



To: Ms. Miranda Turner, School Board Chair  
Ms. Mary Kadera, School Board Member  
School Board Members  
Dr. Francisco Durán, Superintendent

Cc: Members of the Cabinet  
Mr. Brian Stockton, Chief of Staff  
Mr. Andy Hawkins, Business Officer  
Mr. Rajesh Adusumilli, Assistant Superintendent, Information Services

From: Ms. Alice Blount-Fenney, Director, Internal Audit

Re: Final Information Services (IS) Audit Report

Date: August 15, 2025

### **Background**

At the September 2024 Board Meeting, an audit of Information Services was approved and included on the Annual Audit Plan for fiscal year 2025. The Information Services department reports to Mr. Rajesh Adusumilli, Assistant Superintendent, Information Services, who in turn reports to Mr. Andy Hawkins, Business Manager, Business and Management Services. The reporting structure changed in spring 2025.

Information Services provides technology-based services and support for APS students and employees. APS invests a significant amount of the IS budget for technology equipment and support.

### **Technology Costs\* Source Information Services**

*Please note that the following figures **do not** represent the entirety of the IS budget and are only a fraction of the hardware budget, which would include items such as routers and servers.*

<b>Vendor</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
Apple	\$5,975,681.00	\$5,971,775.50	\$5,869,990.00
Dell	\$1,431,717.37	\$1,622,166.19	\$1,266,159.23
<i>Total</i>	<i>\$7,407,398.37</i>	<i>\$7,593,941.69</i>	<i>\$7,136,149.23</i>

*Included in these costs are Dell laptops and desktops for APS staff and students; MacBook laptops for staff and students; iPads for students in grades PreK-8 and for some staff; iPads cases and keyboards for students; and computer monitors. IS purchases regular cases for iPads in elementary schools and keyboard cases for iPads in middle schools.*

### **Annual Repair Costs**

<b>Type of Repair</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
MacBook Screens	\$92,051.97	\$138,911.15	\$187,200.00
Misc. Parts-Batteries, etc.	\$2,831.65	\$2,966.81	\$2,558.45
<b>Totals</b>	<b>\$94,883.62</b>	<b>\$141,877.96</b>	<b>\$189,758.45</b>

Apple provides a one-year warranty for its products. There is also an Apple Buyback Program in which equipment is recycled.

APS maintains a four (4) year standard warranty for Dell products. Dells are considered obsolete and then included as E-Waste. This equipment is turned over to a third-party vendor, PC Recycler, dba Securis.

### **Dell Equipment Recycling Costs: PC Recycler, dba Securis, third party vendor**

<b>Recycling Expenses</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	\$5,080.63	\$11,487.09	\$8,231.91

### **Apple Equipment Recycling Proceeds**

This table represents the reimbursements made to APS by Diamond Assets, a third-party vendor that recycles Apple IS equipment in the Apple Buy Back Program.

<b>Fiscal Year</b>	<b>2023</b>	<b>2024</b>	<b>2025 to date*</b>
Reimbursement Amount	\$375,297.91	\$598,742.25	\$301,268.00

*\*One reimbursement was still pending as of July 15, 2025*

### **Objectives**

The objectives of this audit were to assess internal controls over:

- Inventory Management
- Equipment Loaners, and Replacements
- Equipment Repairs and Warranties
- Equipment Removal (E-Waste)
- Equipment Recycling (Apple Buy-Back)
- Student Device Distribution and Collection
- Internship Program compliance protocols

### **Scope and Audit Methodology**

The Information Services Audit included a review and assessment of internal controls over financial and administrative business processes. This was accomplished through multiple meetings and staff interviews at Syphax as well as interviews in a random selection of schools, physical walk-

throughs, and independent audit tests. Multiple departmental manuals and documents were also provided and reviewed.

Our initial scope included an assessment of controls over hardware and software. The scope was modified to focus solely on hardware once multiple inventory management control deficiencies were confirmed and compliance for recruitment and hiring practices were identified for the “Internship Program.” Software will be included for future audits.

### **Assessment of Management Controls**

My assessment of internal controls for inventory management processes performed by Technology Services, including tracking equipment and recycling, is “unsatisfactory” and requires improvement. This rating is based upon several factors including: a lack of adequate management oversight over critical business processes for a number of years, management’s failure to identify critical points in operations where equipment losses could occur and failure to adequately track IS inventory on any given day. In addition to these poor management controls there is a lack of departmental standards for documented standard operating procedures. It should be noted that some draft Standard Operating Procedures were prepared and submitted throughout the course of the audit contributing to multiple delays.

There are also deficiencies in tracking inventory when devices are moved from one APS location to another. Control deficiencies were also noted in the preparation and transportation of equipment for recycling for both Apple and Dell devices.

In addition, there is also the risk of a loss of business continuity since there are no back-up persons assigned and knowledgeable with the steps needed to perform essential inventory management and recycling functions. Until the audit, these business processes were not documented, which could have contributed to business interruptions.

The purchase of the inventory management system in 2024 was proven to be inadequate and lacked the necessary functionality to provide essential inventory levels at any given time. In 2025 the search commenced for another inventory management system which is currently in a trial period. Both decisions resulted in expenses for APS, as outlined in this report. In addition, Information Services continued to purchase new equipment without a defined and accurate process to identify what equipment was on hand in storage for the use of employees.

I would like to thank those employees that assisted with providing information and documentation for the audit. I would also like to express my appreciation to the Technicians and Instructional Technology Coordinators for allowing me to spend time with them in their workspace and sharing information regarding their roles and responsibilities in support of the APS community.

