



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

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*Inspector General*

December 8, 2025

Mr. Matthew Friedman, Chief Procurement Officer  
Procurement Services Division  
Los Angeles Unified School District  
333 S. Beaudry Avenue, 28th Floor  
Los Angeles, CA 90017

RE: Audit of STAR Sports Theatre Arts & Recreation, Inc. – Contract Number 4400007320

Dear Mr. Friedman:

Enclosed is the final report on the audit of Contract No. 4400007320 awarded to STAR Sports Theatre Arts & Recreation, Inc.

Please contact our office if you have any questions.

Sincerely,

*Mark H. Pearson*

Digitally signed by Mark H. Pearson  
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Mark H. Pearson, CPA, CFE, CIGA  
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*Sue Stengel*

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Sue Stengel, Esq., CIG  
Inspector General

c. Jorge Ballardo, Cheri Thomas, Ivory King, Dana Greer, Lisette Pacheco, Elizabeth Li, Ana Estevez, John Han, Nelly Pogosyan

Attachment

Los Angeles Unified School District  
Office of the Inspector General

**Incurred Cost Audit**  
**STAR Sports Theatre Arts &  
Recreation, Inc.**  
Contract No. 4400007320

CA 25-1471  
December 8, 2025

Sue Stengel  
Inspector General



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**Audit of STAR Sports Theatre Arts & Recreation, Inc.**  
**Contract No. 4400007320**

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**EXECUTIVE SUMMARY**

The Office of the Inspector General (OIG) audited Contract No. 4400007320 (Contract), awarded to STAR Sports Theatre Arts & Recreation, Inc. (STAR), for the provision of after-school and summer program services to the Los Angeles Unified School District (District). The audit covered the period from July 1, 2019, through June 30, 2024.<sup>1</sup>

We conducted the audit to ensure compliance, mitigate risks, help safeguard the District's interests, and promote transparency and accountability. The key conclusions and recommendations from our examination are detailed below.

As of July 31, 2024, the District had paid STAR \$15.6 million across 2,129 invoices. The OIG tested a statistical sample of 37 invoices, representing \$632,447 (4%) of total payments. The billed amounts were found to be accurate, properly supported, and allowable in all material respects.

To evaluate STAR's compliance with key contract provisions, the OIG conducted document reviews, interviews, and data analyses in the areas of staff certifications, student documentation, incident reporting, attendance, inventory management, and site monitoring. STAR demonstrated compliance in several critical areas, including maintaining required insurance, supporting reported attendance, and conducting background checks and initial tuberculosis (TB) clearances for staff.

However, the audit also identified specific areas of non-compliance:

- 24% of sampled staff did not receive TB retesting every four years, as required.
- The District's oversight system, Beyond the Bell (BTB) App contained incomplete or missing TB, background check, and child abuse/missing children training certifications for multiple staff members.<sup>2</sup>
- Half of the sampled incidents lacked the required Incident Notes forms.<sup>3</sup>
- Enrollment documentation was missing for 40% of the sampled students.
- The equipment inventory log lacked key data, and no biennial physical inventory was conducted.

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<sup>1</sup> Contract No. 4400007320-Contract No. 4400007320 Star Education Executed July1 2019.pdf

<sup>2</sup> The Beyond The Bell App (BTB App) is software utilized by the Beyond the Bell Branch for the before- and after-school enrichment programs for students. The BTB App captures and offers access to program details, student information, staff information, attendance tracking, and other resources for staff and students.

<sup>3</sup> Incident Notes form is a confidential report document used by the after-school program to report incidents, emergencies, and other issues occurring on District sites during program hours. It captures key details such as the date, time, and location of the incident; the nature of the event; names of any victims and witnesses; actions taken by the supervisor; and the contact information of the individual to whom the incident was reported.

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Recommendations were made to strengthen internal controls, improve documentation and monitoring procedures, and enhance compliance with contract and regulatory requirements.

In summary, STAR's billing practices complied with contract terms in all material respects. While STAR met many key contract provisions, improvements are needed in documentation, compliance tracking, and internal oversight to meet the District's expectations and applicable requirements.

**Recommendations:**

The OIG made the following recommendations to strengthen internal controls and improve compliance processes:

1. Assign staff to maintain BTB App records and conduct regular reviews (e.g., monthly or quarterly) to ensure that background check, TB clearance, and training certifications are complete and up to date.
2. Establish a process to monitor TB testing intervals to ensure all staff are retested for TB every four years.
3. Conduct periodic training for staff on incident reporting protocols, including timely submission of Incident Notes forms within 24 hours, proper documentation of all incident submissions, and routine audits of incident files to verify compliance
4. Enhance controls over enrollment documentation to ensure that student enrollment applications are securely stored, complete, and readily retrievable when needed.
5. Improve inventory management by completing missing data in the equipment log, conducting physical inventories every two years, and maintaining accurate and compliant records for all equipment items.

**INTRODUCTION**

BTB partners with community-based organizations to provide expanded learning opportunities for students during non-school hours through the after-school, summer, and winter enrichment programs. These programs aim to increase student achievement, community engagement, and graduation rates and are operated by contracted service providers on the District's school campuses.

On October 15, 2018, the District's Procurement Services Division issued Request for Proposal No. 2000001720 to seek qualified service providers to provide after-school programs and support services to students because the existing contracts were set to expire.<sup>4</sup> On April 23, 2019, the Board of Education approved 24 contracts totaling \$550,000,000 awarded to various vendors to provide after-school

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<sup>4</sup> The Request for Proposal (RFP) is a method for procuring goods, services, or works. It is used when suppliers, contractors, or service providers are expected to propose a specific solution (methodology and work plan) to fulfill a specific requirement.

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program services for 20 primary schools, 538 elementary schools, 88 middle schools, and 70 high schools throughout the District.

STAR was awarded Contract No. 4400007320 (Contract), spanning a five-year term from July 1, 2019, to June 30, 2024. Under the Contract, BTB issued 21 purchase orders totaling \$23,492,104 to support after-school, winter, and summer enrichment programs operated by STAR during the audit period. As of July 31, 2024, the District paid STAR \$15,627,816, representing 67% of the authorized amount.

**Billing Structure Overview**

Under the Contract, STAR was authorized to bill the District using fixed daily rates per student, with rates determined by grade level and funding sources. Initially, STAR billed based on actual student attendance. However, in response to school closures during the COVID-19 pandemic, the District temporarily allowed billing based on projected attendance figures to support virtual programming. Beginning in the 2022–23 school year, STAR was permitted to use either method during the first half of the year and switch to actual attendance billing in the second half. Additionally, when actual attendance fell short of projections, STAR could reallocate unearned funds toward approved program-related expenditures through Memorandums of Understanding (MOUs) with the District. STAR was required to submit quarterly expenditure reports for each site, detailing program costs, billed amounts, remaining balances, and a certification of accuracy to ensure that all expenses were allowable and program-related.

**SCOPE AND OBJECTIVES**

Our examination covered the amounts billed for services provided by STAR from July 1, 2019, through June 30, 2024.

The objectives of our examination were to determine whether:

1. The amounts billed were adequately supported and allowable in accordance with the contract terms and conditions.
2. STAR complied with the following key contract provisions: (a) maintaining appropriate insurance coverage, (b) conducting background checks and obtaining TB clearances for staff members, (c) incident reporting, (d) training on child abuse and missing children protocols, (e) tracking enrollment and reporting attendance, (f) tracking inventory, and (g) participating in site monitoring and reviews of the after-school program.

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**METHODOLOGY**

The OIG performed the following procedures to accomplish our examination objectives:

- Interviewed BTB staff and management to understand the after-school program services and STAR's obligations under the Contract.
- Inquired with STAR staff and management to understand their internal controls and established policies and procedures to ensure compliance with the key contract provisions.
- Tested a statistical sample of invoices to validate whether the amounts billed were supported and allowable.
- Reviewed the latest certificate of insurance to verify whether STAR maintained adequate insurance coverage and liability limits.
- Reviewed a sample of personnel files to verify STAR's compliance with background check and initial TB clearance requirements for new hires, and whether ongoing employees are retested for TB at four-year intervals.
- Reviewed training certificates to verify staff completion of the required annual training on child abuse and missing children, and validated that STAR maintained documented health and safety policies and procedures.
- Reviewed incident reports and supporting documentation to assess staff compliance with reporting protocols and the timeliness of incident notifications submitted to the District.
- Reviewed enrollment forms to assess whether students were enrolled correctly in the after-school program and verified if documentation was retained to substantiate daily attendance records.
- Reviewed the inventory log to verify STAR and BTB's compliance with tracking requirements for equipment purchases of \$500 or more and inquired about the frequency of BTB's inventory inspections.
- Reviewed site observation forms and program review documentation to determine if STAR participated in the on-site monitoring and reviews of the after-school program conducted by the BTB.

