



**Office of the Inspector General
Los Angeles Unified School District**

**Patrick Henry Middle School
Review of Payroll**

OA 21-1270

February 19, 2021



**Los Angeles Unified School District
Office of the Inspector General**

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February 19, 2021

Ms. Maria Elena Rico-Aguilera, Principal
Patrick Henry Middle School
17340 San Jose Street
Granada Hills, CA 91344

RE: Review of Patrick Henry Middle School Payroll Records

Dear Ms. Rico-Aguilera:

Attached is the report of the Review of Patrick Henry Middle School Payroll Records.

The objectives of the review were to identify any payroll malpractices and to determine whether additional pays paid to any school staff were appropriate, approved and within Los Angeles Unified School District policies.

Our review and analysis of the payroll records and interviews conducted, did not reveal any apparent payroll malpractices. Additional payments made to any school staff were appropriate, approved and within Los Angeles Unified School District policies.

Sincerely,

Austin E. Onwualu

Austin E. Onwualu, CPA, CIG, CGMA
Deputy Inspector General, Audits

William Stern

William Stern, MBA, CIG, CISM, CPP, CFE
Inspector General

Attachment

EXECUTIVE SUMMARY

We conducted a review of Patrick Henry Middle School's employee payroll records for the last three school years (school years: 2017-18; 2018-19; 2019-20), and a portion of the 2020-21 school year. The objectives of the review were to identify any payroll malpractices and determine whether additional payments to any school staff were appropriate, approved and within Los Angeles Unified School District (District) policies.

We reviewed the payroll records and analyzed all additional pays made to identified staff members, focusing on additional discretionary pay types. We also interviewed staff members that received high additional pays, and a selection of other supervisory staff with approval authority.

Our review disclosed various reasons for staff receiving additional pays. Extra pays received by the staff were made for various types of small extra duties and additional long-term assignments as noted in the Results of Review section of this report.

Our review and analysis of the payroll records and interviews conducted, did not reveal any apparent payroll malpractices. Additional pays paid to any school staff were appropriate, approved and within Los Angeles Unified School District (District) policies. A combination of a significant increase in the school's student population with little to no staffing increase and the requirements of academic enrichment programs and a student success project known as Innovate Education, created a necessity to use a substantial amount of additional duty hours by the staff. All additional assignments, number of hours and extra pays were reviewed and approved by the assigned principal or another administrator in their absence.

INTRODUCTION

A request to review the payroll records of Patrick Henry Middle School was received from the newly assigned principal Ms. Maria Elena Rico-Aguilera. During a review of the school's past payroll accounting reports, she noted that during the 2019-2020 school year some staff members received high additional pays above their regular salary. She was concerned about this issue and requested the Office of the Inspector General to examine whether there were any payroll malpractices and to verify that all additional pays were for valid reasons, properly approved and within the District policies. Principal Rico-Aguilera provided some samples of the large additional pay amounts.

SCOPE AND OBJECTIVE

Employee payroll records for the last three school years (school years: 2017-18; 2018-19 and 2019-20) and a portion of the 2020-21 school year were reviewed. The objectives of the review were to identify any payroll malpractices and to determine whether additional payments made to any school staff were appropriate, approved and within Los Angeles Unified School District (District) policies.

METHODOLOGY

To accomplish our objectives, we reviewed the District payroll concepts, types of pay and policies governing employee salaries and additional pay. We obtained and visually reviewed payroll records for all employees that worked at Patrick Henry Middle School during the scope of our

review. These records were reviewed per employee for each of the audit scope year. An analysis of discretionary additional pay types was also conducted. To supplement our review and analysis of the payroll records, we met with key staff members who had knowledge of the situation and interviewed a selected group of top additional pay earners.

RESULTS OF REVIEW

Our review and analysis of the payroll records did not reveal any apparent payroll malpractices. Additional pays paid to any school staff were appropriate, approved and within Los Angeles Unified School District (District) policies. Although no inappropriate payments were apparent, the analysis of the discretionary additional pay types showed that some employees received large amounts of additional pay cumulatively or over a long period of time covering several pay periods.

During our interviews with key and selected staff members many reasons for the extra assignments and additional pays were noted. The reasons ranged from small temporary tasks to big long-term projects. Some of the causes for extra temporary duties and additional extended assignments are listed below:

- A significant increase in the school's student population with little to no increase in staffing. The Student population increased from around 760 to about 1300 in six years (School Years 2014 to 2020).
- Shortage of staff and open positions
- Innovate Education project to raise student test scores
- Saturday school
- Professional development
- Curriculum development
- Magnet program coordination
- Data collection and processing

Specific examples by pay types that accounted for some of the largest amounts of additional pays are listed below:

- Overtime – Additional pay earned by employees for work over their regular hours. A classified employee was paid overtime in most pay periods during the past few school years. This employee worked as the plant manager and had been covering work, along with other members of his team, of a chronically open building and grounds position. He also covered a lot of the late night and weekend campus access duties.
- Z-time – Additional pay earned by employees for work outside of school sessions. Several staff members were involved with school orientation for new incoming promoted elementary students during the summer sessions. School orientation entailed briefings, issuing of textbooks, gym clothes, lockers, and class schedules along with completing other orientation items to make the new students successful on day one of middle school.

A few staff members were needed to complete some tasks like textbook change out and inventory for some courses, and data updates and input were necessary over winter breaks.

- X-time – Additional pay earned by employees for work outside regular assignment during school session.

Some staff members performed a variety of duties as a part of the Innovate Education project to raise students' basic academic skills and test scores in which the school was involved in for the last three school years. Examples of these duties are planning meetings, curriculum developments, data collection and analysis, teacher professional development, and tutoring of students.

Shortage of administrative and administrator staff.

- Differentials – Additional pay received by employees for a skill, certification, or responsibility, such as degree, language, and project leadership.

Differentials were received by some staff members for providing leadership coordinating duties for magnet and administrative programs within the school.

A few staff members received differentials for being nationally certified teachers.

- Auxiliary Assignments – Additional pay earned by secondary school teachers who are assigned to teach one additional regular class period each school day.

A few teachers were selected to teach an additional academic program supporting subject such as foreign languages, mathematics, and English. Teachers were selected based on qualifications (i.e., subject credential) and availability.

Outside of the master schedule of regular assignments, there was no formal schedule of extra duties. Extra duties above or outside regular assignments such as the ones noted above, and other minor short-time tasks were assigned as needed to whomever was qualified, available and/or willing to perform them.

According to the former principal and the school administrative assistant (SAA), all pays which included additional pays were reviewed and approved by the principal or a local district administrator in their absence. Additional pay hours worked were submitted by staff for approval, assigned a budget pay code by the school budget coordinator, approved by the principal and input into the payroll system for payment by the SAA. Work product follow-up was conducted by the former principal to ensure that additional hours worked were productive and serving the students.

During our interviews with key and selected staff members, none of them indicated they were aware of any staff members taking advantage of or making false claims for additional pays.

CONCLUSION

Our review and analysis of the payroll records and interviews with selected school staff did not reveal any apparent payroll malpractices. Additional pays paid to any school staff were appropriate, approved and within Los Angeles Unified School District (District) policies. Requirements of academic enrichment programs, such as magnets and the Innovate Education student success project combined with a significant student population growth with little to no additional staffing increases, created a situation where the use of a substantial amount of extra duty

hours was necessary. This necessity resulted in some staff members earning large amounts of additional pays.

AUDIT TEAM

This review was conducted by the Office of inspector's General Audit Unit Team:

Jas Ahmed, Audit Manager
Robin Glaser, Senior Auditor

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