Campus Systems Audit: Attendance, Truancy, and Activity Funds Crockett Elementary School

Audit Plan Code: 24.01-03.A

Assurance | Insight | Objectivity

Final Audit Report
May 20, 2024

Student attendance was recorded accurately for 8 of the 10 absences tested. The Notice of Absence letter was generated for the three students tested; however, the 45-Day Attendance Improvement Plans were not developed. Instances were identified where student attendance and activity fund management procedures were not followed as expected.

Contents

Internal Audit Report

Appendix A

Abbreviations

DV	Disbursement Voucher
EPISD	El Paso Independent School District
EXC	Ex-Other, absence reason code
EXT	Extended Absence, absence reason code
FSP	Foundation School Program
IL	Illness, absence reason code
MDA	Medical All Day, absence reason code
NN	No Note/Call, absence reason code
NOA	Notice of Absence
PEIMS	Public Education Information Management System
SAAH	Student Attendance Accounting Handbook
SPS	Student and Parent Service Department
TEA	Texas Education Agency
TST	Testing, absence reason code
UNV	Unverified absence

Objective and Scope

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing. The objectives of the audit were to determine if school staff:

1. Followed the Texas Education Agency's (TEA) Student Attendance Accounting Handbook and the District's Attendance Procedures Manual as it pertains to:
   a. Attendance is taken and recorded accurately.
   b. Self-audits are performed.

2. Notified parents when students had three or more unexcused absences within a four-week period and developed a 45-day attendance plan for the students who received a notice of absence.

3. Followed the District's Campus Accounting Manual as it pertains to:
   a. Collections in the vault are receipted and secured.
   b. Deposits are supported.
   c. Disbursements and transfers between agency funds are approved, supported, and allowable.

The scope of the audit was the 2023-2024 school year (through December 11, 2023).

The audit objectives align with the EPISD Strategic Blueprint Lever I Whole Child Development and Lever IV Culture of Accountability. Refer to the Background section of the report for further details.

Summary of Results

Based on the tests performed during the campus visit and the information gathered for the samples tested, six (6) findings and six (6) observations were identified. The audit results are summarized below.

1. The campus only had a total of 15 unverified (UNV) as of December 7, 2023. However, the campus had 654 no-note/no-call (NN) absences. When absences are not verified and corrected per the supporting documentation on file, the District loses an opportunity to generate more funding if any of the absences are considered present for Foundation School Program (FSP) purposes.

   The total UNV and NN absences translate into approximately $38,802 in state funding. This amount represents the total funds the District would not receive due to the UNV and NN absences. According to the principal, the "Peims clerk was instructed by SPS to changed (sic) unverified codings to No Call No Note. As of May 6, 2024 all unverified absences have been changed to NN. Peims clerk calls, sends texts and email through Blackboard. Peims clerk has also begun making telephone calls the following day to all students who have a coding of NN."

2. Eight (8) of the ten (10) absences tested were recorded accurately; however, there were instances of non-compliance with the District's Attendance

Procedures Manual relating to training, absence reason codes, the six weeks self-audits, daily procedures, and supporting documentation. See Findings 1.1 through 1.4 and Observations 1.1 through 1.4 for details.

3. The 45-Day Attendance Improvement Plan was not developed for the three students tested. See Finding 2.1 and Observation 2.1 for details.

4. There were instances of non-compliance with the Campus Accounting Manual as it relates to the vault access and the completion of disbursement voucher forms. See Finding 3.1 and Observation 3.1 for details.

Included with each finding and observation are (i) the Principal's response and/or management's response (when applicable) and (ii) recommendation(s) to address the finding or observation identified.

We want to thank the staff from Crockett Elementary School, Student and Parent Services, Student Retention and Truancy Prevention Department, Information Technology Department, and Professional Learning Department, who participated in this audit for their time.

