

# Campus Systems Audit: Attendance, Truancy, and Activity Funds Jefferson High School

Audit Plan Code: 24.01-01.A



Assurance | Insight | Objectivity

Final Report  
December 20, 2023

Student attendance was recorded accurately for 10 of the 16 absences tested. The Notice of Absence letter was generated for the three students tested; however, for two, the 45-Day Attendance Improvement Plan was not developed. Instances were identified where student attendance, student truancy, and activity fund management procedures were not followed as expected.



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## Abbreviations

CAM	Campus Accounting Manual
DV	Disbursement Voucher
EPISD	El Paso Independent School District
FSP	Foundation School Program
NOA	Notice of Absence
PEIMS	Public Education Information Management System
SAAH	Student Attendance Accounting Handbook
TEA	Texas Education Agency



# Audit Report

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## Objective and Scope

The objectives of the campus systems 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 October 18, 2023).

## Summary of Results

Based on the tests performed during the campus visit and the information gathered for the samples tested, 15 findings and 9 observations were identified. The audit results are summarized below.

1. As of October 16, 2023, the campus had a total of 3,137 unverified (UNV) absences and 49 no-note/no-call (NN) absences. These absences translate into approximately \$187,724.28 in state funding based on the 2022-2023 Summary of Finance as of September 28, 2023 (\$57.98 per absence). See Finding 1.1 for additional information.
2. Ten (10) of the 16 absences tested were recorded accurately. Also, there were instances of non-compliance with the District's Attendance Procedures Manual relating to daily procedures, training, supporting documentation, and record misfiling. See Findings 1.2 through 1.7, and Observations 1.1 through 1.6 for details.
3. Two 45-Day Attendance Improvement Plans were not developed, and one did not include a notation of the parent's involvement over the phone. Also, there were instances identified regarding procedures for the distribution of Notice of Absence letters and the development of the 45-Day Attendance Improvement Plans. See Findings 2.1 through 2.3 and Observation 2.1 for details.
4. There were instances of non-compliance with the Campus Accounting Manual as it relates to access to the vault, unreceipted funds inside the vault, deposits, disbursements, and transfer of funds. See Findings 3.1 through 3.5 and Observations 3.1 and 3.2 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 Jefferson High School, Student and Parent Services, Student Retention and Truancy Prevention, Campus Accounting, Administrative Services, Professional Learning, and Information Technology, who participated in this audit for their time.

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## Findings, Recommendations, and Principal's/Management's Response

### 1. Attendance

#### Finding 1.1

The campus had 3,137 unverified absences as of the date of our audit

As of October 16, 2023, the campus had a total of 3,137 unverified (UNV) absences and 49 no-note/no-call (NN) absences. These absences translate into approximately \$187,724.28 in state funding based on the 2022-2023 Summary of Finance as of September 28, 2023 (\$57.98 per absence). This amount represents the total funds the District is not receiving due to the UNV and NN absences. When absences are not verified and corrected per the supporting documentation on file, the District loses an opportunity to generate funding if any of the absences can be considered present for Foundation School Program (FSP) purposes.

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, "Students present at the official attendance-taking time are counted present for funding purposes...students who are absent at the official attendance-taking are counted absent for funding purposes."

The EPISD Attendance Procedures Manual under The Role of the Attendance Clerk states, "The senior attendance clerk, attendance clerk, and PEIMS Clerk elementary are assigned the responsibility of verifying the submission of attendance each period or the attendance accounting period as required by the District...Accuracy of attendance is critical for...funding...."

### Recommendations

The Principal should determine:

- 1.1.1 The best course of action to address unverified absences and update attendance records for the school year 2023-2024 in Frontline.
- 1.1.2 Whether having only one of the full-time attendance clerk positions is sufficient to manage the attendance duties and volume of records at the Jefferson High School campus.

**Principal's Response:** "The attendance team addressed as many unverified absences and updated student records as much as they could during the business day. Not all absences could be verified. We will have weekly attendance meetings to address unverified absences. The team split the number of calls to be made to reduce unverified absences. As we have done

this, there has been a decrease of unverified absences. We will make personnel relocations to improve our process.”

## Finding 1.2

The PEIMS clerk did not attend the beginning of the year attendance training

The PEIMS clerk did not attend either of the two training sessions offered at the beginning of the school year (July 20, 2023, or August 4, 2023). The PEIMS clerk was absent for one hour on July 20, 2023. The PEIMS clerk has access to enter, post, and delete attendance data in Frontline and could serve as the backup for the attendance role. If the PEIMS clerk is not trained on 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."

## Recommendations

1.2.1 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 PEIMS clerk attends the training.