Best regards,

*Alice Blount-Fenney*  
Director, Internal Audit

## **Summary Audit Findings**

- There are inadequate business processes in place to ensure accurate and complete inventory records and accountability for equipment.
- There are inadequate business processes for ordering new IS equipment for staff due to the lack of physical inventory reconciliation processes and records.
- IS Inventory is stored at multiple locations contributing to a loss of accountability for equipment. This is due to a lack of adequate APS provided space.
- Access methods for stored IS equipment locations are insufficient.
- IS equipment assigned to schools may not be maintained in a secure location.
- There is a lack of adequate management oversight and documented procedures for the administration of the Apple Buy Back Program.
- There are inconsistent and unclear messages regarding protocols to follow for equipment repairs, replacements, warranties, and billing practices at schools.
- The IS Department does not fully comply with Policy Implementation Procedure I-9.2.5.1 PIP2 regarding monthly notification of repair and replacement costs to Administrators.
- There are inconsistent business practices in the development of Standard Operating Procedures for inventory management and recycling protocols.
- IS does not cross-train employees for essential inventory management business functions.
- There are no documented standards for equipment loaners for employees.
- The IS Internship Program maintains inadequate recruiting and hiring practices

## **Detailed Audit Findings**

### **Inventory Management**

There are inadequate business processes in place to ensure accurate and complete inventory records and accountability for equipment.

- APS invests a significant amount of money for the purchase of devices for staff and students. For the period of fiscal years 2023-2025, \$22,137,489.29 was allotted for these expenses.
- APS maintains Asset Sonar inventory management software to manage assets. This system was purchased in July 2024 for \$101,625.89.
- The system is primarily used to log in inventory as it is received.
- Although the system maintains data pertaining to equipment serial numbers and assigned location, it lacks the functionality of performing a reconciliation of goods on hand in transit items, assigned equipment, and items out for repair.
- The IS Department does not have the ability to confirm the actual amount of goods on hand for any given day.
- During the audit, an inventory report was requested. However, the report provided by staff only reflected the recent equipment that was received.
- It was later confirmed that IS was not able to provide the inventory information requested during the audit (reconciliation of goods on hand, new purchases, and in process new orders) due to the limited functionality within Asset Sonar.

- Asset Sonar can only provide inventory reports for a maximum of 10,000 assets in a single exported report.
- I was informed that prior to the audit, the Assistant Superintendent, IS had begun the process of searching for a new vendor that would be able to provide enhanced functionality for inventory tracking and management. These added features would provide better accountability for IS equipment.
- As of July 1, 2025, a pilot of a new inventory management system “Incident IQ” was set up by IS as a sandbox (term used for a pilot period in which users can take advantage of the system and its available functionality including reporting options). The cost for this trial was a one-time fee of \$16,000.
- If IS decides to proceed with Incident IQ it would cost \$63,332.26 on an annual basis. This is an average of about \$40,000 less than the previous system that was purchased last year.

### Recommendations

- The IS Management team is encouraged to explore options for moving forward with a system that has the functionality to provide on demand accurate inventory reports. These reports should include the total goods on hand, recently received purchases, purchases in progress, etc. There should also be functionality to identify when equipment is moved from one location to another.
- There should be regular business practices for running and verifying inventory levels, including reconciliation with any physical counts. In addition, protocols need to be developed on what is to be done if there are inventory irregularities.
- There should be a separation of duties and rotation of staff charged with taking and signing off on inventory levels.

### Management Comments

*Prior to 2024, the responsibility for managing device inventory across Arlington Public Schools (APS) was a shared function between school-based staff and Information Services (IS) Technicians. This collaborative model supported localized accountability but lacked centralized oversight. Beginning in 2024, IS assumed full responsibility for managing inventories for all stakeholders across the district. This transition marked a significant operational shift, requiring the department to scale its processes and systems accordingly.*

*Currently, IS does not have the personnel capacity to conduct a full physical reconciliation of all staff and student devices across the district. To address this, we will need to employ a hybrid approach: in-person verification for select assets and automated reconciliation through Mobile Device Management (MDM) systems for the majority of student devices and some staff devices. This strategy ensures a balance between operational feasibility and data accuracy.*

*However, our current inventory platform, Asset Sonar, has not met the functional requirements necessary to support this model and our needs effectively. It lacks the complete capability to reconcile inventory in real time or generate comprehensive reports that reflect goods on hand, in*

*transit, assigned, or under repair. Recognizing this limitation, IS initiated a search for a more robust solution prior to the audit process and has reviewed multiple vendors, identifying a potential solution for the district.*

*We have since implemented this new inventory management system in a sandbox environment. This system has demonstrated the ability to perform real-time reconciliation, generate on-demand reports at both the district and building levels, and track asset movement across locations. We are confident in its capabilities and will fully implement it prior to the beginning of the upcoming school year.*

Expected Response Date: June 25, 2025

Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

Support Person(s)

- IS Team

**Inventory: Ordering New Equipment for Staff**

There are inadequate business protocols for ordering new IS equipment for staff due to the lack of physical inventory reconciliation processes and records.

- The IS department does not maintain documented business practices for regularly ordering new equipment. According to IS management, the ordering system for new equipment is based upon projected student enrollment. There are no specific purchasing guidelines for staff equipment.
- Since there are no records or reports that can confirm the quantity of goods on hand on a specific date, there is no guarantee that the amount and types of items for the new orders is logical or appropriate for the needs of the APS community, which includes employees and students.

Recommendations

- Once an inventory management system has been identified, purchasing decisions should be made in line with current inventory levels. Discussions need to be held with the Assistant Superintendent, IS for all purchasing decisions.
- A SOP covering inventory reconciliations needs to be developed to ensure that new purchases are captured within the inventory system including standardized purchasing protocols.