Findings, Recommendations, and Principal's Response

1. Attendance

Finding 1.1
The Secretary to the Principal did not attend attendance training, and s/he serves in the backup attendance role

The Secretary to the Principal has access to enter, post, and delete attendance data in Frontline. The two training sessions offered at the beginning of the school year were on July 20, 2023, or August 4, 2023. The Secretary to the Principal was not absent from work on these two days.

According to the EPISD Attendance Procedures Manual, clerks serving as back-ups must attend attendance training. If the Secretary to the Principal is not trained in the attendance-recording policies, s/he can perform attendance procedures incorrectly, leading to inaccuracies in attendance records.

The EPISD Attendance Procedures Manual under Security Access and Training states, "Clerks serving in the back up attendance role must attend available staff development session on attendance."

The Student Parent Services Administrative Reference Guide (ARG) under Staff Development states, "Attendance Clerks shall attend Beginning of the Year Attendance staff development, each school year, and any subsequent webinars or sessions conducted. Failure to attend or participate shall be reported to the campus principal and/or the assistant superintendent."

Recommendations

1.1.1 The Principal should contact the Student and Parent Services Department to inquire if attendance clerk training is available. If there is, the Principal should ensure the Secretary to the Principal clerk attends the training.

1.1.2 The Principal or the designated Campus Administrator should ensure all personnel who have access to enter, post, and delete attendance records

in Frontline attend the beginning of the year staff development for attendance offered by Student and Parent Services.

Principal's Response

"Principal contacted SPS and set up an attendance training for the Secretary to attend on May 8,2024. We have begun using our part time campus clerk to make additional calls throughout the week of those students who have been coded NN. These efforts are being made to reduce the number of NNs. Principal contacted SPS and set up an attendance training for the Secretary on May 8, 2024. Principal will also ensure secretary and all personnel dealing with attendance is trained at the beginning of the year. She will make note in her August calendar to monitor training dates for the 2024-2025 school year."

Finding 1.2
Two (2) of the 10 absences tested did not have the correct reason code

The supporting documentation for the two (2) student absences may justify a different reason code. One of the absences may generate FSP funding depending on the absence reason code applicable.

Table 1: Absences Tested for Supporting Documentation on File

Student Absence Date	Documentation on file	Absence reason code in Frontline	Potential absence reason code based on supporting documentation	Considered present for FSP purposes (SAAH Section 3.6.3)
10/20/2023	Physicians Note	IL	MDA or EXT (if applicable)	No / Yes
8/24/2023	Physicians Note	IL	MDA	No

The TEA's Student Attendance Accounting Handbook (SAAH) Section 3.6.3 Requirements for a Student to Be Considered Present for FSP (Funding) Purposes states, "A student not actually on campus at the time attendance is taken may be considered in attendance for FSP purposes if the student:…is absent as the result of a serious or life-threatening illness or related treatment that makes the student's attendance infeasible. Documentation from a health care professional licensed, certified or registered to practice in Texas must be provided that specifies the student's illness and the anticipated period of the student's absence relating to the illness or related treatment."

The EPISD Attendance Absence Codes table (under the Documentation Requirements column) outlines the following:

• Absence reason code "IL" should be "used for the student's illness only." The absence reason is considered excused and is state-reported.

• Absence reason code "MDA" should be used when "the student misses school all day because of a doctor's appointment and submits documentation of appointment." The absence reason is considered excused and is state-reported.

• Absence reason code "EXT" is "to be used when a student submits a physician statement indicating that the student cannot attend school due to a life-threatening illness or related treatment. Contact the Senior Attendance Clerk in SPS for the physician's form. The physician's statement must specify the illness and the period of time related to the illness or related treatment. The physician's statement must be sent to SPS at sps@episd.org." The absence reason code is considered excused and is not state-reported.

Recommendations

1.2.1 The Principal should determine the appropriate absence reason code based on the supporting documentation on file. The Principal should direct the attendance clerk to correct the absence reason codes in Frontline for the student absences identified if not done already.

1.2.2 The Attendance Clerk should revisit the supporting documentation requirements in the EPISD Attendance Absence Codes table for MDA and EXT absences to avoid reoccurrences.

