

News Release



Controller of the State of California - Kathleen Connell

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For Immediate Release

STATE CONTROLLER KATHLEEN CONNELL'S AUDIT FINDS LONG BEACH UNIFIED SCHOOL DISTRICT OWING STATE \$255,351

Connell Says Amounts Paid by State Were in Excess of Allowable Costs Claimed

Sacramento, CA, September 26, 2001 – State Controller Kathleen Connell today released her office's audit of the Long Beach Unified School District (District). The audit found the District overbilled the State by \$255,351 in costs associated with the District's legislatively mandated Intradistrict Attendance Program. The audit covered the period of July 1, 1997, through June 30, 1999.

School districts are legally reimbursed for increased costs incurred from legislatively mandated Intradistrict Attendance Programs. The District claimed \$815,937 for the audit period, however, the audit has determined that only \$560,586 is allowable and \$255,351 is unallowable. For the fiscal years 1997-98 and 1998-99, costs of \$139,494 and \$115,857, respectively, were disallowed.

“The disallowed costs totaling \$255,351 resulted from inadequate documentation supporting claimed labor hours,” said Connell. “Consequently the amount paid in excess of allowable costs claimed should be returned to the State.”

The audit report notes that subsequent to the issuance of the draft report, the District provided additional information to support a significant portion of the disallowed costs. Based upon review of the additional information provided by the District, the disallowed costs had been reduced by \$528,950--from \$784,301 to \$255,351.

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Copies of the Audit Report may be obtained by contacting Stacey Ragland at (916) 445-2636