



Laguna Beach Unified School District Forensic Audit

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Scope of Engagement

- Examine, document, and/or solicit records to verify compliance with the District's purchasing policy and confirm the signatures on agreements for the period of December 1, 2024, through March 30, 2025.
- Examine copies of all canceled checks to verify which, if any, the past Superintendent, Jason Vilorio, signed for the period of December 1, 2024, through March 31, 2025.

Information Reviewed

- District policies regarding contracts and purchasing;
- Orange County Department of Education Disbursement Services manual;
- OCDE Financial System Deactivation for Viloría;
- District User Access By User ID;
- Board meeting minutes and agendas;
- Available cancelled checks for the District's Wells Fargo account; and
- Service contracts signed during the scope period.



Results of the Engagement (Contracts)

- We received **79** documents. This included contracts, amendments, and copies of canceled checks.
- After sorting through the documents, we reviewed the contract and purchasing policies for the District and compared it to the documentation. No findings were noted.
- We spoke with some District personnel to gain a further understand the information provided to us. These discussion led us to the request approval to review district canceled checks.
- We only noted **1** contract signed by Vilorio, but it was during the time that he was present at the District. All other contracts were signed off by the appropriate District personnel and verified that they were Board approved.

Results of the Engagement (Checks)

- There were **1,153** checks totaling **\$8,976,936.18** issued during the scope period. We were only provided **975** checks totaling **\$8,094,140.30**, with an additional **34** reasons as to why checks were not provided. This left **146** checks totaling **\$641,369.28** not being provided.
- Viloría's name was on every single cancelled check. Through interviews with personnel, it was confirmed that checks are printed with all the pre-approved signatures on them. Viloría was one of these signatures and his name was not removed until **3** months after his departure.

Results of the Engagement (Checks)

- Even though his name was on every check, we confirmed his ability to run payments through BusinessPlan was removed **2** days after his departure from the District. Therefore, the only way checks could have been incorrect would be by District personnel conducting a check run it.
- We identified **2** checks written to Viloría during the scope period. We requested the supporting documentation for each of the payments and verified they were approved by the District.



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Thank you

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