Principal's Response

"Peims clerk makes notes as to when parents call in absences in TEAMs. Student [REDACTED] absence on 10/20/2023 was called in at 10:37 am. The following day Peims clerk received doctor note. Student [REDACTED] absence was called in on 8/24/2023 at 9:10. Parent brought note later that same day. Peims clerk was not aware she needed to change IL to MDA. As of May 7, 2024 coding on the above students were coded MDA at principal approval…Peims clerk now understands to change all codings from Ill to MDA or EXT when note is brought in within 5 days. Any note brought in after 5 days would need Admin approval (sic) for coding change."

Finding 1.3
The attendance self-audit review for the 1st and 2nd six weeks was not performed

The Campus Administrators did not monitor the 1st and 2nd six weeks' attendance accuracy by spot-checking student attendance records. The "Daily Attendance File Audit Form" provided by the Student Parent Services Department states, "Once every six weeks, the principal or his/her designee will perform an audit of six Daily Attendance Files (randomly selected). Using the Daily Attendance summary report from the selected Daily Attendance File, choose six students to audit.…"

Recommendations

The Principal should:

1.3.1 Request assistance or training, if needed, from the Student and Parent Services Department on the self-audit procedures.

1.3.2 Complete the "Principal's (or Designee's) Daily Attendance File Audit Form" for the 1st and 2nd six weeks and continue completing the form for the following six weeks. Consequently, the completed form should be submitted to the respective Assistant Superintendent and Student and Parent Services.

Principal's Response

"The principal had an oversight on completing the 1st and 2nd Six weeks review for spot checking attendance for accuracy. This audit was completed by the principal on 1/31/2024…The Principal has included on her calendar the end of each 6th Six weeks period as a reminder to her to complete the attendance accuracy review. This will continue during the 2024-2025 school year to ensure these reviews are completed on time."

Finding 1.4
An administrator's responsibility was delegated to the PEIMS Clerk

During the campus visit, it was noted that the Campus Administrators delegated the responsibility of reviewing, approving, or denying attendance documentation submitted five days after absences to the PEIMS clerk.

The EPISD Attendance Procedures Manual, under Parent Contact states, "Parents/responsible persons or adult students may send a written note or call the campus to excuse an absence. Documentation must be provided within five days of the absence to the attendance clerk. After five days, the administrator must review the documentation and approve or deny."

Recommendations

1.4.1 The campus administrators should review, approve, or deny attendance excuse notes received five days after the absence.

1.4.2 The campus administrators should revisit the Parent Contact guidelines per the EPISD Attendance Procedures Manual.

Principal's Response

"Peims clerk states she was told by SPS to accept documentation even after 5 days and code them accordingly. Moving forward Peims clerk now knows and understands that absence codings can only be changed after 5 days if principal or principal designee gives authorization."

2. Truancy

Finding 2.1
Three 45-Day Attendance Improvement Plans were not developed

Of the three (3) students selected for our sample who received a Notice of Absence (NOA) letter, none had a 45-Day Attendance Improvement. Plan For one of the students, the NOA was dated August 21, 2023, and on September 26, 2023, the student withdrew from the District.

By not establishing the 45-Day Attendance Improvement Plan, there is no follow-up to improve the student's attendance so s/he can receive instruction, truancy behaviors may increase, and the campus is not complying with the Texas Education Code 25.0915. Campus administrators should follow-up on truancy behaviors to decrease student absenteeism and help students thrive.

The Student Retention and Truancy Prevention Manual does not outline monitoring responsibilities to ensure the 45-Day Attendance Improvement Plans are developed.

The EPISD Student Retention and Truancy Prevention Manual –

• Enforcement of School Attendance Laws states, "Schools and parents will be required to develop a 45-day Intervention Plan for any student with three unexcused absences."