## Management Comments

*The Department of Information Services (IS) recognizes the importance of aligning device procurement with both operational needs and fiscal responsibility. We appreciate the audit's recommendations and offer the following clarifications and updates regarding our current practices and future direction.*

*New student device purchases are based on projected enrollment for grade levels that receive new devices. This model will continue but will now be informed by real-time inventory data from the new system, enabling more accurate forecasting and reduced instances of surplus or shortfall.*

*Device allocation across APS is guided by functional need and employee classification. All staff—except those on C-Scale, D-Scale, M-Scale, and X-Scale—are issued new devices on a four-year replacement cycle based on their job responsibilities. For employees in the C, D, M, and X-Scale categories, IS provides gently used devices that have been collected and refurbished from previous deployments. These devices are designed to support essential functions, such as accessing training, reviewing pay slips, and utilizing communication tools.*

*It is important to note that the number of devices ordered for staff is dependent on HR notification of staffing. This is a rolling update and generally occurs after bulk orders for devices have been placed.*

*While our current inventory system, Asset Sonar, has limited functionality in tracking and reconciling these assets, we have since implemented a new inventory management system in a sandbox environment. This system has demonstrated the ability to provide real-time reconciliation, generate detailed reports, and support district-wide and site-specific inventory visibility. Once fully deployed, it will significantly enhance our ability to make data-informed purchasing decisions.*

*However, we acknowledge that some processes, including the identification of gently used devices and reconciling their numbers with employee needs, will remain necessary, particularly for managing device allocation to C, D, M, and X-Scale employees. The new system's reporting capabilities will support these processes and will be refined to ensure consistency and accountability.*

*We are committed to ensuring that all purchasing decisions are aligned with verified inventory levels and to formalize protocols that support transparency, efficiency, and equity in device distribution.*

Expected Response Date: June 25, 2025

## Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

#### Support Person(s)

- IS Team

#### **Inventory Storage**

Inventory is stored at multiple locations contributing to a loss of accountability for equipment.

- It was confirmed during a walkthrough on April 25, 2025, that inventory is maintained at *multiple APS locations*. These locations include multiple floors at Syphax, specifically rooms 461, 354 and room 356 and two cages at the 1770 South Taylor Street Facilities location (Trades Center). IS Equipment and accessories are also stored at APS schools.
- The Assistant Superintendent IS has made several requests in writing for a centralized storage area within APS. These requests have not been addressed by various administrators. This included the Risk Management Officer in 2017, the Assistant Superintendent, Facilities and Operations in 2019, and the Assistant Superintendent, Facilities and Operations, in 2021. Email documentation was provided to support these requests.
- In addition to device inventory, other equipment stored at schools and Syphax include network equipment, printers, SMART Boards, keyboards, and miscellaneous cables, batteries, and chargers.
- During the school visits it was confirmed that due to limitations at the storage locations at the schools, some Technicians transport equipment back and forth between Syphax and the schools, which also may contribute to a loss of accountability and loss of equipment.

#### Recommendations

- The IS Management team is encouraged to collaborate with the Assistant Superintendent, Facilities and Operations to identify a central APS location that has ample space to securely store all APS IS related assets.
- To ensure a proper separation of duties, management is encouraged to revisit staffing structure for inventory management functions.

#### Management Comments

*We want to thank the auditor for recognizing the ongoing efforts by the Information Services (IS) team to secure additional storage space for APS technology assets. As noted, the lack of centralized storage has presented significant challenges in managing the device life cycle across APS. This is a well-known issue, and while we understand the space constraints within our schools, the inability to secure a dedicated area has unfortunately limited our ability to implement more robust inventory controls—without compromising instructional space for students.*

*We also appreciate the acknowledgment that the current distribution of storage locations has led to increased logistical burdens on IS staff, including the need to transport equipment between schools and Syphax. This not only adds operational overhead but also additional risk to APS.*



*That said, we remain committed to working with the Assistant Superintendent for Facilities and Operations to identify and secure a centralized APS location that can accommodate all IS-related assets, as recommended.*

*Additionally, we acknowledge the concern regarding limited personnel dedicated to inventory management. Historically, this function has been managed by a single staff member due to staffing constraints. However, IS leadership is actively reorganizing team structures to establish a distinct Customer Support division, within which inventory management will be a designated function. This reorganization will also include a rotational staffing model to ensure cross-training and introduce a second layer of verification—enhancing accountability and audit integrity.*

*We are confident that these steps will strengthen our inventory management practices and align with the recommendations outlined in the audit.*

Expected Response Date: June 25, 2025

Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

Support Person(s)

- Ms. Reneé Harber, Assistant Superintendent Facilities and Operations

## **Access and Monitoring APS IS Assets**

Access methods for stored IS equipment locations is insufficient.

- There are no cameras or other surveillance equipment located within the rooms in which IS equipment and accessories are maintained in schools. However, it should be noted that there are cameras located in the hallways.
- The rooms in which the equipment is held at Syphax, the schools, and the Trades Center require a key for access. Specified IS employees are provided with a key to these areas.
- A list of Trak 21 users and keys was provided for review.
- The keys are maintained in a “key box” (located in Syphax third floor) in which the removal and replacement/return of each key is recorded. Reports via Traka 21 Who has Had a Key are available to reflect these activities. More specifically the reports reviewed include the start and end dates including the times in which the key was taken and returned to the box.
- The keys used for access are *not stamped “do not duplicate”* and pose a risk of duplication for unauthorized parties to gain access to APS IS assets. Photographs of the keys were taken during the audit walk-through.
- The removal of the key from the box identifies the employee (date and time stamped) that has removed it and now granted access to the Inventory storage room. We are not able to verify what activities happen once the employee enters the room. This is due to a lack of adequate surveillance equipment within the storage room.