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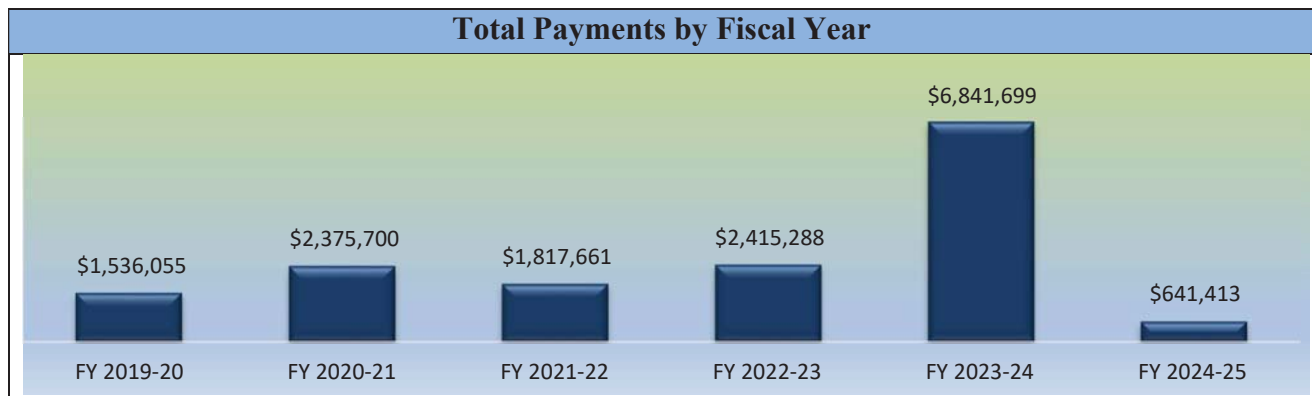
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**RESULTS OF AUDIT**

**Objective 1: Determine Whether Billed Amounts Were Allowable and Adequately Supported**

The after-school, summer, and winter enrichment programs under this Contract were funded by the 21<sup>st</sup> Century Community Learning Centers Program (21<sup>st</sup> CCLC) federal grant, the After School Education and Safety Program (ASES) state grant, and the Expanded Learning Opportunities Program (ELO-P) state grant.<sup>5</sup> As of June 30, 2024, the District had authorized 21 purchase orders totaling \$23,492,104 under this Contract to support these programs. As of July 31, 2024, the District had paid STAR \$15,627,816 across 2,129 invoices for services provided under the Contract.

Annual payments to STAR ranged from \$1.5 million to \$2.4 million through FY 2022-23 and increased to \$6.8 million in FY 2023-24 following a program expansion made possible by additional ELO-P grant funding, as presented in the following table.



*(Exhibit A provides a school-by-school summary of authorized funding amounts under the Contract, including the specific programs offered (after-school, summer, and/or winter) and the fiscal year of allocation.)*

**Invoice Testing and Results**

To assess whether billed amounts were allowable, properly supported, and aligned with contract requirements, the OIG tested a statistical sample of 37 paid invoices totaling \$632,447, approximately 4% of the total \$15.6 million paid to STAR during the audit period.

The review confirmed that:

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<sup>5</sup> The 21<sup>st</sup> Century Community Learning Centers Program (21<sup>st</sup> CCLC) grant is federal funding (administered by the state) for before-and-after-school programs designed to provide academic enrichment opportunities for transitional kindergarten through ninth-grade students. The After School Education and Safety Program (ASES) grant is state funding for programs that partner with public schools and communities to provide academic and literacy support and safe, constructive alternatives for youth. The Expanded Learning Opportunities Program (ELO-P) grant is state funding to support afterschool and summer enrichment programs for transitional kindergarten through sixth grade.

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- ✓ The billed rates matched those authorized in the Contract and approved work orders, based on grade level and applicable funding source.
- ✓ For invoices billed using actual attendance, student sign-in/out sheets, roll sheets, and daily attendance records supported the number of students served.
- ✓ For invoices billed using fixed monthly attendance, the number of units matched the amounts approved in the corresponding work orders.
- ✓ Detailed expenditure records supported invoices submitted under approved MOUs, and all costs were allowable and program-related.
- ✓ Fourth-quarter expenditure reports accurately reflected cumulative billing and were certified by STAR's Chief Financial Officer. The amounts did not exceed the approved contract limits for each program site.

**Key Compliance Highlights: Invoice Testing Summary**

- ✓ Billed rates matched Contract and work orders.
- ✓ Attendance supported by sign-in sheets.
- ✓ Monthly units aligned with approved work orders.
- ✓ MOU costs were allowable and documented.
- ✓ Fourth-quarter expenditure reports accurately reflected cumulative billing, which was within the approved contract limits.

Based on the results of invoice testing and supporting documentation review, the OIG concluded that STAR's billings for the audited period were accurate, allowable, and in compliance with the Contract in all material respects.

**Objective 2: Determine Whether STAR Complied with Key Contract Provisions**

Under the Contract, STAR was required to comply with applicable federal and state regulations, District policies, and program-specific grant requirements in the following areas:

- Insurance coverage
- Background checks and TB clearances
- Student health and safety training and reporting

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- Student enrollment tracking and attendance reporting to the California Department of Education (CDE)<sup>6</sup>
- Inventory management
- Site monitoring and reviews

To assess STAR's compliance with these provisions, the OIG performed detailed testing in each area, including document reviews, interviews with staff, and analysis of data submitted through the District's BTB App. Based on our review, STAR demonstrated compliance with several key contractual obligations. However, the audit also identified specific areas of noncompliance, summarized below and discussed in detail in the subsequent findings.

### **Summary of Results**

#### **STAR complied with the following contract requirements:**

- ✓ Daily attendance figures were adequately supported. For all 10 sampled dates, STAR's reported attendance in the BTB App was either consistent with or appropriately adjusted to match supporting sign-in/sign-out sheets or roll sheets. Minor discrepancies were explained by STAR and did not require further action, as the BTB App data already reflected accurate attendance totals.
- ✓ Monthly attendance reporting met contract deadlines. For all 10 sampled months (two per school year), STAR either uploaded attendance reports to SharePoint (before the BTB App was implemented) or updated data in the BTB App. BTB also confirmed that any required updates to the attendance data were completed by the 15th of each month; no late submissions were identified.

*(Exhibit B summarizes the attendance data submitted to the CDE by the after-school program site operated by STAR under the Contract for the period from July 1, 2019, through June 30, 2024.)*

- ✓ Maintained required insurance coverage.
- ✓ Cooperated with BTB site monitoring and program reviews.
- ✓ Ensured all sampled staff completed the required child abuse and missing children training.

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<sup>6</sup> The California Department of Education (CDE) oversees the state's diverse and dynamic public school system, which educates more than seven million children and young adults in more than 9,000 schools. The CDE and the State Superintendent of Public Instruction are responsible for enforcing education laws and regulations and for continuing to reform and improve public elementary schools, secondary schools, adult education, some preschools, and childcare programs.

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- ✓ Collected signed acknowledgment statements from staff regarding mandatory reporting obligations.
- ✓ Conducted background checks on all sampled staff.
- ✓ Obtained initial TB clearance on all sampled staff.
- ✓ Maintained adequate documentation to support monthly attendance submissions.

**However, the following issues were identified:**

- The BTB App contained incomplete records. Of the 25 sampled:
  - Background check records were missing for five staff (20%)
  - TB clearances were missing for seven staff (28%)
  - Training certifications were missing for nine staff (36%)
  - Two staff members (8%) had no documentation in the BTB App at all
- Six of the 25 (24%) staff members did not obtain the required TB clearance every four years.
- Required incident reports were missing for 5 of the 10 (50%) sampled incidents.
- Enrollment forms were missing for 4 out of 10 (40%) sampled students.
- The equipment inventory log was missing required details, such as serial numbers, acquisition dates, and cost information.
- A physical inventory was not conducted at least once every two years, as required.

**Detailed Findings**

Each of the issues summarized above is discussed in more detail in the following findings.