• Anti Truancy Intervention Team and 45 Day Attendance Improvement Plan states, "By Texas law, a 45 Day Attendance Improvement Plan must be developed, in conjunction with parental input, for each student who has been identified as demonstrating truancy behaviors. These plans are authored and completed by the Anti-Truancy Intervention Team which may consist primarily of campus personnel including, but not limited to: principals, assistant principals, social workers, graduation coaches and other degreed and certified individuals." AND "45 Day Attendance Improvement Plans will be developed for students and parents to reduce truancy behaviors."

Texas Education Code 25.0915(a) states, "Truancy Prevention Measures, (a) A school district shall adopt truancy prevention measures…(1) impose:…(A) a behavior improvement plan on the student that must be signed by an employee of the school, that the school district has made a good faith effort to have signed by the student and the student's parent or guardian, and that includes:

(i)   a specific description of the behavior that is required or prohibited for the student;

(ii) the period for which the plan will be effective, not to exceed 45 school days after the date the contract becomes effective; or

(iii) the penalties for additional absences, including additional disciplinary action or the referral of the student to a truancy court…"

Recommendation

2.1.1   The Principal, in collaboration with his/her Campus Administration and the Student Retention and Truancy Prevention department, should determine a plan of action on how the Principal can monitor whether the "45-Day Attendance Improvement plans" are developed for students who receive a Notice of Absence (NOA) letter.

Principal's Response

"Unfortunatly (sic) the number of NOAs that we send out on a weekly basis can become overwhelming for Attendance administrator to schedule, meet and implement the 45 day plans. Student [REDACTED] was scheduled to have a meeting with AP to implement the 45 day plan. Before meeting could take place, parent withdrew child. We are also having to really look at NOAs to ensure they do not include tardies or the absences that have been changed from unexcused to excused due to the measures we are putting into place to change Unverified and NN to excuse codings. Each week the attendance administrator will give copy of calendar to peims clerk and Campus assistants for them to call and schedule attendance meetings for all students receiving an NOA."

3. Activity Funds

Finding 3.1
The door to the vault was left open, and the Secretary to the Principal does not have a clear view of the vault

During the campus visit, the vault was open, yet neither the Secretary to the Principal nor the Assistant Principal were present to monitor the access to the vault. The Principal was out for that day. The Assistant Principal opens the vault for the Campus Clerk to retrieve students' electronic devices. On the day of our visit, the electronic devices were placed in a cart outside the open vault. Leaving the vault open can result in unauthorized access.

The EPISD Campus Accounting Manual (CAM) Section 10.3 Access to the Vault states –

- "Access to the vault is limited to the principal, assistant principal and campus financial clerk. Access to the vault, by other employees, must be supervised by one of the aforementioned authorized individuals…The vault should be locked when the authorized employees are not available to monitor access to the vault."

- "The campus financial clerk should be situated so that she/he can monitor access to the vault. If the campus financial clerk does not have a clear view of the vault, the vault should remain locked until access is required."

Recommendations

> 3.1.1 The Principal, Assistant Principal, and Secretary to the Principal should revisit the CAM and comply by closing and locking the vault when authorized employees are not available to monitor access.

> 3.1.2 Since the Secretary to the Principal does not have a clear view of the vault, the vault should remain locked until access is required. Access to the vault by other employees must be supervised by one of the authorized individuals.

Principal's Response

> "... Since December the vault is now locked throughout the day. Secretary, AP or Principal will open as needed for the office assistant to get the devices for students."

Observations, Recommendations, and Principal's Response

While conducting this audit, we made observations that were not included as findings in the Audit Report as they were instances of low-risk issues. However, we felt the observations were worthy of informing you as the data owner/expert to determine how they should be addressed.

1. Attendance

Observation 1.1

> The Principal and Assistant Principal did not attend the beginning of the school year attendance training.

Recommendation

> 1.1.1 The Principal should consider attending attendance training and getting familiar with the EPISD Attendance Procedures Manual since responsibilities are outlined for his/her position in the manual.

