



## REPORT TO THE BOARD

To: Executive Board Members  
From: LARAEC Office  
Prepared By: M. Stiehl  
Date: October 18, 2023  
Subject: LARAEC Monitoring Procedures Progress

---

### Background:

As a part of item 32 of its 2017-104 report, the California State Auditor's office recommended that the consortium develop policies and procedures to ensure proper collection and reporting of enrollment, attendance, and expenditure data by consortium members to ensure their accuracy. In order to implement this recommendation, the consortium hired Vasquez and Company to develop policies and procedures for the oversight and monitoring of CAEP funds. This work resulted in the development of the **LARAEC Member District Monitoring Procedures** document. After review by member districts, it was approved by the LARAEC Board on March 17, 2021. Training was rolled out on June 9, 2021 and again on April 26, 2023.

LARAEC contracted the auditing firm of Clifton, Larson, and Allen to carry out LARAEC member district monitoring. Their scope of work included: a) performing member-monitoring procedures as outlined in the Member District Monitoring Procedures Document and b) providing observations and recommendations as a result of monitoring procedures performed. CLA initiated this process on April 20, 2023.

As the monitoring process has proceeded, the need for clarification and guidance has emerged for both member districts and the auditing firm as well as the need to examine the scope and complexity of the process.

**LARAEC Staff, Point Persons, and fiscal specialists met on Aug 30, Sept 13, Oct 4, and Oct 11** to discuss clarification and revisions to the monitoring procedures and timeline for completing our current member-district reviews. Process will continue to focus on ensuring the process is not unnecessarily burdensome and yet sufficiently addresses audit items 31 and 32.

On September 20<sup>th</sup>, the LARAEC Board agreed to following timeline:

- Through October 11 – Complete clarification and revisions to the LARAEC monitoring document (LARAEC Staff, Point Persons, and fiscal specialists)
- October 18 – Approve the revised document at the LARAEC board meeting

- November – Meet with CLA to discuss completion of current monitoring review in consideration of new clarification and revisions. Determine what, if any, documents are still needed by the member districts. Discuss current contract, expenditures, and needed funds to complete the project.
- December – January – Complete member-district submissions based on new clarification
- February – CLA completes monitoring and submits final report.

**Recommendation: Approve the revised LARAEC *Member District Monitoring Procedures*.**