**Finding No. 1 – Incomplete or Missing Certifications in the BTB App**

***Criteria***

Sections 30, 35, and 36 of the Contract require STAR to certify that staff members have completed background checks, TB clearances, and training on protocols for child abuse and missing children.<sup>7</sup> While the District conducts the training and retains records, the BTB App includes fields for service providers to complete certifications for oversight purposes.

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<sup>7</sup> Contract No. 4400007320-Contract No. 4400007320 Star Education Executed July1 2019.pdf, Section 30, pp. 20-21; Sections 35 and 36, p. 22.

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***Condition***

The OIG reviewed the BTB App entries for 25 sampled staff members and found:

- Background check certifications were missing for five staff members.
- TB clearance certifications were missing for seven staff members.
- Child abuse and missing children training certifications were missing for nine staff members.
- Two staff members had no records in the BTB App at all.

**At a Glance: BTB App Gaps**

- 5 missing background checks (20%)
- 7 missing TB clearances (28%)
- 9 missing training records (36%)
- 2 staff with no records (8%)

***Cause***

STAR stated that some records were not reflected in the BTB App due to transitions in site leadership and delayed Single Sign-On access for new hires.

***Effect***

The BTB App serves as a centralized system for District oversight staff to verify that after-school program employees meet required health, safety, and training standards. When STAR does not update staff certifications in the BTB App, the District cannot easily ensure that all staff have been properly cleared to work with children. This gap undermines the BTB App's usefulness as a monitoring tool, limits the District's ability to make informed staffing decisions, and increases the risk of unqualified or unvetted individuals working directly with students.

***Recommendation No. 1***

STAR should designate staff responsible for updating the BTB App and establish a regular review process (e.g., monthly or quarterly) to ensure that background checks, TB clearance, and training certifications are up to date for all assigned staff. STAR should:

- Complete missing TB, background check, and training certifications in the BTB App for staff who have already met the requirements.

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- Create records in the BTB App for any assigned staff who currently have no profiles.
- Update employee records on the BTB App, including, but not limited to, work status, TB test date, CPR/First Aid Certification, and completion date for the MyPLN mandatory trainings.
- Immediately submit information using the established BTB protocol for requesting a Single Sign-On account for new employees.
- Review internal procedures to ensure future updates are made in a timely and consistent manner.

Additionally, the District may consider providing guidance or refresher training to contracted providers to clarify expectations regarding BTB App usage and certification tracking.

***Response from BTB***

BTB agrees with the recommendations and will work closely with STAR to ensure compliance. STAR will be required to designate staff to maintain records, establish a quarterly review process to keep records current, and submit SSO requests for new hires within five working days. BTB will also meet with STAR to strengthen procedures and provide technical assistance.

***Response from STAR***

STAR acknowledged the issue, clarifying that all staff had completed required clearances, but some records were delayed in being uploaded due to leadership transitions and access issues. To address this, STAR assigned staff to maintain BTB App records, create missing profiles, and update all employee entries. By January 2026, STAR will audit internal records, establish quarterly reviews, and strengthen procedures to ensure timely and accurate updates.

**Finding No. 2 – Missed Tuberculosis Retesting for Staff**

***Criteria***

Sections 30.1 and 30.2 of the Contract require all employees to undergo TB clearance upon hire and undergo retesting every four years if they remain continuously employed.<sup>8</sup> This is in accordance with the applicable California Education Code and health and safety standards.

***Condition***

The OIG tested 25 STAR staff members. Of those, six staff members (24%), who had been employed for more than four years, did not receive TB retesting within the required four-year interval. In some cases, the gap between TB tests was at least six years.

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<sup>8</sup> Contract No. 4400007320-Contract No. 4400007320 Star Education Executed July1 2019.pdf, Section 30, pp. 20-21.

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***Cause***

STAR stated that its current policy aligns with the contract requirement for TB retesting every four years, and that this finding reflects record-tracking gaps rather than procedural noncompliance.

***Effect***

Failure to conduct and document TB retesting may potentially pose public health risks and violate contractual obligations. Without timely screenings, contagious illnesses like tuberculosis may go undetected, putting students and staff at risk. Noncompliance could also subject STAR and the District to liability.

***Recommendation No. 2***

STAR should establish a process to monitor TB testing intervals to ensure all staff are retested for TB every four years and maintain supporting documentation. STAR should also provide the District with the required TB clearance documentation at the beginning of each school year and upon hiring new employees, to demonstrate compliance with contract requirements.

***Response from BTB***

BTB agreed with the recommendations and will work with STAR to establish a reliable process to monitor TB testing timelines, requiring STAR to track expiration dates, schedule retesting in advance, and maintain documentation for each employee. STAR must also submit updated TB clearance documentation at the start of every school year and upon hiring new staff to demonstrate ongoing compliance.

***Response from STAR***

STAR agreed that TB retesting must be tracked more systematically, noting pandemic-related delays as the cause of lapses. They have already implemented a tracking process and re-screened employees overdue for testing. By January 2026, STAR will update protocols to require annual submission of TB clearance documentation for all staff, including new hires, thereby aligning with contract requirements and ensuring continuous compliance.

**Finding No. 3 – Gaps in Incident Reporting**

***Criteria***

The BTB Training Manual requires program staff to:<sup>9</sup>

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<sup>9</sup> The Beyond the Bell Training Manual for Agencies Providing After-School Programs (BTB Training Manual) outlines the policies and procedures that all staff working in a Beyond the Bell after-school program must adhere to.

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1. Immediately inform school administration and the appropriate BTB unit after a reportable incident, and<sup>10</sup>
2. Complete and submit an Incident Notes form to the BTB unit.

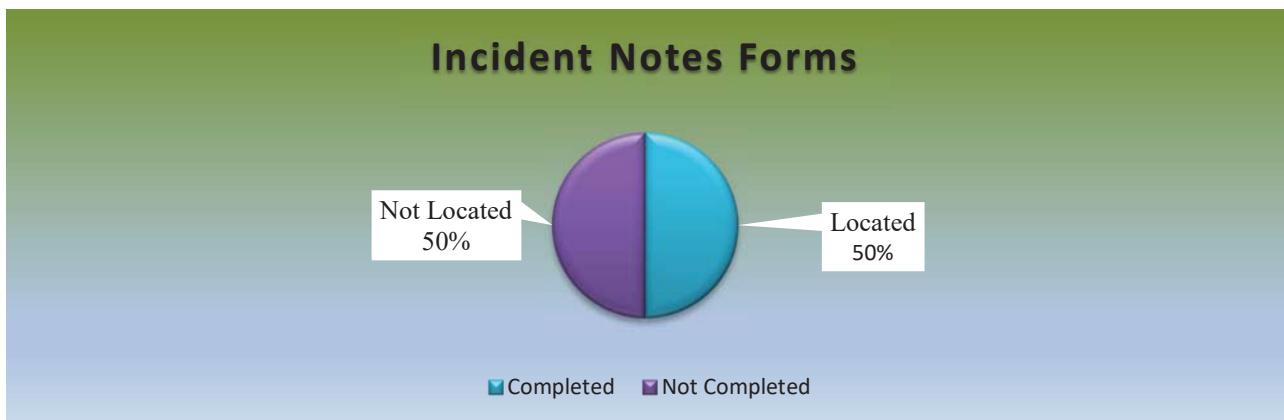
Section 33 of the Contract further states that STAR must notify BTB by phone and email and submit a written report within 24 hours of the incident.<sup>11</sup> This requirement is intended to ensure that the District is promptly informed of incidents that may affect student safety or program operations, enabling timely responses and appropriate follow-up.

***Condition***

Between July 1, 2019, and November 13, 2024, the District documented 87 incidents in iSTAR across 32 STAR-operated after-school program sites.<sup>12</sup> From this list, the OIG randomly selected 10 incidents for review. For each incident, the OIG attempted to verify that STAR had completed the required Incident Notes form and submitted it to BTB within the 24-hour deadline.

- Incident Notes forms were located for 5 of the 10 incidents (50%) - located and provided by either BTB (3 incidents) or the school site principals (2 incidents). However, no documentation existed to confirm whether BTB received the forms within the required 24-hour period.
- Out of 10 sampled incidents, Incident Notes forms were missing for five incidents. The forms were either not completed or could not be located by either BTB or STAR.

The following tables and pie chart show the results of our review for the 10 sampled incidents, indicating whether the required Incident Notes forms were located or not located during our testing.