1.2.2 The Principal or campus administrators 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:** "Our PEIMS clerk did not attend the BOY of year training because she was out that day. The PEIMS clerk and other attendance related positions will meet with Ms. Cheryl Felder on 12/15/23 at 2pm."

## Finding 1.3

The Assistant Superintendent is not made aware of teachers who do not take attendance

The Principal does not inform the Assistant Superintendent on a six-week basis when teachers do not take attendance as required by the Attendance Procedures Manual. Accountability is not documented throughout the entire chain of command. There is no oversight at every level. If attendance is not taken, it can lead to inaccuracies in attendance records, which affect funding.

The EPISD Attendance Procedures Manual under The Role of Special Program Designee states, 'The Principal should...Provide a report on a six weeks basis to the Assistant Superintendent/Associate Superintendent about teachers who do not take attendance.'

## Recommendation

1.3.1 The Principal should revisit the EPISD Attendance Procedures Manual and comply with informing the Assistant Superintendent/Associate Superintendent of teachers who do not take attendance on a six-week basis.

**Principal's Response:** "As the new principal of Jefferson Silva High School as of 8/7/23, I was not aware of this procedure." The Principal accepted our recommendation.



## Finding 1.4

Six students did not have an absence reason code for school activity (SD)

An absence report titled "Extracurricular Activity" was submitted by a sports coach indicating six students from Jefferson High School would not be in class on September 7, 2023, at 3:20 PM. Four students have an unverified (UNV) absence in Frontline instead of an SD code for the school activity. The other two students do not have an absence recorded for September 7, 2023.

The UNV absences recorded in Frontline are not accurate, which impacts Foundation School Program (FSP) funding and might have triggered unnecessary notice of absence letters. The Senior Attendance Clerk has not updated the unverified absences based on the supporting documentation on file.

The EPISD Attendance Procedures Manual -

- The Role of Special Program Designee states, "the principal should - Ensure attendance clerks are posting documentation within five days of receiving documentation."
- Daily Attendance Procedures states, "Post corrections and absence reasons in the student system. All posting must occur within five days of receiving the absence documentation."

The TEA's Student Attendance Accounting Handbook (SAAH) under Section 3.6.3 Requirements for a Student to Be Considered Present for FSP (Funding) Purpose 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 participating in an activity that is approved by your local school board and is under the direction of a professional staff member, an adjunct staff member, or a paraprofessional staff member of your school district."

## Recommendations

1.4.1 The Principal should direct the attendance clerk to correct, if needed, the absence reason codes in Frontline for the student absences identified. The correction should be made at the Principal's discretion based on the supporting documentation on file.

1.4.2 The Attendance Clerk should revisit the supporting documentation requirements in the "EPISD Attendance Absence Codes" table for the SD to ensure the instances identified are addressed correctly.

**Principal's Response:** "The attendance clerk did not follow procedures for coding all students SD for a school activity correctly. It might have been an oversight. The attendance clerk will correct the absences noted in the findings." The Principal accepted our recommendation.

## Finding 1.5

Students handwrote their name and student ID in a Student Class Roster

The August 22, 2023, daily file folder included a Student Class Roster signed by the substitute. Five students hand-wrote their names and student IDs on the Student Class Roster. In addition, the roster used was not the required ATT 400 Report.

Students handwriting their names in rosters are not considered acceptable supporting documentation for audit (external) purposes; thus, it is not sufficient to count the student as present for Foundation School Program (FSP) purposes.

The Student Class Roster did not list the names of the students who handwrote their names and student IDs. The substitute could have written the students' names and IDs in the Student Class Roster and indicated in writing the students were present during class.

- The EPISD Attendance Procedures Manual under General Attendance Procedures states, "The substitute may take attendance electronically if access has been provided. Otherwise, the attendance clerk must provide the substitute with a class roster each day (ATT 400 Report). The substitute must indicate if the student is absent, sign and date the class roster." AND "Students are to be marked absent if they are not at the designated class location when attendance is taken."

The TEA's Student Attendance Accounting Handbook (SAAH) under –

- Section 3.6 General Attendance-Taking Rules states, "Using a student sign-in sheet to record attendance is not an acceptable method of taking roll and will result in the attendance being disallowed," AND "All other methods by which a student takes his or her own attendance, such as sign-in sheets, are not allowed under any circumstances."
- Section 1.5 Auditing of Attendance Information states, "If auditors detect errors during an audit, TEA will either assess an adjustment to subsequent allocations of state funds or require your district to refund the total amount of the adjustment when the audit is finalized."