- There are no inventory reports that can be tied into the removal or addition of items impacted by activities.

#### Recommendations

- As a priority, security protocols need to be revisited to identify stronger options including an audit trail for activities related to the removal and replacement of equipment from APS premises. As an option, the IS Management team should consult security at APS to explore best practices for security of district assets.
- In the interim the protocols for key check-out should remain in place but the keys must be stamped, Do Not Duplicate.
- Another suggestion is to rotate the staff members with access to IS Inventory and Recycling activities. This is a recommended practice used by banks when employees are assigned to critical functions and there are minimal checks and balances on their work practices. In the case of APS IS, the same two employees are charged with front end and back-end inventory management and recycling duties, and have been performing these tasks for over a decade without supervisory oversight.

#### Management Comments

*We appreciate the auditor's attention to the current access protocols for IS equipment storage and the recommendations provided to enhance security and accountability.*

*We want to acknowledge the support and guidance of Zach Pope, the former Director of SSREM, whose collaboration has been instrumental in shaping the current access framework. His assistance helped us navigate the challenges of securing space across APS, including the use of conference rooms and other manageable locations, which allowed us to maintain some level of control over access despite broader space constraints.*

*We recognize the importance of enhancing security through the installation of cameras in designated areas. However, cameras cannot be installed immediately in the identified locations, as we must ensure that no space with active camera coverage is designated as an employee's primary work area. In the current case, the area in question also serves as a workspace for staff. To address this, we will first need to identify and secure alternative workspace locations within the building for the affected employees. Once the necessary relocations are made, we will proceed with setting up the camera in the storage area. Updates will be provided as progress is made. We fully agree with the recommendation to revisit and strengthen our security protocols by re-engaging with SSREM to review our current practices and seek their guidance on redesigning access procedures to ensure alignment with district-wide best practices. This will include evaluating options for improved surveillance, key control, and audit trail integration. Please note that the Syphax rooms used for device storage lack cameras because, after devices are removed, other departments use these rooms for different purposes. Once IS has a centralized space, we will coordinate with APS SSREM to establish strong security and monitoring measures.*

Expected Response Date: June 25, 2025

#### Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

## Unsecured Storage Areas

IS equipment assigned to schools may not be maintained in a secure location.

- Site visits were conducted at a randomly selected number of schools. Refer to Table I at the end of this report.
- Interviews were held with the Technicians and some of the assigned ITCs.
- Walk-throughs were conducted in the areas where IS equipment is stored.
- The equipment included some new items pending imaging, some equipment pending repairs, boxed items pending assignments to students or staff, and some items considered e-surplus. There were also boxes/containers with miscellaneous items such as chargers, batteries, cables, and “old” audio visual equipment.
- It was confirmed that in some instances, IS equipment at schools is accessible by multiple people and ITC’s and Technicians sometimes share office space with non-IS personnel.
- Some rooms in which Technicians maintain equipment and work are not secured with a lock for restricted access.

## Recommendations

- The IS Management team is encouraged to contact the Chief of School Support and the Principals of the impacted schools to identify more secure locations for the Technicians to work and store APS IS related assets.
- More specifically, the Technology Services Director should conduct a survey with all Technicians and gather information regarding the security of the spaces in which they work. This information should be shared with the Chief of School Support and the Principals, along with the requested changes.
- It is also recommended that the Technology Services Director visit each Technician on a regular basis.

## Management Comments

*We want to thank the auditor for recognizing the ongoing efforts by the Information Services (IS) team to secure additional storage space for APS technology assets. As noted, the lack of centralized storage has presented significant challenges in managing the device life cycle across APS. This is a well-known issue, and while we understand the space constraints within our schools, the inability to secure a dedicated area has unfortunately limited our ability to implement more robust inventory controls—without compromising instructional space for students.*

*We also appreciate the acknowledgment that the current distribution of storage locations has led to increased logistical burdens on IS staff, including the need to transport equipment between schools and Syphax. This not only adds operational overhead but also additional risk to APS. That said, we remain committed to working with the Assistant Superintendent for Facilities and Operations to identify and secure a centralized APS location that can accommodate all IS-related assets, as recommended.*

*Additionally, we acknowledge the concern regarding limited personnel dedicated to inventory management. Historically, this function has been managed by a single staff member due to staffing*

*constraints. However, IS leadership is actively reorganizing team structures to establish a distinct Customer Support division, within which inventory management will be a designated function. This reorganization will also include a rotational staffing model to ensure cross-training and introduce a second layer of verification—enhancing accountability and audit integrity.*

*We are confident that these steps will strengthen our inventory management practices and align with the recommendations outlined in the audit.*

-  
Expected Response Date: June 25, 2025

Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

Support Person(s)

- Ms. Reneé Harber, Assistant Superintendent Facilities and Operations
- Ms. Kimberley Graves, Chief of School Support

## **Warranties, the Apple Buy Back Program, and Equipment Repairs and Replacements**

There is a lack of adequate management oversight and documented procedures for the administration of the Apple Buy Back Program.

There also appears to be inconsistent and unclear messaging regarding protocols to follow for equipment repairs, replacement, warranties, and billing practices at schools.

- As of May 21, 2025, the IS Department employs four Technicians who are certified to repair Apple products and one Dell certified employee.
- APS maintains a four (4) year standard warranty for Dell products and one (1) year for Apple products.
- However, for Apple products there is an Apple Buy-Back program managed by Diamond Assets, a third-party recycling vendor. The reimbursements received from Diamond Assets are sent to the Finance Department. *(Please refer to the reimbursement table on page 2 of this report for details.)*
- Although a draft Buy Back Program SOP was prepared on May 21, 2025, by the Director, Technology Services it lacked many details regarding the administration of this program, specifically, the roles and responsibilities of the APS employees involved in this program. These duties were not documented. On June 10, 2025, I contacted the Diamond Assets Account Manager who was helpful in providing information on the evaluation and collection of equipment as well as the valuation process.
- On July 7, 2025, another more detailed version of a draft SOP was provided by the Director and reviewed by the auditor.
- There are no back-up personnel for the two APS employees involved with the administration of the Buy Back Program and their roles and responsibilities for these business functions are not documented. During the audit a request was made for a narrative describing their duties.