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<sup>10</sup> BTB Training Manual outlines that reportable incidents and emergencies include, but are not limited to, school campus lockdowns, neighborhood disturbances, suspected child abuse, a missing child, fights, and head injuries.

<sup>11</sup> Contract No. 4400007320-Contract No. 4400007320 Star Education Executed July1 2019.pdf, Section 33, p. 22.

<sup>12</sup> Incident System Tracking Accountability Report system (iSTAR) is the Districtwide confidential electronic cloud-based tool to report and document incidents involving students, employees, parents, community members, and contract professionals that occur on or near District schools and sites, or in District educational programs and/or activities.

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<b>Incidents With Completed Incident Notes Forms</b>				
<b>Incident Form Identification Number</b>	<b>Incident Location Name/School</b>	<b>Incident Date</b>	<b>Incident Time</b>	<b>Form Provided By</b>
664058	Castle Heights ES	9/23/2024	5:00:00 PM	Principal
538258	Fairburn ES	8/29/2022	3:00:00 PM	BTB
285303	Kingsley ES	9/20/2019	2:45:00 PM	BTB
676701	Open Charter Magnet	11/5/2024	3:10:00 PM	Principal
640435	Sterry ES	4/23/2024	3:50:00 PM	BTB

<b>Incidents Without Incident Notes Forms</b>			
<b>Incident Form Identification Number</b>	<b>Incident Location Name/School</b>	<b>Incident Date</b>	<b>Incident Time</b>
538794	Beethoven Elementary	8/31/2022	4:30:00 PM
597781	Broadway Elementary	9/26/2023	4:17:00 PM
606973	Carthay Elementary	10/30/2023	4:00:00 PM
660910	Gardner Elementary	9/12/2024	6:00:00 PM
574200	Walgrove Elementary	4/10/2023	3:15:00 PM

**Cause**

STAR stated that all required incident reports are submitted to the BTB via email and that major incidents are logged in STAR’s internal databases. STAR also stated that, while they strive to meet the 24-hour requirement, delays have occurred due to operational challenges and staff training gaps. Nevertheless, STAR emphasized that they have consistently ensured that major incident reports are sent promptly to the BTB.

STAR also shared the following feedback and is seeking further clarification:

- STAR finds the Incident Notes form confusing due to its confidentiality statement, which makes it unclear what information should be tracked versus kept confidential. STAR is requesting clarification from the BTB in future contracts or manual addenda.
- STAR seeks more explicit guidance on incidents requiring a phone call and email within 24 hours. Given the range of minor and major incidents, STAR recommends that the BTB include a visual tool in the BTB Training Manual, such as a solution tree to support decision-making, especially for complex procedures like incident reporting.

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***Effect***

Because the required Incident Notes forms were unavailable for half of the sampled incidents, the District lacked critical documentation needed to evaluate how those incidents were managed. The absence of records limits oversight, weakens accountability, and increases the risk that serious incidents may not be addressed appropriately or communicated. Without timely, written reports, the District may also be hindered in its ability to monitor program safety, investigate concerns, and implement corrective actions when necessary.

***Recommendation No. 3***

STAR should:

- Train staff to complete an Incident Notes form for every reportable incident.
- Submit the form to BTB as soon as reasonably possible but within 24 hours, retaining e-mail or upload receipts as proof of 24-hour submission.
- Periodically audit incident files to ensure forms are on-hand and complete.
- Seek clarification from BTB as needed to ensure consistent understanding of reportable incidents and documentation procedures.

***Response from BTB***

BTB agreed with the recommendations and will establish an incident monitoring data tracker to ensure the timely submission of all reportable incidents. STAR staff will be required to complete an Incident Notes form for every incident and submit it within 24 hours, with proof of submission. BTB will also require STAR to provide ongoing staff training on incident reporting procedures and conduct periodic internal audits to confirm files are complete and accurate. BTB staff will be available to provide clarification and guidance to ensure a consistent understanding of reportable incidents and documentation requirements.

***Response from STAR***

STAR concurred that incident documentation must be consistent and timely, explaining that system transitions caused retrieval issues during the audit period. In October 2025, STAR introduced a new Incident Training Protocol and retrained staff to submit reports within 24 hours, with proof of submission retained. Beginning January 2026, quarterly audits of incident files will be conducted to confirm completeness and compliance.

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**Finding No. 4 – Missing Enrollment Forms for Some Sampled Students**

***Criteria***

Section 10.2 of the Contract required STAR to maintain all records, including pupil records, for a minimum of seven years following the termination of the Contract.<sup>13</sup> Section 10.8 of the Contract added that pupil records should be maintained securely to ensure confidentiality and prevent unauthorized access.<sup>14</sup> Additionally, the BTB Training Manual requires STAR to obtain a completed enrollment application before enrolling any student in the after-school program. Claiming attendance for students who are not properly enrolled is not permitted.<sup>15</sup>

***Condition***

The OIG tested a sample of 10 students selected from monthly attendance reports to verify enrollment documentation. For six students, STAR provided complete documentation, including the BTB Program Application, STAR After School Contract, and Discipline Agreement.

However, for the remaining four students (40% of the test sample), STAR was unable to provide the required enrollment applications. Although STAR demonstrated that these students attended the after-school program (via sign-in/out sheets) and were listed as enrolled in the BTB App, the official enrollment forms could not be found.

<b>Enrollment Documentation Summary</b>		
<b>Total Students Tested</b>	<b>Located Enrollment Forms</b>	<b>Missing Enrollment Forms</b>
10	6 (60%)	4 (40%) <ul style="list-style-type: none"><li>○ Walgrove ES (Sep 2019)</li><li>○ 59th Street ES (May 2021)</li><li>○ Sterry ES (Nov 2021)</li><li>○ Richland ES (Mar 2022)</li></ul>

***Cause***

The STAR Attendance Director explained that student records, including enrollment applications, are maintained at the after-school program sites during the school year and transferred to STAR’s main facility in Culver City at the end of each year. Following the relocation of STAR’s office after the pandemic, some student files may have been mislabeled and inadvertently stored in the wrong location,

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<sup>13</sup> Contract No. 4400007320-Contract No. 4400007320 Star Education Executed July1 2019.pdf, Section 10.2, p. 6.

<sup>14</sup> Ibid, Section. 10.8, p. 7.

<sup>15</sup> BTB Training Manual, Elementary/Middle School Program Start-Up Agreement, p.10.

**Audit of STAR Sports Theatre Arts & Recreation, Inc.**  
**Contract No. 4400007320**

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resulting in the unavailability of requested enrollment documentation for four students during the audit. Although STAR stated the records are still in storage, their exact location remains unknown.

***Effect***

Because STAR could not produce enrollment applications for four of the 10 students tested, it was not in full compliance with the Contract's recordkeeping requirements. This weakens STAR's ability to demonstrate that students were properly enrolled, creates audit and accountability risks, and could jeopardize grant compliance, especially if enrollment cannot be substantiated during future reviews.

***Recommendation No. 4***

STAR should strengthen the current controls to ensure that student enrollment applications are securely maintained and readily retrievable. These may include:

- Retaining both physical and digital copies of enrollment documents in an organized, centralized system.
- Verifying that enrollment forms are completed and on file before entering students into the BTB App.
- Performing periodic checks to ensure that all enrolled students have complete documentation as required by the Contract.

***Response from BTB***

BTB agreed with the recommendations and will collaborate with STAR to enhance controls for maintaining and easily retrieving student enrollment applications. STAR is required to keep both physical and digital copies of enrollment documents in a centralized system. Additionally, they must ensure that all forms are fully completed before entering students into the BTB App. Periodic audits will also be conducted to verify that all enrolled students have complete documentation in accordance with contractual requirements.

***Response from STAR***

STAR agreed with the finding, attributing missing forms to disruptions from office relocations rather than enrollment failures. Attendance was verified through the BTB App and sign-in sheets. To prevent recurrence, STAR will update protocols by January 2026 to require both physical and digital retention of enrollment forms, verify documentation before BTB entry, and conduct periodic checks to ensure all students have complete records.

