

LOS ANGELES UNIFIED SCHOOL DISTRICT  
 Schedule of Expenditures of Federal Awards (Continued)  
 Year Ended June 30, 2010

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Grantor or Pass-Through Entity ID Number	Program Cluster Expenditures	Total Federal Expenditures
Regional Occupational Center College Work Study (ARRA)	84.033	P033A090312	\$ 28,747	
Carl D. Perkins – SEC INSTR	84.048	08-14894-64733-00	6,631,607	
Carl D. Perkins – Vocational and Technical Education	84.048	PCA 14893	3,253,924	
Subtotal expenditures – Career and Technical Education				\$ 9,914,278
Pell Grant (ARRA)	84.063	P0639105911		162,596
Early Intervention Funds - Part C	84.181	09-23761-6473-01		1,201,519
Title IV – Safe and Drug Free Schools & Community- National	84.184	Q184E070053		183,860
Title IV – Safe and Drug Free Schools-Healthy Student	84.184	Q184L080226-09		1,807,854
Title IV – Safe and Drug Free Schools & Community- Mentoring Program	84.184	Q184B080048		40,021
Children Uniting Nations-Mentoring	84.184	MOU		30,179
Youth Mentoring Connection	84.184	MOU		17,907
Title IV – Safe and Drug Free Schools & Community- State	84.186	Q186A090005		5,013,950
Homeless Education Project	84.196	14332		232,540
Public Charter School	84.282	PCA 14531 & 14959		261,537
NCLB:ARRA-T X McKinney-Vento Homeless Assistance	84.387	PCA 15007		279,113
Twenty-first Century Learning Centers	84.287	14349	8,188,976	
Twenty-first Century Learning Centers	84.287	14535	14,225,034	
Twenty-first Century Learning Centers	84.287	14603	125,624	
Subtotal expenditures – Twenty-First Century Community Learning Centers				22,539,634
Improving America's Schools Act – Title V Innovative Strategies	84.298	CD Code 1964733		578,559
No Child Left Behind (NCLB) Title II – Enhancing Education Through Technology-Competitive	84.318	14368	1,898,989	
No Child Left Behind Title II – Enhancing Education Through Technology – Formula	84.318	14334	4,117,682	
No Child Left Behind Title II – Enhancing Education Through Technology – ARRA	84.386	15019	1,299,274	
Subtotal expenditures – Education Technology Grants Cluster				7,315,945
GSU Development & Valid of a behavioral	84.324	13492-02		82,303
Advanced Placement	84.330	PCA 14831		1,020,079
Transition Teaching Program	84.350	U350A070039-09		510,954
Reading First	84.357	PCA 14328		4,006,709
Title III, Limited English Proficient Professional Dev	84.365	PCA 10084		27,229,244
No Child Left Behind Title II-B – Math	84.366	14512		1,378,345
No Child Left Behind Title II-A – Teacher Quality	84.367	14341		55,610,230
ARRA State Fiscal Stabilization Fund (SFSF)	84.394	PCA 25008		359,340,145
Passed through State Department of Rehabilitation: Rehab-Transition Partnership Program	84.158	Contract #26706		1,082,736
ARRA Cooperative Public Agency/CRP Contract	84.390	Agreement #27689A		34,598
Passed through Center for Collaborative Education Principal Residency Network	84.363	MOA		281,473
Subtotal Pass-Through Programs				1,231,145,553
Total U.S. Department of Education				1,243,910,755
U.S. Department of Health & Human Services: SAMHSA-Trauma School Adaption	93.243	C U9SM57283A		235,543
School Health Program	93.938	#5U87DP001201-02		627,140
Subtotal Direct Programs				862,683
Passed through County of Los Angeles: Department of Health Services-Vocational Nurse Ed.	93.178	N/A		50,745
Department of Mental Health-Medi-cal Rehab.	93.778	19101-99		2,828,915
Passed through California Department of Education: California Instructional Materials and Supplies	93.575	CIMS9254/CSCC9010	38,055	
Child Care Center	93.596	CCTR 9129/CSPP 9233	26,029,233	
ARRA Child Care and Dev Block Grant, General Center Based	93.713	CSPP 9233	7,347,000	
Subtotal expenditures – Child Care Development Fund Cluster				33,414,288