- A Technician from Desktop Support is responsible for front-end major functions including selecting and gathering the equipment to be “purchased” by the vendor. There is no second level review conducted of these tasks.
- There is no employee assigned to verify the accuracy of what items were removed from inventory and submitted for recycling.

#### Recommendations

- The IS Management team is encouraged to prepare a comprehensive Buy Back Program SOP clearly describing the roles and responsibilities for identifying equipment to be recycled, updating inventory levels and reports, preparing equipment for recycling (including wiping data from the machines), coordinating with the vendor for pickup, documenting procedures for the evaluation and quote review processes. According to the IS Project Coordinator, on June 16, 2025, this process was in progress. As follow-up on July 2, 2025, a draft SOP was provided covering Buy Back Processes and exhibits for some related reports.
- There should be additional IS employees cross-trained in the functions associated with equipment recycling processes. This would prevent business interruptions for recycling processes. Currently, the department is operating with the sole dependence and reliance on two employees.
- An additional level of management needs to be implemented for the front-end preparation of equipment for recycling and updating the inventory system and the back end of reviewing Pricing Sheets, Evaluation and Reconciliation Reports.

#### Update as of July 7, 2025

- The Director, Technology Services submitted another version of a Buy Back SOP.

#### Management Comments

*We would like to thank the audit team for their thorough review and recommendations regarding the Apple Buyback Program and related equipment lifecycle processes.*

*We would like to especially acknowledge the instrumental support of the Finance Department in helping the Information Services (IS) team establish and maintain the Apple Buyback Program. Their collaboration has been essential in ensuring that this program is in place and functioning,*

*Standard Operating Procedure (SOP) Development. IS has developed a draft SOP for the Apple Buy Back Program in collaboration with our vendor. This draft outlines the full lifecycle of the process, including equipment identification, vendor coordination, inventory updates, and quote evaluation. We are currently refining this SOP to ensure it fully captures all roles, responsibilities, and procedural steps.*

*Vendor Engagement and Contractual Oversight. IS maintains active annual negotiations with the vendor to ensure the program continues to provide value to APS. These discussions are aimed at optimizing reimbursement rates, improving service timelines, and ensuring compliance with APS procurement standards.*

*Staffing and Oversight Enhancements. We agree with the recommendation to strengthen oversight and cross-training. IS will designate additional staff to serve as second-level reviewers for both the front-end and back-end stages of the recycling process. This will be formalized through the evolving organizational structure. Additionally, we will implement a staff rotation model to ensure broader familiarity with the process and to build redundancy in critical functions.*

Expected Response Date: June 25, 2025

Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

There also appears to be inconsistent and unclear messages regarding protocols to follow for equipment repairs, replacement, warranties, and billing practices at schools.

- As of May 21, 2025, the IS Department maintains four Technicians who are certified to repair Apple products and one Dell certified employee. These Technicians are assigned to various schools.
- APS maintains a four (4) year standard warranty for Dell products and one (1) year for Apple products.
- Students only receive Apple products.
- APS does not recover charges from employees for equipment repairs.
- There are inconsistencies in billing practices for costs associated with repairs and replacements at the schools. These issues fall under the authority of the Office of School Support, Finance as well as IS. More specifically, there are multiple documents within APS that reference device repairs and replacements.

<b><i>Document Title</i></b>	<b><i>Location of Website</i></b>	<b><i>Material/Information Provided</i></b>
Damage to Devices	Digital Devices web page	Focuses on protocols and processes to be followed if a device is lost or damaged. This document is not dated and includes a price list. This document was first posted by IS in 2018. According to IS staff, all webpages on the district's site were moved into a single category "Digital Devices.
Policy Implementation Procedure I-9.2.5.1 PIP-2 Recovery of Costs for Loss/ Damage to Issued Devices	APS Policies	Covers recovery of costs for lost or damaged IS equipment.

Policy Implementation Procedure I-9.2.5.1 Electronic Technologies Acceptable Use	APS Policies	Focuses on the proper use of electronic devices
Student Fees, Fines, and Charges-Policy J-14	APS Policies	Covers terms and conditions for fee waivers, consequences of not paying fees

- A survey was sent out by the Finance Department to School Treasurers to determine what practices they employ for fee collections for equipment repairs and replacements.
- Upon discussions and survey results from School Treasurers, it was confirmed that there are some schools that assess fees from parents for repairs and replacement and produced a price list for reference. There were also some comments regarding price negotiations. At other schools, families are not being charged. There are multiple levels of confusion regarding billing practices for equipment repairs and replacement.
- It was also unclear whether IS business practices cover whether warranties are leveraged for Dell products when applicable. Fee waiver practices were inconsistent at the various schools.

#### Recommendations

- The IS Management team should revisit current APS documents and resources for communicating fees for repairs and replacements and ensure that clear and consistent pricing information is provided for students, parents, and other members of the APS community.
- Information pertaining to waivers and or hardship processes for fees should also be clearly stated and communicated for APS stakeholders.
- Fee price changes should be clearly stated and communicated to all APS stakeholders including the effective date for fee changes. The IS management team should contact the Finance Director and discuss appropriate actions to revisit price lists for repairs or replacements.