Principal's Response

> "On September 11, 2023 the principal attended the PEIMS conference where Attendance was discussed in length. Also, at the beginning of the year. Mr. Al Garcia, the Associate Superintent (sic) at the time would include important attendance reminders from the EPISD Attendance Procesdure (sic) manual in his weekly Newsletters. Principal was not made aware of other attendance trainings to attend at the beginning of the year. Moving fowarrd (sic) Principal will ensure that both principal and assistant principal attend attendance trainings at the beginning of the year. Principal will include a note on her calendar as a reminder in August to seek out Attendance training dates. Princnipal (sic) and assistant principal will be trained on current attendance procedures on May 8, 2024... from SPS."

Observation 1.2

> The supporting documentation (call-in log) for an absence tested indicated the student was absent due to "testing" (TST). However, per campus staff, the student did not test and was picked up by the parent, and his/her absence was classified as "EXC" without documentation.

Recommendation

1.2.1   The PEIMS Clerk should ensure the correct supporting documentation is on file to justify the "EXC" absence code in the system.

Principal's Response

"On this day student [REDACTED] was absent due to parent chosing (sic) to keep child home due to behavior while waiting to be tested by our Special education department. The office assistant inaccurately wrote absence was due to testing on the call log. Child was not being tested that day, therefore the absence was marked excused as the parent did not notify the school of the absence but it was documented on the call log incorrectly (sic). Train office staff of appropriate absent reasons to be included on call logs."

Observation 1.3

Per an analysis conducted for the use of the absence reason code EXT (Extended Absence Other), it was noted the code has only been used for six students as of April 15, 2024, district-wide. The EXT code provides FSP Funding. Attendance Clerks might not be aware of when and how to code an absence as EXT.

In regard to the EXT absence reason code, the TEA's Student Attendance Accounting Handbook (SAAH) under – Section 3.6.3 Requirements for a Student to Be Considered Present for FSP (Funding) Purposes states, "A student not actually on campus at the time attendance is taken may be considered in attendance for FSP purposes if the student:… is absent as the result of a serious or life-threatening illness or related treatment that makes the student's attendance infeasible. Documentation from a health care professional licensed, certified, or registered to practice in Texas must be provided that specifies the student's illness and the anticipated period of the student's absence relating to the illness or related treatment."

Clarification obtained from TEA on what would constitute a serious or life-threatening illness – "There are many examples of serious or life-threatening illnesses: cancer, dialysis for kidney treatment, an appendicitis, mental health treatments (not an accusative list). And your barometer is based on how the doctor in Texas documents the illness. In terms of surgery, you need to know what the surgery if for. Hospitalizations and missing school as the result of injury (car accident, concussion during a sporting event, etc.) and not illnesses, do not apply."

The EPISD Attendance Codes table (under the Documentation Requirements column) outlines the following for the EXT absence code:

• "To be used when a student submits a physician statement indicating that the student cannot attend school due to a life-threatening illness or related treatment. Contact the Senior Attendance Clerk in SPS for the physician's form. The physician's statement must specify the illness and the period of time related to the illness or related treatment. The physician's statement must be sent to SPS at sps@episd.org."

• The absence reason code is considered excused and is not state-reported.

Recommendations

1.3.1   Student Parent Services should perform an analysis of students who have been absent continuously or with significant absences classified with a medical absence reason code such as IL, HSP, MDA, etc. to

follow up and determine whether any of the absences would be considered EXT.

1.3.2   Student Parent Services should remind campus staff who manage attendance data about the purpose of the EXT absence reason code so they determine if and how it should be used based on the guidance outlined in the EPISD Attendance Absence Codes lists.

Management's Response

According to the Executive Director of Student and Parent Services, "A memo will be sent to Attendance Clerks and principals remind them the extended absence requirements and to review any absences that may possibly be included."

Observation 1.4

The PEIMS clerk was given verbal authorization to classify an absence as EXC. The documentation requirements in the EPISD Attendance Absence Codes table do not specify how to document the designation from the Principal for a reason code Ex-Other "EXC."

The EPISD Attendance Absence Codes table (under the Documentation Requirements column) outlines the following for the EXC – (Ex-Other):

• "To be used for all absences which are not covered on the absence code list and the principal has designated the absence as excused."