## Recommendations

1.5.1 The Principal should remind campus administrators and staff, in writing, of the SAAH attendance-taking rules related to student sign-in sheets and adhere to them.

1.5.2 The Principal should direct the campus staff who have contact with the substitutes to share the attendance-taking responsibilities and make sure the substitutes understand them.

**Principal's Response:** "Our attendance clerk and substitutes did not follow procedures when taken (sic) student attendance. We did not train these substitutes properly. A section of the campus newsletter, Silver Fox News, will include information of the SAAH attendance-taking rules related to student sign-in sheets and advise all to adhere to them. We will remind substitutes to only accept students on a ATT 400 Report roster and to not manually add any students on that report. A note on the ATT 400 Report will be attached reminding substitutes to not accept any students not on the roster or to handwrite any names."

## Finding 1.6

The "Daily Attendance by Student" or "Student Attendance Detail"

Absences have not been reviewed using the Daily Attendance by Student reports to verify that the absence reason codes recorded (i.e., postings) are correct, which could impact FSP funding. During the campus visit, the Senior Attendance Clerk acknowledged being behind in the process of running the Daily Attendance by Student report. The Senior Attendance Clerk indicated that since the second attendance clerk was moved to Silva Magnet High School, the attendance workload was affected.

The EPISD Attendance Procedures Manual under –

reports were not on file for the five (5) daily folders tested

- Daily Attendance Procedures states, "Running the daily attendance report each morning for the previous day. Verify all postings are correct. You can either run the daily attendance by student (recommended) or the student attendance detail." AND "Post corrections and absence reasons in the student system. All posting must occur within five days of receiving the absence documentation."
- Six Week Procedures states, "Attendance must be maintained for each day within a six week period and placed in a daily manila file folder. The following items must be included...Daily Attendance Report (all day and Accounting period)\*...\*Daily reports must be maintained in a file folder for each day."

## Recommendations

- 1.6.1 The Attendance Clerk should perform the procedures stipulated in the EPISD Attendance Procedures Manual.
- 1.6.2 The Principal should determine if the Senior Attendance Clerk needs assistance to be up to date with the attendance duties and consider assigning the responsibility to generate and file the "Daily Attendance By Student" report in the proper daily file folder to another campus clerk (i.e., backup) when the attendance clerk is not available or needs assistance.

**Principal's Response:** "The workload has proven to be overwhelming for our Senior Attendance clerk resulting in not fulfilling her responsibilities. The attendance assistant will be relocated to Jefferson Main building so that she can assist with attendance duties."

## Finding 1.7

The attendance self-audit review for the 1st six weeks is incomplete

The Principal's designee tested absences for five (5) students for September 19, 2023. However, 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). In addition, the sample date selected (September 19, 2023) is not within the 1st six weeks period (from August 7, 2023, to September 15, 2023).

The Campus Administrators did not monitor the 1st six weeks' accuracy in attendance because a date was chosen outside the 1st six weeks and tested five of the six students indicated in the instructions on the form.

## Recommendation

- 1.7.1 The Principal or designee should follow the instructions stated in the "Daily Attendance File Audit Form."

**Principal's Response:** "The principal designee followed the Attendance Review Instructions found on EPISD website under SPS department, attendance folder where it states to randomly select 5, not 6 students on the report. The assistant principal overseeing attendance will conduct an audit once every six weeks of six daily attendance files using the Daily Attendance File Audit."



## 2. Truancy

### Finding 2.1 Two 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, the 45-Day Attendance Improvement Plan was not developed for two (2) students.

The two students withdrew from Jefferson and re-enrolled at other EPISD campuses. The students had been issued an NOA letter from Jefferson on August 16, 2023, and August 21, 2023, respectively; however, the campus assistant principals had not developed the 45-day plan for the students.

By not establishing the 45-Day Attendance Improvement Plan, there is no follow-up to increase the student's attendance so s/he can receive instruction, truancy behaviors might increase, and the Campus is not complying with the Texas Education Code 25.0915. By following up on truancy behaviors, the campus partakes in assisting the child to thrive and decreasing student absenteeism.

The EPISD Student Retention and Truancy Prevention Manual under –

- 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:** "We had not had Operation 45 (bringing parent in to discuss plan for students who have NOA). It was scheduled one week after the audit was conducted. Monday mornings (9am) are now reserved for court orders or 45 day plan meetings with the attendance clerk, ALPHA, and assistant principals."