#### Management Comments

*We appreciate the audit team's observations and recommendations regarding the clarity and consistency of billing practices for equipment repairs and replacements. This communication needs to be disseminated by various offices. The Information Services (IS) department acknowledges the need for improved communication and transparency in this area and offers the following response:*

*1. Responsibility for Price List Accuracy and Communication. IS is responsible for maintaining the accuracy of the device repair and replacement price list. This list is developed using current component pricing and is published on the APS website under the "Digital Devices" section. This resource is regularly referenced by school staff and administrators. IS will continue to update and share this information annually and more frequently as needed through established communication channels with school Principals and administrative staff.*

*2. Enhancing Transparency Through the New Inventory Management System. IS is currently piloting a new Inventory Management System that will significantly enhance transparency and accountability. This system will allow stakeholders—including school-based staff and administrators, to access real-time pricing and cost data for device repairs and replacements. Additionally, it will support building-level reporting of repair and replacement costs, enabling more informed decision-making and follow-up at the school level.*

*We are committed to working collaboratively with the Office of School Support and Finance to ensure that all pricing information, waiver policies, and billing protocols are clearly documented, consistently applied, and effectively communicated to all APS stakeholders.*

Expected Response Date: June 25, 2025

Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

Support Person(s)

- Mr. Rudbel Alfaro, Finance Director

## **Repair and Replacement Cost Standards**

The IS Department does not fully comply with Policy Implementation Procedure I-9.2.5.1 PIP2 regarding monthly notification of repair and replacement costs to Administrators.

- More specifically, section “restitution process section 1” states that each month, IS will inform the school principal of the actual repair/replacement costs for repaired/replaced issued devices. This business process has never been implemented.
- It should be noted that the PIP is dated January 8, 2019.

Recommendations

- The Technology Services Director should contact the Director of Policy and Legislative Affairs to discuss updating the PIP to accurately reflect the current business processes of informing school principals of IS repair and replacement cost as well as the inclusion of best practices..

Management Comments

*Information Services will collaborate with the Director of Policy and Legislative Affairs to review and update the PIP, ensuring it accurately represents the current business processes for notifying school principals about IS repair and replacement costs.*

-

Expected Response Date: June 25, 2025

Responsible Person

- Mr. Terance Procter, Director, Technology Services



#### Support Person

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS

#### **Device Collections and Return to Stock**

##### **There are inadequate controls for Student Device Collection and Return to Stock Protocols**

- Although the IS Department maintains a manual of standard operating procedures for Student Device Distribution and Collections (dated May 4, 2023), there remains some confusion and inconsistencies with these business practices.
- In summary, the Technicians distribute and collect devices at the schools.
- It remains a fact that the current Inventory Management System is incapable of providing a reconciliation report for any given time.
- The current system has information on what was given out, as per the manual referenced above\* and what was collected. However, there remains a control deficiency for the lack of a system generated mid-year reconciliation report.
- It was reported through the School Board Office that some parents reported several devices in their homes over the summer and devices that could not be returned when students moved from elementary to middle school and middle school to high school.

#### Recommendations

- It is recommended that the IS management team meet with school officials and revisit protocols for the return of devices at the end of the academic year and opt-out options for summer storage. The Manual of Student Device Distribution and Collection should be updated accordingly.
- If a new inventory management system is implemented, system generated inventory reconciliation reports should be given a high priority by management.

#### Management Comments

*The audit identified the need for improved controls in the Student Device Collection and Return to Stock Protocols. As of July 2024, the Information Services (IS) Department is responsible for all aspects of student device inventory management. Before this change, multiple staff members from different departments distributed devices to students and families, which sometimes resulted in delayed returns or exchanges depending on individual circumstances.*

*Following centralization, a review of device assignments was conducted to identify students who possess more than one device. In cases where students require multiple devices for approved reasons, such as special education needs, collaboration with schools is underway to validate these situations and complete an accurate list.*

*This summer, the IS team will begin direct outreach to families on the verified lists to confirm device status and arrange for the return of any outstanding equipment. This one-on-one follow-up is*

*intended to close the loop on device accountability and ensure that all assets are either returned or properly documented.*

*In parallel, we are updating the Manual of Student Device Distribution and Collection to reflect these revised protocols and will coordinate with school officials to ensure consistent implementation across the district. These updates will also include clearer guidance on end-of-year returns and opt-out procedures.*

*We remain committed to improving our inventory controls and ensuring that all students and families are supported through a transparent and equitable process.*

Expected Response Date: July 15, 2025

Responsible Person(s)

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director, Technology Services

### **Standard Operating Procedures (SOPs)**

There are inconsistent business practices in the development of Standard Operating Procedures for inventory management and recycling protocols.

- Although there were some SOPs provided during the beginning of the audit, there are inconsistent business practices for the creation, review, and approval of these documents. For many business functions, SOPs were provided as we progressed through different sections of the Audit scope of work.
- More specifically, SOPs are not maintained in a centralized location by IS staff and were prepared and provided as requested throughout the audit cycle. Some SOPs provided were still in edit mode with active tracking changes.
- During staff interviews there appeared to be some confusion about who was responsible for this business function. I was referred to the Project Coordinator for responses.
- The SOPs provided did not include effective dates.
- It was confirmed that the department maintains some IS information for members of the APS community on its webpages. However, documentation for many key business functions does not have a corresponding SOP.

Recommendations

- The IS Management team is encouraged to develop and implement a business practice covering documented standard operating procedures.
- SOPs should be developed to cover all major business functions and services performed by the IS department.
- A planned schedule should be developed for the creation of new SOP's and revisiting the existing SOPs for accuracy and completion.