**Audit of STAR Sports Theatre Arts & Recreation, Inc.  
Contract No. 4400007320**

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**Finding No. 5 – Incomplete Equipment Inventory and Lack of Biennial Physical Checks**

***Criteria***

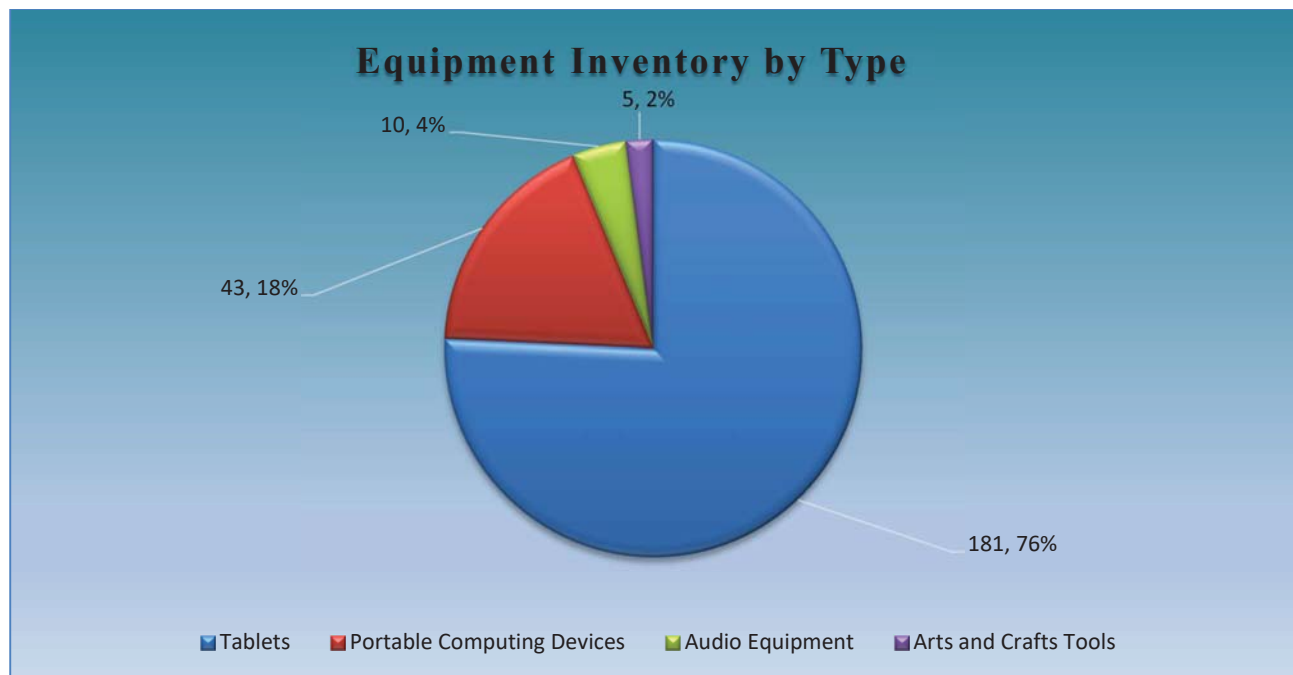
California Education Code § 35168 and Title 5, CCR § 3946 (as referenced in CDE’s Federal Program Monitoring Instrument) require that equipment purchased with state or federal funds ( $\geq$  \$500) be:<sup>16</sup>

1. Listed in an inventory log with type, model, serial number, funding source, acquisition date, cost, location, and condition;
2. Tracked for disposal, transfer, or replacement; and
3. Physically inventoried and reconciled at least once every two years.

Under the Contract, both STAR (record-keeping) and BTB (oversight) must meet these requirements.

***Condition***

STAR’s inventory log (as of 9/17/24) lists 239 items in use at 45 sites. According to the log, tablets made up approximately 75.7% of the total equipment, while portable computing devices (laptops and Chromebooks) combined accounted for about 18.0%.



<sup>16</sup> [California Education Code section 35168 \(2025\) and Cal. Code Regs. Tit. 5, § 3946 - The Control, Safeguards, and Disposal of Equipment Purchased with State and Federal Consolidated Application Funds | State Regulations | US Law | LII / Legal Information Institute](#)

**Audit of STAR Sports Theatre Arts & Recreation, Inc.  
Contract No. 4400007320**

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However, the inventory log was missing key required data:

- 7 items (3%) lack serial numbers.
- 224 items (94%) lack acquisition dates.
- All 239 items (100%) lack unit costs.

Additionally, BTB has not conducted the required physical inventory at least once every two years.

**At a Glance: Inventory Issues Identified**

- 3% of items were missing serial numbers
- 94% of items were missing acquisition dates
- 100% of items were missing unit costs
- No physical inventory performed in over two years

*STAR's equipment inventory log lacked critical data required by state and contract provisions, reducing assurance that assets are properly tracked, safeguarded, or accounted for.*

***Cause***

STAR records District-supplied equipment as it arrives, but BTB does not always furnish complete details (serial number, cost, purchase date). STAR also does not consistently update its log when purchasing equipment with contract funds.

***Effect***

Incomplete inventory data and the absence of periodic physical checks reduce assurance that assets are:

- Properly safeguarded and used for program purposes;
- Removed or replaced when unusable; and
- Accurately reported for audit and grant compliance.

This can lead to disputed ownership, understated replacement needs, or undetected loss or damage.

***Recommendation No. 5***

To strengthen inventory controls and comply with state and contract requirements, STAR and BTB should take the following actions to update and maintain a complete inventory log:

- Identify and label any equipment with missing serial numbers, and update the inventory log in accordance with District policy.

**Audit of STAR Sports Theatre Arts & Recreation, Inc.**  
**Contract No. 4400007320**

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- Enter the acquisition date and cost for each item purchased with grant funds using available supporting documentation (e.g., invoices, canceled checks, expenditure reports). If the original cost is unavailable, STAR may use a reasonable estimate.
- For District-provided equipment, STAR should request any missing information (e.g., cost, funding source, or purchase date) from BTB and update the log accordingly.
- Ensure that inventory records are complete, current, and include all required fields (type, model, serial number, funding source, location, condition, acquisition date, and cost) for each item. STAR should verify the accuracy of inventory records at the beginning and end of each school year.
- Conduct a physical inventory of all equipment at least once every two years and reconcile the results with the inventory log to confirm accuracy.
- Transfer of equipment from one site to another requires prior approval from BTB.
- Notify BTB of any non-functioning equipment, and ensure that it is salvaged in accordance with District policy.

***Response from BTB***

BTB agreed with the recommendations and will work with STAR to strengthen inventory controls and ensure compliance with District policies and contract requirements. STAR must update the inventory log to include missing information for all items, using documentation or reasonable estimates when needed, and coordinate with BTB to obtain missing details for District-provided equipment. STAR will conduct a physical inventory at least once every two years and reconcile results with the log. Equipment transfers will require BTB approval, non-functioning equipment will be salvaged per District policy, and BTB will conduct random inspections to ensure accuracy and accountability.

***Response from STAR***

STAR concurred with the recommendation, noting gaps were tied to BTB-issued devices lacking purchase details. They plan a complete physical inventory across 45 sites in January 2026, with all equipment labeled and logged in accordance with District policy. A shared inventory database will be audited and updated, and annual reconciliations will be performed. STAR IT will also follow salvage procedures for non-functional equipment, ensuring accurate and compliant asset management.

**Audit of STAR Sports Theatre Arts & Recreation, Inc.  
Contract No. 4400007320**

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**AUDIT TEAM**

The following auditors performed this audit:

Mark Pearson, Assistant Inspector General  
Stella Lai, Audit Manager  
Joanna Vuong, Principal Auditor



# Los Angeles Unified School District Office of the Inspector General

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Scott M. Schmerelson, President  
Dr. Rocio Rivas  
Sherlett Hendy Newbill  
Nick Melvoin  
Karla Griego  
Kelly Gonez  
Tanya Ortiz Franklin  
*Members of the Board*

Alberto M. Carvalho  
*Superintendent*

Sue Stengel  
*Inspector General*

## INDEPENDENT AUDITOR'S REPORT

We have examined the amounts billed by STAR Sports Theatre Arts & Recreation, Inc. (STAR) under Contract Number 4400007320 (Contract) for the period from July 1, 2019, through June 30, 2024, and STAR's compliance with the terms and conditions of the Contract. STAR's management is responsible for the amounts billed and for complying with the terms and conditions of the Contract. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence supporting STAR's compliance with the contract requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not legally determine STAR's compliance with the specified requirements.

