meet the program needs. These positions are critical to meeting the consistent needs of the organization. After required position control documentation was submitted, we were informed in January 2010 that we are unable to hire these grant funded positions. It should be noted that all current position requirements are defined in existing funded grant proposals. Progress toward hiring contractual employees and the elimination of temporary employees cannot continue unless the Hiring freeze is lifted.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: TBD

OBSERVATION #3

National Reporting System Noncompliance

OACES must comply with National Reporting System (NRS) requirements and any NYS policies and guidelines regarding assessments and outcomes. The NRS was developed to ensure accountability for federally funded adult education programs. NRS helps to ensure agencies meet an expected level of performance as mandated by various funding sources. When making funding decisions about programs funded by Title II of the Workforce Investment Act (WIA) states are required to use NRS data. Failure to comply with NRS standards could result in the program being put on corrective action for one to three years. In the NRS manual, it specifically states that initial assessment dates, test type, results and enrollment information is to be included on the Individualized Student Record Form (ISRF). This information was not always documented on the ISRF. Post testing frequency was not consistently applied and some students were not tested within the maximum 200 hours as required by NRS. Also, it is an NRS requirement that programs follow up on students who receive 12 or more hours of service. Follow up requirements for NYS include core outcome measures (educational gain, entered employment, retained employment, receipt of secondary school diploma or GED, and placement in postsecondary education or training) and secondary outcome measures (reduction in receipt of public assistance, achieved citizenship, change in voting behavior, involvement in community activities, involvement in children's education and literacy related activities). Through testing and inquiry with OACES staff, OACES is not consistently following up on secondary outcome measures.

Adult Education
Observations, Recommendations and Action Plans

RECOMMENDATIONS and MANAGEMENT RESPONSES

Ensure compliance with all NRS requirements. Develop a process for obtaining secondary outcome measures. Include initial assessment dates, test type, results and enrollment information on the Individual Student Record Form. Develop a process to ensure post testing frequency complies with NRS maximum requirements.

Management Responses: Full compliance with National Reporting System (NRS) requirements is the only acceptable outcome. The Administrator directly responsible for data collection and reporting will review all NRS requirements and train program staff. The Administrator will modify or augment organization specific forms, documentation, grant reporting requirements, and protocols and procedures to ensure full compliance.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: March 1, 2010 - ongoing

OBSERVATION #4

Inconsistent Administering of Assessments

Per NRS compliance guidelines and New York mandates, uniform standardized assessment procedures require adult education administrators to administer a pretest within 12 hours of educational instruction. A post test is required within 100 hours if attendance is less than ten hours per week and within 200 hours if attendance is ten or more hours per week. OACES uses the TABE Reading and Math Tests for ABE and the Best Plus test for ESL as required by NYS. During our student testing, it was noted that the post tests are not consistently administered and there was an informal process in place to ensure that the post test is administered within the required time period. If there are delays in administering post tests, or recording the post test into the state system the student record will not be reflected in the NRS system. It was also noted during our testing that the pre tests for the TABE Reading and Math were not taken at the same time. Because OACES provides both reading and math instruction as part of their ABE curriculum, the TABE Reading and TABE Math tests must be administered. Our testing revealed pretests for math and reading were not taken at the same time and in some cases a post test was taken prior to the second section of the pretest.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to ensure the consistent administration of assessment testing. Ensure post tests are taken within the appropriate hours to ensure compliance with NRS.

Management Responses: The Administrator will establish protocols and procedures to ensure compliance with assessment testing. The Administrator will also develop and implement internal audit/review procedures (data projects) for physical records (student files) and electronic records (database) to ensure accuracy, completeness, and compliance. The audit activities will be regularly scheduled events with results produced/ documented. In addition, the audit activities will produce an activity log documenting progress toward correcting identified shortfalls. (data, process, people)

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: March 1, 2010 – ongoing

OBSERVATION #5

Missing and Incomplete Student Files

During our testing of student compliance with grant requirements, it was noted that there were missing student files, as well as missing information in the student files reviewed. Examples of missing information in the student files included: missing identification/alienation records, education and employment plan missing or incomplete, missing DHS referrals, and post testing information. Various grants require that student files be maintained and include pertinent information. OACES should be aware of each grant's requirements and ensure that all student files are accounted for and properly include all the required documentation. The use of checklists could aid in ensuring that documented evidence of compliance with the grants are maintained. An audit by the grant funder could result in reduced funding if the District is not in compliance with the grant's recordkeeping requirements.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a procedure to ensure all student files are maintained, readily available, and contain all required documentation. Checklists could aid in ensuring compliance with student file documentation requirements.