Management Comments

*We acknowledge the auditor's findings regarding inconsistencies in the development and management of Standard Operating Procedures (SOPs) within the Information Services (IS) department. We agree that a more structured and sustainable approach is necessary to ensure clarity and consistency across all business functions.*

*To address this, IS has adopted the Information Technology Infrastructure Library (ITIL) framework as our standard for service management. The IS Leadership Team has completed ITIL certification and is actively applying its principles to guide the documentation and rollout of SOPs across the department.*

*Moving forward, all SOPs will be developed using ITIL-aligned practices to ensure they reflect industry best practices in service delivery, change management, and operational support. This approach will help standardize documentation across IS functions and improve service consistency.*

Expected Response Date: July 7, 2025

Responsible Person

- Mr. Terance Procter, Director, Technology Services

Support Persons

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS

## **Dell Recycling Program-E Waste**

### **There is a lack of adequate management oversight over the E-Waste Program.**

- The Dell recycling program is referred to as E-Waste.
- The front-end processes include gathering and determining which equipment is taken from inventory for E-Waste. The back-end processes include working with the vendor and confirming amounts to be paid for recycling services. There are no checks and balances for these processes.
- These are the same two employees associated with the Apple recycling program.
- There is no second level of review for the duties performed for this program.
- There are no other employees cross-trained for the functions associated with this program.
- There is a risk of business interruptions for this program if the two employees currently assigned to these program tasks are not available.
- Draft SOPs were prepared by the Director on July 10, 2025.

Recommendations

- Review and finalize the draft SOP as appropriate.
- Cross-train other employees for E Waste tasks.
- Rotate the existing two employees off this assignment and assign two other employees for front and back-end E Waste tasks. Have a third employee review the work performed by the

two primary employees. This would ensure a proper separation of duties for E Waste business processes.

#### Management Comments

*We agree with the recommendation to strengthen oversight and cross-training. IS will designate additional staff to serve as second-level reviewers for both the front-end and back-end stages of the recycling process. This will be formalized through the evolving organizational structure. Additionally, we will implement a staff rotation model to ensure broader familiarity with the process and to build redundancy in critical functions.*

Expected Response Date: July 15, 2025

#### Responsible Person

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Terance Procter, Director Technology Services

#### **Employee Cross Training**

IS does not cross-train employees for essential inventory management business functions.

- Although it was confirmed that there are some cross-training activities for Technicians, there are no cross-training protocols in place for inventory-related business functions which can result in a loss of business continuity.
- More specifically, there are no back up employees for the individuals charged with inventory related business functions and at the start of the audit there were no SOP's describing the duties associated with running the Apple recycling program, known as Buy Back.
- During the audit, more specifically in May, members of the IS Department prepared draft SOP's covering the roles and responsibilities relating to the Buy Back program.
- In addition to the administration of the Buy Back Program, there is no back-up personnel to cover the duties of employees charged with other inventory related business functions including the transfer and movement activities of equipment to and from various APS locations.

#### Recommendations

- I recommend that the Assistant Superintendent, IS develop a plan for cross-training employees who are charged with essential business functions including inventory management.

### Management Comments

*Technology Services provides cross-training in different departmental functions, but not for inventory management. To address this, staff will receive training aligned with the new inventory management system, and additional personnel will be assigned as secondary reviewers in the recycling process. A staff rotation model will also be introduced to ensure redundancy in key functions.*

Expected Response Date: July 15, 2025

### Responsible Person

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS

### **Equipment Loaners**

There are no documented standards for equipment loaners for employees.

- As a courtesy for APS employees who do not have their laptops at their workstations (usually in cases in which the devices were left at home), IS employees have provided loaner equipment.
- The practice includes the employee returning the loaner the next business day but there are no documented standards for this practice.

### Recommendations

- I recommend that the IS management team prepare standard operating procedures covering equipment loaners including return protocols.

Management Comments:

*We appreciate the auditor's observation regarding the informal practice of providing loaner equipment to APS employees who may have forgotten their assigned devices. While there is currently no formal expectation to issue a secondary device in such cases—unless the original device is broken or non-functional—we recognize the importance of supporting staff in remaining productive.*

*As part of our commitment to service excellence, IS staff have made efforts to assist employees on a case-by-case basis when feasible. These accommodations are made with the understanding that the loaner equipment is returned the next business day, though we acknowledge this process is not yet governed by a documented standard.*

*We agree with the recommendation and will begin developing a formal Standard Operating Procedure (SOP) that outlines:*

- *Conditions under which loaner equipment may be issued.*
- *Clear return protocols*
- *Responsibilities of both IS staff and borrowing employees.*

*We also note the ongoing challenge of limited staffing, with a single IS employee often responsible for all technology needs within a building. Despite this, we remain committed to doing what is best for our employees and APS, and will continue to balance resource constraints with our goal of providing responsive and effective support.*

-  
Expected Response Date: July 15, 2025

Responsible Person

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS

## **IS Internship Program**

The IS Internship Program maintains inequitable recruiting and hiring practices.

- Every summer the IS Department hires 20 to 25 hourly employees, which has for over two decades been referred to as the Internship Program.
- These positions were not advertised, and the Technology Services Director confirmed that for decades advertising was limited to “word of mouth.” This appears to conflict with Equal Employment Opportunity Commission (EEOC) standards and APS policies.
- During the audit, the Technology Services Director prepared a draft job description for this position. This document has not been approved by Human Resources and is currently under review.
- According to the Technology Services Director, members of the Search Committee for these positions consisted of IS Department employees.
- Human Resources was not involved in this process until a file of prospective hires was shared by IS with a request to HR to determine if the proposed candidates were “eligible to work.”
- A report of the summer interns obtained from the Human Resources Department for the periods covering summer 22-23 and summer 24-25 disclosed that several interns hired were relatives of full-time IS employees.

