M E M O R A N D U M

Date: June 16, 2026 File No.: 6171

To: The Honorable Tony Thurmond
State Superintendent of Public Instruction
California Department of Education
1430 N Street, 5th Floor
Sacramento, CA 95814

From: **Department of General Services**
Office of Audit Services

Subject: **QUALITY CONTROL REVIEW OF CONTRACT APPROVAL EXEMPTION AUDIT**

This report presents the results of our quality control review of an internal audit conducted of the California Department of Education's (CDE's) contracting program. The audit was conducted by CDE's Audits and Investigations Division (AID).

As a condition of CDE's exemption (Exemption Letter No. CDE3.1) from the Department of General Services' (DGS') approval of its contracts under $150,000, two audits are required to be performed of CDE's contracting program during the exemption period of March 1, 2023 through February 28, 2026. On March 19, 2026, AID issued an audit report that presented the results of the second audit required under the terms of the exemption. Public Contract Code Section 10352 requires DGS to perform a quality control review of the audit.

The objectives of our quality control review were to determine: (1) if the internal audit was conducted in accordance with an audit guide issued by DGS; and, (2) if reported findings are being appropriately addressed by CDE's management. Based on our interviews of audit staff and review of the working papers prepared to support audit tests, and our performance of other procedures as deemed necessary, we concluded that the audit was conducted in accordance with DGS' audit guide and that management indicated a commitment to take appropriate actions to address reported findings.

We greatly appreciated the cooperation and assistance provided by CDE's audit staff.

If you need further information or assistance with this report, please contact me at (916) 376-5058, or Lucy Wong, Audit Manager, at (916) 376-5049.

ANDY WON
Deputy Director, Office of Audit Services

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