The TEA's Student Attendance Accounting Handbook (SAAH) under Section 2.3.5 Additional Required Documentation states, "The following documentation will also be required in the event of an audit… 5. for paperless accounting system in which absences are posted directly to the automated system, sufficient paper documentation to support any changes to posted absences."

Recommendation

1.4.1   The Student and Parent Services Department should establish and determine the type of documentation requirement whenever the principal excuses absences that are not covered on the absence code list to comply with the SAAH requirement.

Management's Response

According to the Executive Director of Student and Parent Services, "The principal can either sign a correction slip or sign excused/approved or unexcused/not approved on the written documentation provided by the parent."

2. Truancy

Observation 2.1

The NOA letters are not signed by a campus administrator at Crockett. The Student Retention and Truancy Prevention Department has a practice for NOAs to be signed by a campus administrator.

Recommendation

2.1.1   The Campus Administrators should follow the Student Retention and Truancy Prevention practice of signing the NOA letters.

Management's Response	The EPISD Student Retention and Truancy Prevention Administrative Reference Guide (ARG) is currently being reviewed by EPISD administration to include a protocol where the attendance administrator is to review and sign the NOA. In addition, a modification in the NOA template has been suggested by the EPISD Administration to include a section where the administrator should sign.
Principal's Response	"It was common practicen (sic) that the attendance administrator sign all NOAs before the pandemic. During the Pandemic due to everyone working from home Adminstrators (sic) stopped signing them with guidance from SPS. This did not resume once things went back to "normal." Since December Attendance Administrator has signed and will continue to sign all NOAs before they are mailed out. Mpnitor (sic) Attendance Administrator periodically to ensure all NOAs are Signed beforel (sic) NOAs are mailed out to parents."

3. Activity Funds

Observation 3.1	The two (2) disbursement vouchers tested did not include the "Check #" at the top of the form.

Table 2: DV not properly filled out

Check Number	Date	Amount
1472	9/27/2023	$20.00
1475	11/01/2023	$51.31

The EPISD Campus Accounting Manual Section 11.4 Campus Disbursement Voucher (DV) states, "Approval Section – The top section of the DV is considered the approval section. This section is prepared by the employee requesting the goods or services and should be filled out completely."

Recommendation	
	3.1.1 The Secretary to the Principal should review DVs to ensure the form is filled out completely before the Principal approves.
Principal's Response	"Due to the new policies and practices we use less checks and this step of including the check number on the DVs has gotten over looked by both the secretary and principal. The principal's approval of purchases comes with signing of the DV before a check is cut, therefore the check number is not filled out before approval. Principal has verified that all DVs (that involved a check being written) have check number on the DVs…Moving forward Secretary will include check number on DV before principal signs DV. At that time secretary will cut the check after approval has been given. Princpal (sic) will monitor DVs to ensure check numbers are included on DVs."

Audit Report

ASSURANCE • INSIGHT • OBJECTIVITY

Background

The Campus Systems Audit was approved by the Board of Trustees as part of the 2023-2024 Internal Audit Plan. The audit supports Levers I and IV of the District's Strategic Blueprint.

Lever *I*	Lever *II*	Lever *III*	Lever *IV*	Lever *V*
Whole Child Development	Academic Excellence	Destination District	Culture of Accountability	Equity by Design

The Campus Systems Audit provides an independent and objective risk-based assessment of Crockett Elementary School's compliance with procedures for (i) student attendance, (ii) student truancy, and (iii) activity funds. The specific audit objectives are included in the **Objective and Scope** section of this report.

Student Attendance

Attendance reporting and validation occur daily at each EPISD campus. Elementary teachers must take attendance at 10:00 a.m. at the official accounting period. Middle and high school teachers take attendance within the first ten minutes of a class period each day. The campus Attendance Clerk (i) confirms that daily attendance entries are complete and correct each day and (ii) verifies the submission of attendance for each period or the attendance accounting period as required by the District. The campus principal must review and attest to the accuracy and completeness of attendance data for the campus.

