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Report Highlights

Thrive Academy

Special Schools and Commissions

Audit Control # 80200030
Financial Audit Services • November 2020

Why We Conducted This Work

We performed certain procedures at Thrive Academy (Thrive) to evaluate certain controls that Thrive uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds from the period July 1, 2018, through June 30, 2020.

What We Found

- Thrive did not retain supporting documentation used to determine eligibility of applicants for enrollment and did not submit a record retention schedule to the state archivist in a timely manner. A review of the school admissions process disclosed that documentation, such as questionnaires, school records, and scoring rubrics, used to determine student eligibility to attend Thrive for the 2018-2019 and 2019-2020 school years had not been retained. In addition, Thrive did not have a written records retention policy or a record retention schedule approved by the state archivist in effect during our engagement period.
- For the second consecutive engagement, Thrive did not ensure that all payroll and personnel records were maintained, time sheets were properly approved, and employees were accurately paid.
- For the second consecutive engagement, Thrive did not have adequate controls over employee leave records. Thrive did not have an adequate process in place to track the leave each employee was entitled to, leave accrued from prior state service, leave carried over from year to year, or leave taken as it was used.
- Thrive employees failed to follow established policies and procedures for purchases made using the LaCarte purchasing card, which increases the risk that unauthorized, unallowed, or fraudulent purchases will be made and not detected in a timely manner.
- We determined that management has resolved the prior-report finding related to Services Procured Without a Contract.
- We evaluated controls and transactions related to payroll expenditures, leave records, contract expenditures, school admissions, LaCarte purchasing card expenditures, movable property, and lease expenditures. Except as noted above, we found these controls provided reasonable accountability over public funds for the period examined.

View the full report, including management's responses, at www.la.gov.