Recommendations

- The IS Management team is encouraged to follow standard protocols for advertising and posting these temporary positions and ensure that there is a diverse group of APS employees on the Search Committee, some outside of the IS Department.
- The IS Department is required to follow EEOC standards to ensure all applicants have an equal chance of obtaining employment. Failure to do so could result in discrimination claims.
- Although there are currently no restrictions at APS for hiring relatives of employees, in the interest of avoiding nepotism and transparency in hiring practices, this practice should be reviewed on a case-by-case basis. For the IS Internship Program proper protocols reflecting ethical standards should be followed especially since open positions were not advertised to the public or non-IS members of the APS community.

### Management Comments

*We acknowledge the audit findings regarding the recruiting and hiring practices historically associated with what has been referred to as the “IS Internship Program.” We appreciate the recommendations and offer the following clarifications and actions:*

*1. Clarification and Rebranding of the Program. The IS Department recognizes that the term “Internship Program” does not accurately reflect the nature of the summer positions. These roles are not structured to align with student academic timelines, curriculum integration, or professional development goals typically associated with internships. Rather, they are hourly support roles focused on preparing devices for distribution to staff and students. To reflect this reality, IS will rebrand the program to clearly identify it as hourly summer support work moving forward.*

*2. Collaboration with Human Resources and Process Improvements. IS will work closely with the Human Resources Department to develop a formal job description for these positions. Beginning with the current summer hiring cycle, we are implementing HR-recommended changes to ensure the process aligns with APS hiring protocols. This includes public posting of the positions, standardized screening procedures, and earlier involvement of HR in the hiring process.*

*3. Commitment to Equity and Transparency. We are committed to ensuring that all hiring practices comply with Equal Employment Opportunity Commission (EEOC) standards and APS policies. Future hiring for these hourly roles will include diverse representation on the Search Committee, including members from outside the IS Department, to promote fairness and transparency. While APS does not currently prohibit the hiring of relatives, we will work with HR to review such cases carefully and ensure ethical standards are upheld.*

*These actions reflect our commitment to continuous improvement and to fostering equitable and transparent hiring practices across all IS Department operations.*

Expected Response Date: June 25, 2025

### Responsible Person

- Mr. Terance Procter, Director, Technology Services

### Support Persons

- Mr. Rajesh Adusumilli, Assistant Superintendent, IS
- Mr. Corey Dotson, Assistant Superintendent Human Resources

### Other Audit Observations: Health and Safety

- During a walk through at Discovery on May 15, 2025, it was noted that the work location for the Technician is a room with no ventilation/vents and what appears to be a large battery pack.
- Since the Director, Technology Services, IS was also present during this site visit, I asked him to contact the appropriate school personnel including Facilities to explore other options for a better work environment. I also contacted the Chief of School Support to ensure that she is aware of the working environment for the Technician.
- As of July 2, 2025, this matter is being investigated and Ms. Graves, Chief of School Support, will collaborate with school personnel for a solution to achieve a better work environment,

**Table I-Site Visits with Technicians and ITC's**

<b>School</b>	<b>Date of Visit</b>	<b>Technician</b>	<b>ITC</b>
Swanson*	5/6/25	C. Cobbins	S. Jones
Kenmore*	5/6/25	M. Medina	M. Goodman
Wakefield	5/9/25	J. Johnson	A. Cordova and R. Chervin
Career Center*	5/9/25	J. Carreto	C. Randolph
Jamestown	5/15/25	M. Choudhury (U) (LI)	L. Minzer
Discovery	5/15/25	P. Falcon	M. Allen
Washington Liberty	5/19/25	C. Adams	J. Oster
Yorktown	5/19/25	M. Wilson	A. Molten and B. Oppenhauser
Tuckahoe	5/19/25	C. Merly	M. Allen
HB Woodlawn	5/19/25	T. Jackson	K. Guist

\*Shared Space: other APS personnel have access

(U)=No lock on door where Tech works, and equipment is stored.

(LI)=Maintains minimal inventory on hand, unable to secure office-must make multiple trips from school to Syphax to obtain inventory.



**Table II-IS Equipment Assignments at School Level**

<p><b>Elementary School (Grades PK-5)</b></p>	<p><b>PK-Grade5</b></p> <p>Students in Grades PK- 2 receive new iPads in Grade 3. They use those iPads until they enter Grade 6.</p>	<p><b><i>What happens to items used until they reach grade 3?</i></b></p> <p><i>All equipment is returned to the Service Support Center located in Syphax, on the fourth floor for processing to determine if the equipment can be reissued, sold, or discarded.</i></p>
<p><b>Middle School (Grades 6-8)</b></p>	<p><b>Question: What happens upon entering and exiting middle school?</b></p> <p>Rising 6th graders keep their iPads with them over the summer and bring those devices with them to their middle school. At the middle school (Grade 6) those students return their old iPads and receive new ones. Students use those same iPads until they enter Grade 9.</p>	<p><b><i>Once they reach grade 6, and transition to middle school, where does this equipment go?</i></b></p> <p><i>All equipment is returned to the Service Support Center, located on the fourth floor at Syphax.</i></p>
<p><b>High School (Grades 9-12)</b></p>	<p><b>Question: What happens upon entering HS and when they are due to graduate?</b></p> <p>Rising 9th graders keep their iPads with them over the summer. Most high schools have “early distribution” dates when rising 9th graders return their Grade 8 iPads and receive MacBooks. If a student does not attend an early distribution opportunity, they exchange their iPads for MacBooks at their high school. Students use those MacBooks until the end of Grade 12.</p>	<p>Upon students leaving high school and APS where does this equipment go?</p> <p><i>Prior to graduation, Grade 12 students must return their devices. Specific times are set at each high school to collect those devices.</i></p>