In our opinion, the amounts billed by STAR under the Contract from July 1, 2019, through June 30, 2024, were adequately supported and allowable under the contract terms and conditions. Furthermore, STAR complied, in all material respects, with specific key contract provisions, including requirements related to enrollment documentation, attendance tracking and reporting, incident documentation, staff training and background checks, tuberculosis (TB) clearances, insurance coverage, inventory management, and record retention.

Sincerely,

*Mark H. Pearson*  
Digitally signed by Mark H. Pearson  
DN: cn=Mark H. Pearson, o, ou,  
email=mark.pearson1@lausd.net, c=US  
Date: 2025.12.08 14:08:04 -08'00'

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Mark H. Pearson, CPA, CFE, CIGA  
Assistant Inspector General, Audits

June 18, 2025

333 South Beaudry Avenue, 12<sup>th</sup> Floor, Los Angeles, California 90017  
Telephone: (213) 241-7700 Fax: (213) 241-6826  
[Inspector.general@lausd.net](mailto:Inspector.general@lausd.net)

# Attachment I

## Responses from Beyond the Bell Branch



### Beyond the Bell Branch

#### ▲ Expanded Learning Programs

333 South Beaudry Avenue, 29<sup>th</sup> Floor  
Los Angeles, CA 90017-1466  
Telephone: (213) 241-7900 | Fax: (213) 241-7562

**Alberto M. Carvalho**  
Superintendent of Schools

**Karla V. Estrada, Ed.D**  
Deputy Superintendent Instruction

**Frances Baez, PhD**  
Chief Academic Officer  
Division of Instruction

**Ana Estevez**  
Interim Executive Director

November 18, 2025

Ms. Joanna Vuong, Principal Auditor  
LAUSD Office of the Inspector General (OIG)  
VIA EMAIL: joanna.vuong@lausd.net

Dear Ms. Vuong,

The following is in response to the October 21, 2025, *Incurred Cost Audit of STAR Sports Theatre Arts & Recreation, Inc.*, Contract No. 4400007320. The results of the audit indicated the following:

#### **FINDING NO. 1: INCOMPLETE OR MISSING CERTIFICATIONS IN THE BTB APP**

Sections 30, 35, and 36 of the Contract require STAR to certify that staff members have completed background checks, TB clearances, and training on protocols for child abuse and missing children. While the District conducts the training and retains records, the BTB Attendance Application (BTB App) includes fields for service providers to complete certifications for oversight purposes.

The OIG reviewed the BTB App entries for 25 sampled staff members. Out of the 25 samples, OIG identified background check certifications were missing for five staff members, TB clearance certifications were missing for seven staff members, child abuse and missing children training certifications were missing for nine staff members, and two staff members had no records in the BTB App at all.

#### **OIG RECOMMENDATION:**

STAR should designate staff responsible for updating the BTB App and establish a regular review process (e.g., monthly or quarterly) to ensure that background checks, TB clearance, and training certifications are up to date for all assigned staff. STAR should:

- Complete missing TB, background check, and training certifications in the BTB App for staff who have already met the requirements.
- Create records in the BTB App for any assigned staff who currently have no profiles.
- Update employee records on the BTB App including, but not limited to, work status, TB test date, CPR/First Aid Certification, and completion date for the MvPLN mandatory trainings.
- Immediately submit information using the established BTB protocol for requesting a Single Sign-On account for new employees.

# Attachment I

## Responses from Beyond the Bell Branch

- Review internal procedures to ensure future updates are made in a timely and consistent manner.

### BTB RESPONSE:

BTB agrees with the OIG recommendations and will work closely with STAR to ensure full compliance.

BTB will require STAR to designate staff responsible for maintaining records, establish a quarterly review process to ensure all records remain current and SSO requests are submitted within five (5) working days for new hires. BTB will also meet with STAR to strengthen internal procedures and provide technical assistance as needed.

Date for Action: March 2026

### FINDING NO. 2: MISSED TUBERCULOSIS RETESTING FOR STAFF

Sections 30.1 and 30.210 of the Contract require all employees to undergo TB clearance upon hire and undergo retesting every four years if they remain continuously employed. This is in accordance with the applicable California Education Code and health and safety standards.

The OIG tested 25 STAR staff members. Of those, six staff members (24%) who had been employed for more than four years did not receive TB retesting within the required four-year interval. In some cases, the gap between TB tests was at least six years.

### OIG RECOMMENDATION:

STAR should establish a process to monitor TB testing intervals to ensure all staff are retested for TB every four years and maintain supporting documentation. STAR should also provide the district with the required TB clearance documentation at the beginning of each school year and as new employees are hired to demonstrate compliance with contract requirements.

### BTB RESPONSE:

BTB agrees with the recommendations.

The OIG's findings indicate that several long-term STAR employees did not receive TB retesting within the required timeline, with some lapses extending to six years. BTB will work with STAR to ensure a reliable and systematic process is in place to monitor TB testing timelines for all staff. STAR will be required to track TB expiration dates, schedule retesting in advance, and maintain supporting documentation for each employee. Additionally, STAR will be required to submit updated TB clearance documentation at the start of every school year and upon hiring new staff to demonstrate ongoing compliance with contract obligations.

Date for Action: March 2026

### FINDING NO. 3: GAPS IN INCIDENT REPORTING

The BTB Training Manual requires program staff to (1) immediately inform school administration and the appropriate BTB unit after a reportable incident and (2) complete and

# Attachment I

## Responses from Beyond the Bell Branch

submit an Incident Notes form to the BTB unit. Section 33 of the Contract further states that STAR must notify BTB by phone and email and submit a written report within 24 hours of the incident.

Between July 1, 2019, and November 13, 2024, the District documented 87 incidents in iSTAR across 32 STAR-operated after-school program sites. The OIG randomly selected 10 incidents for review. Incident Notes forms were located for 5 of the 10 incidents, provided either by BTB (3 incidents) or by the school site principals (2 incidents). No documentation existed to confirm whether BTB received the forms within the required 24-hour period. For the remaining 5 sampled incidents, Incident Notes forms were missing; the forms were either not completed or could not be located by either BTB or STAR.

### OIG RECOMMENDATION:

STAR should:

- Train staff to complete an Incident Notes form for every reportable incident.
- Submit the form to BTB as soon as reasonably possible but within 24 hours, retaining e-mail or uploading receipts as proof of 24-hour submission.
- Periodically audit incident files to ensure forms are on-hand and complete.
- Seek clarification from BTB as needed to ensure consistent understanding of reportable incidents and documentation procedures.

### BTB RESPONSE:

BTB agrees with the recommendations.

BTB will establish an incident monitoring data tracker to ensure all reportable incidents are submitted in a timely manner. BTB will work with STAR to enforce the requirement that staff complete an Incident Notes form for every reportable incident and submit it to BTB within 24 hours, including proof of timely submission. BTB will also require STAR to provide ongoing training to all program staff on proper incident reporting procedures and to conduct periodic internal audits to confirm that incident files are complete, accurate, and consistently maintained. BTB staff will be available to provide clarification and guidance to STAR to ensure a shared and consistent understanding of what constitutes a reportable incident and the associated documentation requirements.

Date for Action: March 2026

### FINDING NO. 4: MISSING ENROLLMENT FORMS FOR SOME SAMPLED STUDENTS

Section 10.2 of the Contract required STAR to maintain all records, including pupil records, for a minimum of seven years following the termination of the Contract. Section 10.8 of the Contract 16 added that pupil records should be maintained securely to ensure confidentiality and prevent unauthorized access. Additionally, the BTB Training Manual requires STAR to obtain a completed enrollment application before enrolling any student in the after-school program. Claiming attendance for students who are not properly enrolled is not permitted.

The OIG tested a sample of 10 students selected from monthly attendance reports to verify enrollment documentation. For six students, STAR provided complete documentation, including the BTB Program Application, STAR After School Contract, and Discipline Agreement. However, for the remaining four students, STAR was unable to provide the

## Attachment I Responses from Beyond the Bell Branch

required enrollment applications. Although STAR demonstrated that these students attended the afterschool program (via sign-in/out sheets) and were listed as enrolled in the BTB App, the official enrollment forms could not be found.

### OIG RECOMMENDATION:

STAR should strengthen the current controls to ensure that student enrollment applications are securely maintained and readily retrievable. These may include:

- Retaining both physical and digital copies of enrollment documents in an organized, centralized system.
- Verifying that enrollment forms are completed and on file before entering students into BTB App.
- Performing periodic checks to ensure that all enrolled students have complete documentation as required by the Contract.