Management Responses: The Administrator directly responsible for data collection and reporting will review all documentation requirements for NRS and grants, and train program staff on those requirements. Appropriate process changes will be made and forms will be modified or augmented to ensure full compliance with documentation requirements.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES; Assistant Director of Academic Programs

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Due Date: March 1, 2010 – ongoing

OBSERVATION #6

Unmonitored Teacher Certification and Professional Development

OACES receives grants which require teachers to have certifications, specific training, and a specified number of professional development hours each year. Teachers for the CHESS grant did not possess the required ESL certification. Distance learning instructors are required to have specific training, but no documentation existed to support that this training was received.
All teachers are required to obtain professional development each year, but documentation to support that the professional development was received did not consistently exist. OACES must ensure that all teachers possess the required certifications, acquire the appropriate amount of professional development hours and obtain the proper training as required by these grant agreements. If teachers do not fulfill the requirements of the grant, the potential for a loss of funding could exist.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to determine teachers' certification, training and professional development requirements and ensure compliance with the requirements is maintained.

Management Responses: Documentation of teacher certification, training and professional development requirements presents an annual challenge. Teacher certification documentation will be electronically scanned and stored on SharePoint system for ease of access. In addition, an electronic copy will be forwarded to HCI. Professional development requirements have historically been met with administratively planned events. This process will continue with the documentation of attendance and the agenda being stored on SharePoint. An individual staff record of professional development will be created and maintained on SharePoint by the Assistant Director of Academic Programs. Teachers will be required to document their compliance with annual requirement. These expectations will be clearly and accurately documented in the protocol and procedures. In the event that teachers do not meet expectations after provision of adequate supports, disciplinary process will be followed by the Assistant Director of Academic Programming. Challenge remains that there is no compelling consequence for staff that are non-compliant.

Responsibility:
Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: June 30, 2010

OBSERVATION #7

Lack of Grant Compliance and Performance Outcomes

Each grant has specific compliance requirements and/or performance targets in which OACES must comply. It was noted during our audit that various components of the grants were not being properly complied with; stated performance targets were not being met nor were procedures in place to ensure OACES is meeting specified outcomes and compliance requirements. As part of the grant acquisition process, some applications/proposals require the District to state their performance targets. Grant funders utilize this information to determine how much grant funding will be offered. If the District's performance outcomes do not align with the projected targets or the District is not complying with the grant agreement, the potential for losing future funding could exist. Procedures should exist to ensure proper compliance with all grant agreements. Stated performance targets should be measured and processes in place to ensure we are meeting these performance targets.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop procedures to ensure OACES is meeting performance outcomes and compliance requirements as specified in the grants.

Management Responses: OACES will create grant outcomes/compliance desk reference guide indicating grant timeframes, targeted outcomes, progress toward those outcomes, and specific compliance requirements. This validation tool will be updated by appropriate grant managers and reviewed monthly in standing reports meeting. Appropriate action steps will be developed and implemented to ensure progress toward target outcomes and compliance with specific requirements. This will be stored and available on SharePoint. An activity log recording action steps and completion will also be created and stored on SharePoint. This comprehensive management tool will be reviewed at regularly scheduled monthly standing reports meeting.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: March 31, 2010

OBSERVATION #8

Underutilization of Grant Funds

The majority of the OACES program is funded through grants. An analysis of 2008-09 OACES budgeted grant revenue versus program expenditures revealed that grant funding was underutilized. Several of the grants received to support OACES programs require revenues to be fully expended by the end of the grant period. Appropriate expense monitoring must occur to ensure that the OACES program utilizes all grant funds. Fully expending the funds for the program will assist in providing the students with the necessary resources to achieve their education goals. In addition, grantors may decrease their funding if OACES programs are underutilizing awarded grant funds. Students would be negatively impacted by the decrease in funding which pays for the majority of OACES programs.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to ensure the full utilization of grant funding.

