

2013-2014 MONTEREY COUNTY CIVIL GRAND JURY

INTERIM FINAL REPORT NO. 4

ALISAL UNIFIED SCHOOL DISTRICT CREDIT CARD USE

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SUMMARY

After being apprised by numerous media reports of possible misuse of credit card spending in the Alisal Unified School District the 2013-2014 Civil Grand Jury (CGJ) elected to investigate further these reports. The CGJ found that the District has done a good job of establishing procedures and implementing controls of credit card expenditures.

BACKGROUND

The Alisal Unified School District is located in east Salinas and serves a population of approximately 85,000 people with five schools under the jurisdiction of the School Board. Several media reports implicated the Board and staff with misuse of credit card spending authority. An investigation by the Monterey County Board of Education found that although there were some questions about several expenditures of a personal nature (which were later repaid), there appeared to be none that were illegal.

INVESTIGATIVE METHODOLOGY

Members of the CGJ met with the Business Manager of the School District to discuss the credit card issue. Two major questions were:

- Had procedures been established?
- Were the procedures implemented and being followed?

FACTS

The Business Manager provided the CGJ with copies of the new credit card procedures and his audit of expenditures conducted since the procedures were implemented. As part of the District's credit card control system only one card is available for use by District staff. This card is controlled by the Business Manager and must be checked out for staff use. This control procedure appears to be working but when the card is in use by one staff member if a need arises for another staff member to use a credit card, then a check must be issued or some other procedures followed to meet the requirements of that staff member. This can cause problems in some cases.

BIBLIOGRAPHY

Alisal Unified School District credit card use procedures

Alisal Unified School District audit documents and receipts

FINDINGS

- F1. At the order of the Alisal Unified School District Board of Directors, new procedures for credit card usage have been developed and implemented.
- F2. These procedures are being followed.
- F3. The CGJ noted that acceptable expenditure levels were not provided to credit card users.

RECOMMENDATIONS

- R1. Additional procedures should be developed to control credit card expenditures, such as having a list of acceptable expenditures with limits, depending on the cost and nature of the expenditures.
- R2. More than one credit card should be made available as needed for staff travel, using the same established controls.

RESPONSES

Pursuant to Penal Code Section 933.05, the Grand Jury requests a response as indicated below from the following governing bodies:

- Alisal Unified School District Board:
All Findings and Recommendations