### BTB RESPONSE:

BTB agrees with the recommendations.

BTB will work with STAR to strengthen controls and ensure that student enrollment applications are maintained and readily retrievable. STAR will be required to retain both physical and digital copies of all enrollment documents in an organized, centralized system and to verify that enrollment forms are fully completed before entering students into the BTB App. BTB will also require STAR to perform periodic audits to confirm that all enrolled students have complete documentation in accordance with contractual requirements.

Date for Action: March 2026

### FINDING NO. 5: INCOMPLETE EQUIPMENT INVENTORY AND LACK OF BIENNIAL PHYSICAL CHECK

Section 10.2 of the Contract required STAR to maintain all records, including pupil records, for a minimum of seven years following the termination of the Contract. Section 10.8 of the Contract 16 added that pupil records should be maintained securely to ensure confidentiality and prevent unauthorized access. Additionally, the BTB Training Manual requires STAR to obtain a completed enrollment application before enrolling any student in the after-school program. Claiming attendance for students who are not properly enrolled is not permitted.

STAR's inventory log listed 239 items in use at 45 sites. According to the log, tablets made up approximately 75.7% of the total equipment, while portable computing devices (laptops and Chromebooks) combined accounted for about 18.0%. The OIG found that, on the inventory log, seven (7) items were missing serial numbers, 224 items lacked acquisition dates, and all 239 items lacked unit costs.

### OIG RECOMMENDATION:

To strengthen inventory controls and comply with state and contract requirements, STAR and BTB should take the following actions to update and maintain a complete inventory log:

- Identify and label any equipment with missing serial numbers and update the inventory log in accordance with District policy.
- Enter the acquisition date and cost for each item purchased with grant funds using available supporting documentation (e.g., invoices, canceled checks, expenditure reports). If the original cost is unavailable, STAR may use a reasonable estimate.

## Attachment I Responses from Beyond the Bell Branch

- For District-provided equipment, STAR should request any missing information (e.g., cost, funding source, or purchase date) from BTB and update the log accordingly.
- Ensure that inventory records are complete, current, and include all required fields (type, model, serial number, funding source, location, condition, acquisition date, and cost) for each item. STAR should verify the accuracy of inventory records at the beginning and end of each school year.
- Conduct a physical inventory of all equipment at least once every two years and reconcile the results with the inventory log to confirm accuracy.
- Transfer of equipment from one site to another requires prior approval from BTB.
- Notify BTB of any non-functioning equipment and ensure that it is salvaged in accordance with District policy.

**BTB RESPONSE:**

BTB agrees with the recommendations.

BTB will work with STAR to strengthen inventory controls and ensure compliance with District policies and contract requirements. STAR will be required to update the inventory log to include missing information for all items, using supporting documentation or reasonable estimates when necessary. For District-provided equipment, STAR will coordinate with BTB to obtain any missing information and ensure the log is complete and accurate. In addition, STAR will conduct a physical inventory of all equipment at least once every two years and reconcile the results with the inventory log. Any transfers of equipment between sites will require prior approval from BTB, and non-functioning equipment will be reported to BTB and salvaged in accordance with District policy. BTB will also conduct random inspections of inventory logs and equipment to ensure ongoing accuracy, completeness, and accountability.

Date for Action: April 2026

# Attachment II

## Responses from STAR



STAR Education was named a "Model Program" by the U.S. Department of Education.

November 19, 2025

To:

Mark Pearson, Office of the Inspector General  
Los Angeles Unified School District  
[mark.pearson@lausd.net](mailto:mark.pearson@lausd.net)

Joanna Vuong, CPA, Principal Auditor  
Los Angeles Unified School District  
[joanna.vuong@lausd.net](mailto:joanna.vuong@lausd.net)

Dear Mr. Pearson and Ms. Vuong,

Thank you for the opportunity to review and respond to the Draft Audit Report for Contract No. 4400007320.

Below are STAR's comments for each finding, including:  
(i) STAR's view concerning the finding and recommendation  
(ii) the actions taken or planned, and  
(iii) target dates for full implementation.

We look forward to meeting to review these responses and ensure successful alignment.

### Finding #1: Incomplete or Missing Certifications in the BTB App

(i) **STAR's View:** STAR concurs with the finding and recommendation. The missing documentation reflected timing gaps in uploading completed certifications, not a lack of compliance. All staff had completed the required TB, background, and safety training clearances, but some records were not reflected in the BTB App due to transitions in site leadership and delayed Single Sign-On access for new hires.

#### (ii) Actions Taken / Planned:

- As of November 2025, STAR has designated specific staff responsible for updating and maintaining all information in the BTB App.
  - STAR has created BTB App profiles for any assigned staff who currently do not have a record in the system.
  - STAR has completed and/or updated all employee records in the BTB App, including any missing TB, background check, or training certification entries in the BTB App for staff who have already fulfilled the requirements.

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## Attachment II Responses from STAR



STAR Education was named a "Model Program" by the U.S. Department of Education.

- By January 2026, STAR will complete an audit of its internal records to confirm that all current LAUSD site staff have updated background, TB, and training records.
  - STAR will establish a quarterly review schedule to ensure background checks, TB clearance, and training certifications are current for all assigned staff and email a report to Grant Leadership.
  - STAR will review and strengthen internal procedures to ensure all future updates are completed accurately, consistently, and on time.

### (iii) Target Dates:

- Fully updated BTB App: **November 2025**
- Audit of LAUSD Site Staff Records: **January 2026**
- Designation of new internal procedures and staff leads: **January 2026**

### Finding #2: Missed Tuberculosis Retesting for Staff

(i) **STAR's View:** STAR agrees that TB retesting intervals must be monitored more systematically. The identified cases occurred during pandemic-related delays when annual testing centers were limited. STAR's internal policy already aligns with the four-year retest cycle; this finding reflects record-tracking gaps rather than procedural noncompliance.

### (ii) Actions Taken / Planned:

- As of November 2025, STAR has established an internal process to track TB testing intervals for all staff and ensure retesting occurs every four years.
  - STAR will review the TB monitoring process annually to confirm timelines, documentation practices, and submission workflows remain consistent and compliant.
  - All current employees with more than four years since their last test were re-screened as of November 2025.
- As of January 2026, STAR will update its internal TB protocols to make sure the District is provided with the required TB clearance documentation at the beginning of each school year for all active staff.
  - STAR will submit TB clearance documentation for all newly hired employees as they come on board to ensure continuous compliance with contract requirements.

### (iii) Target Dates:

- Tracking process established: **November 2025**
- Full re-screen verification: **November 2025**
- Updated TB protocols: **January 2026**

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## Attachment II Responses from STAR



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### Finding #3: Gaps in Incident Reporting

(i) **STAR's View:** STAR agrees that every incident must be documented consistently and within 24 hours. The audit period included transitions in reporting systems, which caused some reports to be filed but not retrievable from archives. STAR has since standardized its documentation procedures.

#### (ii) Actions Taken / Planned:

- As of October 2025, STAR has created an updated Incident Training Protocol and trained all staff on how to properly complete an Incident Notes form for every reportable incident.
  - Staff were re-trained to submit the Major Incidents Form and Incident Notes to BTB as soon as reasonably possible and always within 24 hours, retaining email or uploading receipts as proof of timely submission.
  - As needed, STAR will continue to seek clarification from BTB to ensure staff maintain a consistent understanding of what qualifies as a reportable incident and the correct documentation procedures.
- Starting in January 2026, STAR will conduct quarterly audits of incident files to ensure all required forms are present, complete, and properly documented.

#### (iii) Target Dates:

- New Incident Protocol training created and administered: **October 2025**
- Quarterly audits beginning: **January 2026**

### Finding #4: Missing Enrollment Forms for Some Sampled Students

(i) **STAR's View:** STAR concurs with the finding. The missing enrollment documents were due to post-pandemic office relocation and archival disruptions, not an absence of enrollment. Attendance was verified through BTB App and sign-in sheets for all students.

#### (ii) Actions Taken / Planned:

- As of January 2026, STAR will update its enrollment form protocols to ensure that both physical and digital copies of all student enrollment applications are retained.
  - STAR will verify that each student's enrollment form is fully completed and on file before entering the student into the BTB App.
  - STAR will conduct periodic checks to confirm that every enrolled student has complete, contract-required documentation on record.