The accuracy of attendance data is critical for identifying students who have excessive absences and for funding purposes.

•   According to the US Department of Education's Report on Chronic Absenteeism, "Education can only fulfill its promise as the great equalizer - a force that can overcome differences in privilege and background - when we work to ensure that students are in school every day and receive the supports they need to learn and thrive…Students who are chronically absent—meaning they miss at least 15 days of school in a year—are at serious risk of falling behind in school."

•   The Texas Education Agency (TEA) uses student attendance data to allocate Foundation School Program (FSP) funds to Texas Public schools. The TEA's 2023-2024 Student Attendance Accounting Handbook Section 1 Overview states, "Under state law, every Texas school district is required to adopt an

attendance accounting system…that includes procedures that ensure the accurate taking, recording, and reporting of attendance accounting data."

Truancy

The District notifies parents when students have three or more unexcused absences within a four-week period through the Notice of Absence (NOA) letter. A student who receives an NOA should also have a 45-Day Attendance Improvement plan. According to the EPISD Student Prevention and Truancy Manual, "By Texas law, a 45 Day Attendance Improvement Plan must be developed, in conjunction with parental input, for each student who has been identified as demonstrating truancy behaviors. These plans are authored and completed by the Anti-Truancy Intervention Team which may consist primarily of campus personnel including, but not limited to, principals, assistant principals, social workers, graduation coaches and other degree and certified individuals."

Activity Funds

Activity funds are established to direct and account for monies used to support co-curricular and extra-curricular student activities. Cocurricular activities are school-sponsored activities that directly add value to classroom instruction and curriculum. Extracurricular activities include a variety of other district-directed activities, like athletic and other nonacademic competitions. [1] According to the TEA's Financial Accountability System Resource Guide Appendix H, "These funds are to be used to promote the general welfare of the school district and the educational development and morale of all students."

At EPISD, there are student and campus activity funds. Student activity funds belong to students and are used to support the activities of student-led organizations and clubs and for purposes authorized by the student club or organization. The sponsor for the student organization/club and the principal manage and approve all disbursements. Campus activity funds belong to EPISD and can be expended for the benefit of the District or its students and shall be related to the District's educational purpose. [2] The financial clerk and principal are responsible for managing campus activity funds. The principal is responsible for approving disbursements from campus activity funds.

Methodology

To achieve our audit objective(s), we:

1. Researched relevant federal/state laws and regulations, Board policies, and the departments' manual/guidelines.

2. Interviewed key personnel, attended training provided by Student and Parent Services and Campus Accounting, and performed walkthroughs to understand attendance, truancy, and campus activity fund management functions, processes, and controls in place.

3. Obtained attendance change logs and frontline access logs from the Information Technology Department.

4. Performed a risk assessment based on our understanding of the processes and controls in place for attendance, truancy, and campus activity fund management.

---

[1] Texas Association of School Boards School Legal Services, Activity Funds
[2] Board Policy CFD (Local) Accounting: Activity Funds Management

5. Performed a risk-based analysis to select the campuses to audit. The analysis was performed based on (i) information gathered from key personnel, (ii) the external auditor's management letter, (iii) the number of unverified absences, (iv) attendance rates, (v) changes in attendance and financial clerks, and (vi) changes in campus activity balance totals.

6. Conducted a campus visit, inquired about the attendance, truancy, and campus activity fund management processes, and performed audit procedures related to the audit objectives.

Because of the inherent limitations in a system of internal controls, there is a risk that errors or irregularities occurred and were not detected. Due professional care requires the internal auditor to conduct examinations and verifications to a reasonable extent. Accordingly, an auditor is able to obtain reasonable, but not absolute, assurance that procedures and internal controls are followed and adhered to in accordance with federal, state, local policies, and guidelines.

Internal Audit
Assurance | Insight | Objectivity

1014 N. Stanton | El Paso, TX 79902
Phone: 915-230-2743
audit@episd.org

Fraud, Waste, and Abuse Hotline:
https://www.reportlineweb.com/EPISD or (800) 620-8591