(Continued)

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs

June 30, 2010

the following general criteria:

- a. Be necessary and reasonable for proper and efficient performance and administration of federal awards.
  - b. Be allocable to federal awards under the provisions of this circular.
  - c. Be authorized or not prohibited under state or local laws or regulations.
  - d. Conform to any limitations or exclusions set forth in these principles, federal laws, terms and conditions of the federal award, or other governing regulations as to types or amounts of cost items.
  - e. Be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the governmental unit.
  - f. Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
  - g. Except as otherwise provided for in this circular, be determined in accordance with generally accepted accounting principles.
  - h. Not be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior period, except as specifically provided by federal law or regulation.
  - i. Be the net of all applicable credits.
  - j. Be adequately documented.
- Allocable costs.
    - a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.
    - b. Any cost allocable to a particular federal award or cost objective under the principles provided for in this circular may not be charged to other federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the federal awards, or for other reasons.

**Condition**

As part of our procedures over program expenditures, we selected a sample of adjusting journal vouchers for non-payroll expenditures that were recorded and charged to the program to ascertain whether they were appropriately supported in accordance with OMB cost circular documentation requirements. We noted that the following adjusting journal vouchers recorded to expenditure accounts were not allowable in accordance with OMB Circular A-87 or the program guidelines:

**Title I Grants to LEAs (CFDA 84.010):** Based on our 25 samples, we noted the following:

- 1 journal voucher totaling \$4,348 was charged for the mileage reimbursement; however, no detailed documentation was provided to support the allocable.
- 1 journal voucher totaling \$2,078 was charged for food services provided to students who took spring CST test, and food services provided to non Title I schools which participated. The Option Fair Food costs are not allowable to the program.

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs

June 30, 2010

- 1 journal voucher totaling \$45,782 was for reproduction expenditures for printing a summer school mailer for 329 schools. However, we noted that 36 out of 329 schools were not Title I schools for fiscal year 2009-10. The questioned cost for the 36 schools amounted to \$5,010.

Total exception of \$11,436 of the \$3,065,557 sampled of the \$4,616,132 charges of journal vouchers for the fiscal year 2009-10.

In addition, as part of our procedures over program expenditures, we selected samples of non-payroll expenditures charged to each program to ascertain whether the expenditures were allowable per program regulations, accurately charged to the program, and appropriately supported in accordance with the OMB cost circular documentation requirement.

**Title I Grants to LEAs (CFDA 84.010):** Based on our 60 samples, we noted the following:

- 2 samples totaling \$11,470 were charged for copier machine maintenance on a non-Title I supported property and for purchases of love seats and electronic director signs. These costs were unallowable to the program.
- 1 sample totaling \$9,106 was charged for table purchases; however, according to the Title I Budget Justification for the school who transferred such cost, the table was not included in the budget funded by Title I.

Total exception of \$20,576 of the \$17,754,264 sampled of the \$88,747,603 charges of expenditures for the fiscal year 2009-10.

**English Language Acquisition Grants:** Based on our 40 samples, we noted the following:

- 2 samples totaling \$7,698 were charged for backpacks and certain non-program related supplies such as privacy screen and cutters.

Total exception of \$7,698 of the \$617,530 sampled of the \$5,859,174 charges of expenditures for the fiscal year 2009-10.

**Cause and Effect**

There does not appear to be adequate controls to ensure that all program expenditures including adjusting journal vouchers are allowable to the federal programs and sufficiently supported with appropriate documentation for allowable activities.

These findings are repeat findings, have been reported previously for June 30, 2007 to June 30, 2009 (F-07-04, F-08-02, and F-09-02).

**Questioned Costs**

Title I Grants to LEAs (CFDA 84.010): \$32,012

English Language Acquisition Grants: \$7,698

**Recommendation**

We recommend that the District provide additional guidance/training to ensure appropriate documentation is maintained to support expenditures charged to federally funded programs. The District should also strengthen its controls over its charges to the federally funded programs to ensure that the reimbursement is in accordance with federal guidelines.