Management Responses: Every effort is made to fully utilize grant funding in support of the programs. Underutilization occurred due to a historical anomaly caused by several major factors. One major factor included planned sub-contractual agreements which were not approved/executed. When OACES was informed of the unexecuted contracts, the funds, encumbered for this purpose were not accessible because the grant was closed for additional expenditures by Accounting. The second major factor is that the entire lease agreement for the Hart Street facility was encumbered at the beginning of the grant period. When the expenditure was less than anticipated, the budget transfers were completed too late to expend the funds. The third major factor was the declination of planned equipment acquisitions, which again occurred at the end of the grant period. The rent liability will no longer be encumbered fully against grant budgets eliminating need for large expenditures late in budget year.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: June 30, 2010

OBSERVATION #9

Inaccurate EPE reporting

As part of EPE's reporting requirements, the SA160.1 and the SA160.2 forms are to be submitted by February 15th and September 15th, respectively. These forms include contact hours and enrollment numbers for the six month reporting period. It was noted during our audit that the enrollment numbers did not match the supporting documentation. OACES utilizes a reporting tool in Excel to account for their contact hours. Enrollment documentation was missing to support counts entered into this reporting tool which is used to prepare the SA160s which are used to claim aid. It was also noted that there were counts which were improperly categorized, therefore resulting in inaccurate reporting on the SA160s. Accurate reporting is necessary to ensure that the District maximizes its grant receipts. There should be effective processes in place to ensure the contact hours being reported are properly counted and categorized. Inaccurate reporting could result in a potential loss of funding. Although OACES far exceeded the contact hours necessary to receive the funding awarded, accurate reporting is necessary and will provide assurance that the District is receiving all earned grant monies.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to ensure the accurate reporting of contact hours and enrollment numbers on the EPE reports.

Management Responses: EPE SA160 report is utilized to claim Employment Preparation Education aid based on contact hours of instruction. A manual system exists to track and validate contact hour claims however it does not include enrollment data. Obtaining accurate enrollment data from the state data system prior to SY2009/ 2010 was not available. **NYS now mandates that EPE SA160 reports be generated from the state data system (ASISTS) for SY0910 and beyond.** It should be noted that the manual system will continue to be maintained for one year tracking contact hours of instruction as a comparison tool against the automated report now in place.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: Completed

OBSERVATION #10

Inaccurate Attendance Reporting

Accurate reporting of attendance and student contact hours is vital due to the fact that the claim for EPE aid is based on contact hours. Although procedures have been established for the reporting student attendance and contact hours, instructors are not held accountable for the information reported. Our testing noted various inaccuracies in reporting student contact hours. The following issues were noted:

- Sign-in sheets were not signed by the instructor verifying hours
- Contact hours on the sign-in sheets did not agree with the register master
- Total hours on sign-in sheets did not align with the register master
- Improper calculation of contact hours
- Missing sign-in sheets
- Sign-in sheets were noted in pencil
- Incomplete sign in information including a lack of sign in and/or out time
- Miscategorized contact hours

Student attendance should be properly recorded, reviewed and validated by the instructors prior to submission to the OACES offices. Instructors should review and sign the sign-in sheets, properly record the student hours on the register masters, and verify that the information reported on the register master aligns with the sign-in sheets. Inaccurate reporting of attendance could result in the loss of funding if an audit by the grantor were to occur.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Reevaluate the current attendance reporting structure. Implement a process to validate attendance to ensure accurate reporting and hold teachers accountable for their attendance reports.