#### (iii) Target Dates:

- Updated Enrollment Form Protocol: **January 2026**

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## Attachment II Responses from STAR



STAR Education was named a "Model Program" by the U.S. Department of Education.

### Finding #5: Incomplete Equipment Inventory and Lack of Biennial Physical Checks

(i) **STAR's View:** STAR concurs with the finding and appreciates the recommendation for improved asset documentation. The missing data primarily concerned BTB-issued devices where original purchase details were not provided to STAR.

#### (ii) Actions Taken / Planned:

- STAR is conducting a full physical inventory in January 2026 across all 45 sites. All equipment will be labeled with serial numbers and condition tags, and the inventory log will be updated in accordance with District policy.
  - In the future, a full physical inventory will be conducted by STAR IT at least once a year. STAR will reconcile the physical count with the log and correct any discrepancies.
- A shared STAR inventory database that tracks location, funding source, and condition for all assets will be fully audited and updated by January 2026.
  - If needed, missing acquisition dates and costs will be requested from BTB or located by STAR using purchase records and/or reasonable value estimates where invoices are unavailable.
  - STAR IT will notify BTB immediately if equipment is non-functional and will follow District salvage procedures to remove or replace the item.

#### (iii) Target Dates:

- Inventory log updates complete: **January 2026**
- First biennial physical verification: **January 2026**
- Ongoing physical inventory updates each school year: **September-December, yearly**

STAR appreciates the thoroughness of the OIG review and is confident that the corrective measures above will ensure full compliance with contractual, health, and safety obligations. All corrective actions are either complete or on track for implementation by early 2026. We welcome the opportunity to meet and review supporting documentation for each item.

With appreciation,

**Katya Bozzi**  
Executive Director, STAR, Inc.  
katyab@starinc.org | 310-842-8040

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## Exhibit A

### Authorized Amount Allocated by School

After-School Program Site	Programs Offered	Authorized Amount Allocated per School
2022-2023 Various Schools <sup>17</sup>	Summer 2022-2023	\$ 1,608,336
Kingsley Elementary	After-School	\$ 1,169,965
Kester Elementary	After-School and Summer	\$ 928,040
Broadway Elementary	After-School and Summer	\$ 924,176
Gardner Elementary	After-School, Winter, and Summer	\$ 898,233
Beethoven Elementary	After-School and Summer	\$ 897,031
Eshelman Elementary	After-School	\$ 878,019
Melrose Elementary	After-School and Summer	\$ 866,173
Carthay Elementary	After-School and Summer	\$ 845,915
Jones Primary Center	After-School, Winter, and Summer	\$ 824,358
Loyola Village Elementary	After-School and Summer	\$ 799,621
Charnock Road Elementary	After-School, Winter, and Summer	\$ 794,151
Sterry Elementary	After-School and Summer	\$ 792,372
Leland Elementary	After-School and Summer	\$ 788,707
59th Street Elementary	After-School and Winter	\$ 785,522
MacArthur Park Elementary	After-School and Summer	\$ 785,383
Richland Elementary	After-School	\$ 742,664
2023-2024 Various Schools <sup>18</sup>	Summer 2023-2024	\$ 640,000
Soto Street Elementary	After-School and Summer	\$ 629,918
Walgrove Elementary	After-School and Winter	\$ 621,602
Brentwood Elementary	After-School, Winter, and Summer	\$ 608,352
Carmen Garza Primary Center	After-School	\$ 436,327
Westport Heights Elementary	After-School	\$ 352,400
4th Street Elementary	After-School	\$ 310,911
Wonderland Avenue Elementary	After-School	\$ 261,918
Carpenter Community Charter	After-School	\$ 261,198
Castle Heights Elementary	After-School	\$ 261,198
Clover Elementary	After-School	\$ 261,198
Kenter Canyon Elementary	After-School	\$ 261,198
Mar Vista Elementary	After-School	\$ 261,198
Marquez Charter	After-School	\$ 261,198
Mount Washington Elementary	After-School	\$ 261,198
Palisades Elementary	After-School	\$ 261,198

<sup>17</sup> The authorized amount was allocated to the following 17 schools for the 2022-2023 Summer Programs: Beethoven, Brentwood, Carthay, Charnock, Cohasset, Fairburn, Gardner, Jones, Kester, Leland, Lomita, Loyola, MacArthur, Melrose, Paseo Del Rey, Soto, and Sterry.

<sup>18</sup> The authorized amount was allocated to the following 17 schools for the 2023-2024 Summer Programs: Balboa, Beethoven, Brentwood, Broadway, Charnock, Gardner, Hancock, Jones, Kester, Leland, Loyola, MacArthur, Melrose, Paseo Del Rey, Playa Vista, Sterry, and Westwood.

**Exhibit A**  
**Authorized Amount Allocated by School**

After-School Program Site	Programs Offered	Authorized Amount Allocated per School
Roscomare Elementary	After-School	\$ 261,198
Warner Avenue Elementary	After-School	\$ 261,198
Paseo Del Rey Elementary	After-School and Summer	\$ 261,198
Playa Vista Elementary	After-School and Summer	\$ 261,198
Open Charter Magnet	After-School and Winter	\$ 261,198
Hancock Park Elementary	After-School, Winter, and Summer	\$ 261,198
Westwood Elementary	After-School, Winter, and Summer	\$ 261,198
Balboa Elementary	After-School and Summer	\$ 227,665
Overland Avenue Elementary	After-School	\$ 41,884
Canyon Charter	After-School	\$ 33,089
Canfield Elementary	After-School	\$ 22,094
Kentwood Elementary	After-School	\$ 22,094
Fairburn Elementary	After-School and Summer	\$ 22,094
2023-2024 Various Schools <sup>19</sup>	Winter 2023-2024	\$ 15,120
<b>Total</b>		<b>\$ 23,492,104</b>

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<sup>19</sup> The authorized amount was allocated to the following nine schools for the 2023-2024 Winter Programs: 59<sup>th</sup> St, Brentwood, Charnock, Gardner, Hancock, Jones, Open Charter, Walgrove, and Westwood.

**Exhibit B**  
**Attendance Data Reported to CDE**

<b>SCHOOL NAME</b>	<b>Fiscal Year 2019-2020</b>	<b>Fiscal Year 2020-2021</b>	<b>Fiscal Year 2021-2022</b>	<b>Fiscal Year 2022-2023</b>	<b>Fiscal Year 2023-2024</b>	<b>Total for the Contract Term</b>
Beethoven Elementary	7,776	130	11,934	14,741	21,560	56,141
Brentwood Elementary	4,859	861	6,372	7,983	10,326	30,401
Broadway Elementary	9,880	1,023	14,584	14,682	26,030	66,199
Carthay Elementary	8,739	325	11,562	13,239	17,978	51,843
Charnock Elementary	9,263	761	9,648	9,096	9,595	38,363
Jones Primary Center	6,357	537	6,837	3,767	3,776	21,274
Eshelman Elementary	11,554	2,993	17,496	16,451	17,759	66,253
59 <sup>th</sup> Street Elementary	7,493	-	8,969	7,686	7,623	31,771
4 <sup>th</sup> Street Primary Center	-	-	-	3,345	4,488	7,833
Gardner Street Elementary	10,022	910	13,532	14,682	19,448	58,594
Garza Primary Center	3,117	137	4,399	5,167	6,045	18,865
Kester Elementary	9,375	1,896	13,948	14,740	21,753	61,712
Kingsley Elementary	10,146	705	10,335	8,830	11,504	41,520
Laurel Elementary	9,124	150	12,633	12,698	12,488	47,093
Leland Elementary	10,223	788	13,890	11,796	12,863	49,560
Loyola Village Elementary	6,897	1,091	11,204	10,605	13,183	42,980
MacArthur Park Elementary	9,668	1,283	12,700	13,560	15,217	52,428
Melrose Elementary	10,444	2,622	14,693	14,457	20,790	63,006
Serry Elementary	9,207	536	11,991	10,417	8,718	40,869
Richland Elementary	9,050	447	11,074	11,952	8,663	41,186
Soto Street Elementary	7,659	666	9,501	7,910	8,800	34,536
Walgrove Elementary	8,489	213	11,485	10,949	9,070	40,206
Westport Heights Elementary	9,080	672	13,346	8,415	10,694	42,207
<b>Total Attendance</b>	<b>188,422</b>	<b>18,746</b>	<b>252,133</b>	<b>247,168</b>	<b>298,371</b>	<b>1,004,840</b>

*Office of the Inspector General  
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