

SAUSALITO MARIN CITY SCHOOL DISTRICT

FCMAT Management Review

Summary

April 19th, 2012

SAUSALITO MARIN CITY SCHOOL DISTRICT ~ FCMAT Review

- ❑ FCMAT was created by Assembly Bill 1200 in 1992 to assist LEA's to meet and sustain their financial obligations. AB 1200 is a state-wide plan for County Office of Education and school districts to work together locally. FCMAT's primary mission is to assist California's local K-12 educational agencies to identify, prevent and resolve financial and data management challenges.
- ❑ In October of 2011 the Sausalito Marin City School District Board approved the request that Fiscal Crisis and Management Assistance Team (FCMAT) provide the District with support by conducting a comprehensive review of the central office and administrative functions.
- ❑ The District will be reviewing and implementing the recommendations provided in FCMAT's report to make sure that the District is in full compliance with future fiscal accountability standards.

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- ▣ FCMAT's analysis and review provides the Sausalito Marin City School District with findings and recommendations that will improve fiscal procedures and accountability standards.
- ▣ The team also evaluated the District's budget practices and expenditures. Their recommendations will be used to increase the efficiency and operations of the Sausalito Marin City School District. FCMAT's analysis and services will be used to help the District meet its state reporting responsibilities, improve data quality, develop internal policy and procedures and guide the District in its efforts to be more fiscally accountable.

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- ▣ FCMAT's review included:
 - Administration of Board policies
 - Administration of regulations
 - Budget development
 - Financial reporting
 - Direct Service Options from County Office
 - Payroll
 - Position control
 - Accounts payable
 - Purchasing
 - Personnel

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Executive Summary

Major Findings

- ❑ District central office has a very small staff making it difficult to segregate duties and provide Internal Control.
- ❑ Board Policies have not been kept current. Example (BP) 3100 for Budget to comply with GASB 54
- ❑ Budget Development does not involve sites and too dependent on spreadsheets rather than available systems.
- ❑ Procedural issues resulting in fines to district. Example loss of attendance records for 2009-10.
- ❑ With the districts declining enrollment and the operational burden and expense of two separate campuses for a 150-student population. The district should consider different site or district grade level configurations in an effort to reduce operational costs. Reduction in duplicate operational costs (declining enrollment/operational burden)

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Recommended Changes In:

- ▣ Internal Control
- ▣ Administrative of Board Policies and regulations
- ▣ Budget Development
- ▣ Financial Reporting
- ▣ Direct Service Options from County Office
- ▣ Payroll/Position Control
- ▣ Accounts Payable/Purchasing
- ▣ Personnel

Internal Control

- ▣ Improve Communication with District Office and School Sites
- ▣ Fraud prevention training/methods
- ▣ Cross Training between employees
- ▣ Develop desk manuals
- ▣ Create a policies and procedures manual for the business department
- ▣ Ensure that employees understand responsibility of record retention

Administration of Board policies and regulations

- ▣ Update all board policies and administrative regulations
- ▣ Develop and implement a protocol to ensure future required changes to board policies and administrative regulations in timely fashion
- ▣ Ensure that all board policies and administrative regulations are posted to website

Budget Development

- ▣ Annually adopt and communicate board approved budget goals and objectives
- ▣ Implement a budget development process that includes site administrators and department managers (holds accountability)
- ▣ Conduct budget study sessions
- ▣ Provide regular and frequent budget revisions to governing board
- ▣ On-line read only financial access to site/department heads
- ▣ Develop a multi-step plan, open to all stakeholders, to evaluate the advantages and disadvantages of different school site and district grade level configurations
- ▣ Evaluate Supplemental Funding

Financial Reporting

- ▣ Board meeting calendar contains financial reporting deadlines
- ▣ Provide the board with additional explanation and training within specific areas that they may want
- ▣ Take daily attendance, retain and maintain records to substantiate excused student absences, Aeries training, attendance record keeping

Direct Service Options from County Office

- ▣ Determine benefit and cost effective to hire personnel instead of contracting with county office
- ▣ Encourage the continued mentoring relationship between the county office and the district manager

Payroll/Position Control

- ▣ Implement payroll procedures that provide sound internal control structure
- ▣ Revise job descriptions as necessary among district office staff to accommodate revised payroll procedures, inadequate internal control
- ▣ Immediate steps to implement QSS position control module, establish process to transition and institute procedures for updating position control for each financial reporting period/fiscal year transitions

Accounts Payable/Purchasing

- ▣ Implement the procedures outlined by FCMAT on accounts payable transactions, vendor information, purchasing
- ▣ Revise job descriptions among staff to accommodate changes in procedures
- ▣ Provide training to business manager's assistant within accounts payable/purchasing (QSS programs, ex. Remote Requisitions)
- ▣ Implement procedures
- ▣ Revise/implement forms
- ▣ Additional training with business department on bidding requirements and procedures

Personnel

- ❑ Implement the procedures outlined by FCMAT on employee recruitment/selection, employee resignation/retirements
- ❑ Revise job descriptions among staff to accommodate changes in procedures
- ❑ Provide training to business manager's assistant within variety of pertinent personnel subjects, ex. Dismissal, Progressive discipline, Layoffs (guidance/timelines/notices/hearings/etc.)
- ❑ Revise/implement forms
- ❑ Employee evaluations/performance: implement a calendar system on deadlines, notify sites/departments, track compliance with evaluation deadlines
- ❑ Purchase locking, fireproof cabinets for personnel files and review each employee's files for completeness
- ❑ Review all of FCMAT Personnel Standards to help develop best practices for personnel operations

Status

- ▣ Implementation of Position Control : 90% complete
- ▣ Implementation of Remote Requisitions: 10% complete (county office is new to the concept)
- ▣ Review of cost effectiveness within county office direct services: 90% complete
- ▣ Attendance policy and procedures: 95% complete
- ▣ Revise/implement of all Business/Personnel forms: 90% complete