Management Responses: The Assistant Director of Academic Programming and ASAR Data Specialist will review the current reporting structure and implement required modifications to meet reporting requirements/ timeframes. The current validation and audit processes will also be reviewed, modified, expanded to meet the need. Organizational ability to support the existing overarching validation process has been diminished with staffing shortages caused by vacancies. Results from this validation and audit process will be utilized by the Assistant Director of Academic Programming and ASAR Data Specialist to case-manage, counsel, professionally develop, peer review, support teachers in meeting reporting expectations. Those expectations will be clearly and accurately documented in the protocol and procedures manual by June 30, 2010. In the event that teachers do not meet expectations after provision of adequate supports, disciplinary process will be followed by the Assistant Director of Academic Programming. Challenge remains that there is no compelling consequence for staff that are non-compliant.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES Assistant Director of Academic Programming and ASAR Data Specialist

Due Date: June 30, 2010 – Implementation date

OBSERVATION #11

Data Inaccurate – ASISTS

Adult Student Information System & Technical Support (ASISTS) is a required web-based student record system owned by New York State to support National Reporting System (NRS) guidelines. It contains data regarding each student enrolled in programs and includes demographics, goals, assessments, outcomes and instructional activity. Because information from ASISTS is accessed by NYS for reporting and analysis purposes, it is important that the information is entered into the system accurately. Inaccurate data in ASISTS will cause inaccurate reporting to NRS and NYS. NRS was developed to ensure agencies meet an expected level of performance as mandated by various funding sources. Since funding decisions are based on NRS data, it is pertinent that this data is complete and accurate. Our audit noted that ASISTS has inaccurate or inconsistent information including contact information, missing student records, incorrect student status, inconsistent archiving of testing data, and testing data missing. The structure of the grants within ASISTS was not conducive to providing reliable and accurate reporting which could be useful to the OACES program.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to ensure accurate data input into ASISTS. Develop policies and procedures regarding the reporting and archiving of testing information in ASISTS to ensure accuracy. Evaluate the feasibility of modifying the grant structure within ASISTS to allow for reliable and accurate reporting.

Management Responses: Organizational ability to support existing overarching validation process has been diminished with staffing shortages caused by vacancies. The Administrator directly responsible will develop and implement internal auditing procedures (data projects) for student files and the electronic database to ensure accuracy, completeness, and compliance. The audit activities will be regularly scheduled with documented results. In addition, the audit activities will produce an activity log documenting progress toward correcting identified shortfalls. (data, process, people)

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: March 1, 2010 – ongoing

OBSERVATION #12

Lack of Standard Curriculum

OACES does not have a standard core curriculum in which it follows for its various programs (i.e. ABE, ASE/GED, ESL, etc.). All curricula must be developed or approved by the State Education Department or follow established State frameworks. This means that curricula should be consistent with the State Adult Learning Standards and targeted towards the achievement of National Reporting System Goals. Curricula should be maintained on site. Without a set curriculum, the District cannot be assured that the students' educational needs are being met. Also, as being required by various grants, potential loss of grant funding could exist by not complying with the grant agreement.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop, implement and document a core curriculum for the Adult Education Program.

Management Responses: NYS curriculum standards for adult literacy programs exist, however there is not a standard state adult literacy curriculum. OACES will adopt a standard core curriculum for its programs. Review of curriculum has been underway for approximately one year, with recommendation for ABE/ ASE curriculum made. ESL curriculum review will be completed. Recommendations will be presented to the Program Based Planning Team and subsequently adopted by OACES. Current curriculum pilots are underway.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES Assistant Director of Academic Programming

Due Date: April 1, 2010 – approved and September 1, 2010 – implemented

OBSERVATION #13

Lack of Participant Counseling

Counseling is required for OACES participants who are between the ages of 16-20. Participants are generally referred to the counselor by the teachers because of attendance or behavioral issues. Reporting is not formally utilized for students over 21 to help determine whether there are participants who are at a high risk of leaving the program without meeting their goals. This is because it is not required. OACES should be proactive in trying to retain their participants and provide them the counseling necessary to assist them is obtaining their goals. The over 21 population should not be neglected for receiving counseling services. Reporting should exist to assist in determining what participants are at a high risk of leaving the program. Utilizing reporting to identify high risk students and providing necessary counseling to help retain these participants to eventually reach their education goals.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Evaluate the need for counseling for the over 21 population. For all students, utilize reporting in ASISTS to determine high risk students in need of counseling.

Management Responses: Counseling for participants over the age of 21 is not required; however, counseling is available for all participants upon request. In addition, approximately 50 % of OACES participants over the age of 21 receive case-management from their teachers and work experience supervisors. Case management occurs minimally weekly, where participation is reviewed with individuals focusing on those demonstrating less than satisfactory participation. Referral to an OACES counselor if required is accomplished at this point. The following week if improvement in participation is not demonstrated, referral to a MCDHS case worker occurs. Additionally for this demographic of participant (approximately 50% of average daily attendance) a monthly case management meeting occurs where progress toward acquisition of foundation skills for employment are assessed. Organizational ability to support expanding this case-management has been diminished with staffing shortages caused by vacancies.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: Complete, Will reevaluate in the future

OBSERVATION #14

Strategic Plan Lacks Monitoring

A long range, strategic plan was developed in 2006, which identified OACES' vision and mission, as well as key result areas including: client services, funding, public relations, District relations and staffing, and measures and strategies to achieve the objectives. Although the strategic plan identified key measures and strategies, there was a lack of documented follow up to ensure OACES is achieving the goals that have been set. In order for the Strategic Plan to be effective, results should be measured on a regular basis and successes should be documented. The key results of the strategic plan will allow the organization to remain focus on their objectives.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to measure key results and document measured successes for the strategic plan. Utilize the strategic plan on an on-going basis and measure successes regularly to ensure achievement.

Management Responses: OACES will develop a new strategic plan. The new plan will include performance measures and timeframes to accomplish the measures.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: December 1, 2010

OBSERVATION #15

Work Experience Supervisors Lack of Budget Awareness

During our audit, it was communicated that the Work Experience Program (WEP) Supervisors were not provided budgets for their program, nor did they know how proceeds from sales were utilized or if they even went back into the program. If a person is responsible for running a program, they should be provided with all the financial/budgetary information necessary to make the best possible decisions. Open lines of communication should be encouraged and WEP Supervisor should be aware of everything that is going on with their program from a financial/budgetary standpoint, and not informed on a need-to-know basis. Failing to provide WEP Supervisors with budgets and other financial information about their program can hinder their decision making.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Develop a process to ensure financial and budgetary information is communicated to the various program leaders within OACES.

Management Responses: All WEP Supervisors are given an annual copy of their project budget. Each staff member is assisted with budgetary questions or concerns by the Budget Analyst. All sales revenue is recorded and deposited into a District account, ultimately to be used to support programming. Sales revenue information is reported monthly and shared with WEP Supervisors in micro-enterprises and with their direct supervisor. We will evaluate the current information available for WEP Supervisors and modify as needed to ensure that the information is useful for them to effectively perform their job.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: April 1, 2010 – Ongoing

OBSERVATION #16

Bank Accounts without RCSD Accounting Authorization

OACES maintained two bank accounts that were not reported to the Central Office. The Hart Street Faculty Fund account included staff monies received for employee sunshine fund and vending machine proceeds. It also contained work experience program proceeds prior to February 2009. OACES does not report funds earned from vending machine commissions to the District and uses these funds for the benefit of employees.

The OACES International Company account was opened in February 2009 and was intended to be used for the work experience program, including the store and the café. This account was subsequently closed in August 2009 and all work experience proceeds are now forwarded to central office accounting. It should be noted that the funds transferred into the OACES International Company account was not the balance of the WEP funds, but only the deposits obtained in February 2009. All monies collected for WEP prior to February 2009 were kept in the Hart Street Faculty Fund and not used for the related program benefit.

RECOMMENDATIONS and MANAGEMENT RESPONSES

Discontinue commingling program funds with the faculty/staff funds. Report all vendor commissions to the District.

Management Responses: These funds were utilized to benefit employees in the performance of their job, student events, emergency transportation fairs, graduation ceremony costs, professional development, and celebratory events. Account was created in February 2009 to assist with accurate accounting of proceeds from the work experience micro-enterprise program while working with Central Office on the appropriate RCSD Accounting solution. Expenditures from school account were utilized for program benefit inclusive of monies collected for WEP prior to February 2009. Commingling and lack of adequate accounting procedures contributed to the inability to determine a WEP balance prior to February 2009. In August 2009 the accounting solution was implemented and funds were transferred and account closed. Expenditures from school/ vending machine commission bank account are currently accounted for utilizing RCSD accounting standards.

Responsibility: Gladys Pedraza-Burgos, Chief of Youth Development and Family Services; Paul Burke, Director of OACES

Due Date: Completed