## Finding 2.2

One 45-Day Attendance Improvement Plan tested did not include the parent's signature

Campus administrators indicated the parent was involved in developing the 45-Day Attendance Improvement Plan via phone call; however, there was no annotation in the plan stating the date and time when the phone call meeting was held with the parent. In addition, there was no indication of which attendance agreement line items the parent would enforce. As such, documentation is insufficient to confirm that the parent provided input in the development of the plan. The student withdrew on September 18, 2023.

The EPISD Student Retention and Truancy Prevention Manual under –

- 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...(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."

## Recommendations

2.2.1 The Principal, in collaboration with the Student Outreach Specialist (SOS) at Jefferson High School, should develop a plan of action to re-train the campus personnel assigned to the Anti-Truancy Intervention Team (e.g., assistant principals, social workers, etc.) on their responsibilities and requirements when establishing the 45-Day Attendance Improvement plans.

2.2.2 The Assistant Principals should revisit the EPISD Student Retention and Truancy Prevention Manual.

**Principal's Response:** "The meeting was conducted over the phone. We will meet in person with parent to obtain required signatures. The Assistant Principals will revisit the EPISD Student Retention and Truancy Prevention Manual."

## Finding 2.3

### 45-Day Attendance Improvement Plan monitoring procedures not established

The Student Retention and Truancy Prevention Administrative Reference Guide does not outline monitoring procedures to ensure the 45-Day Attendance Improvement Plans are developed for students, including those who transfer from one EPISD campus to another.

The EPISD Student Retention and Truancy Prevention Manual under –

- 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."

## Recommendations

2.3.1 The Student Retention and Truancy Prevention department should follow up and establish procedures to ensure the 45-Day Attendance Improvement Plans are developed for students, including those who transfer from one EPISD campus to another.

2.3.2 The Student Retention and Truancy Prevention department should work with School leadership to follow up with the Principal of the in-district transfer student and determine whether a 45-Day Attendance Improvement Plan should be developed if it hasn't already been done.

**Management's Response:** "I am unaware why the procedures were not inclusive of checking on transfer students since the previous director is no longer with the District. The department is currently in the process of updating forms, revising procedures and developing a training section for campus administrators. Reviewing the Truancy and PEIMS Coding was added as a responsibility for the Outreach Specialists to review periodically to ensure campuses are coding. These recommendations will be added, and a procedure developed for students who transfer between campuses. The above recommendations will be incorporated into the ARG along with meeting with the campus, the Outreach Specialist, School Leadership to review this finding along with requiring the campus to develop a plan of action. The Attendance Plan will be added as the list of items to be sent from one campus to the other. Campuses can currently view in Frontline if a student has been filed on and a 45 generated through the Truancy Prevention Module. In addition, we are reviewing to add either in Panorama or Navigate the review information for students so administrators can readily review the information."

## 3. Activity Funds

### Finding 3.1

The supporting documentation for one disbursement was not found

One of the three disbursements tested did not have the disbursement voucher on file, along with the supporting documentation. The \$400 disbursement was issued on August 7, 2023, and made payable to SFO Club for an athletic event entrance fee. The campus has not had a financial clerk since September 19, 2023.

The lack of supporting documentation for disbursements does not follow the bookkeeping policies and procedures from the EPISD Campus Accounting Manual. When there is no supporting documentation, the campus does not have a record of the items/services paid for, the amount invoiced, an invoice number so no double payment is made, etc.

The TEA's Financial Accounting and Reporting Appendices Section H.2.4.3.2 Activity Fund Disbursement Vouchers states, "Permanent original (e.g., not copies) documentation (invoice, etc.) must support the payment and should be attached to the original disbursement voucher."

The EPISD Campus Accounting Manual (CAM) Section 16.8 Club Disbursements states, "All disbursements (campus checking, petty cash, 1290 budget accounts) require: Original invoice, sales ticket or register receipt. Expenditures without proper documentation may be disallowed. These support documents must be turned in to the campus financial clerk on a timely basis (i.e., no longer than five working days after the activity)." AND "A signed (by a District employee) invoice, receiving slip, packing slip, etc., acknowledging receipt must be submitted before the District or school can process payment to the vendor."

### Recommendations

3.1.1 The Principal should ensure all disbursement supporting documentation is attached to the disbursement voucher before signing a check.

3.1.2 The Principal should collaborate with the EPISD Campus Accounting Department to obtain the supporting documentation for the missing disbursement.

**Principal's Response:** "Proper procedures for supporting payments made were not followed." The Principal accepted our recommendation.

### Finding 3.2

One of the three disbursements tested was approved after the fact

The invoice for one of the disbursements tested was dated before (i) the check was requested and (ii) before the principal approved the DV. The invoice is dated May 1, 2023, and the disbursement voucher was approved on September 19, 2023. The \$600 check was issued on September 22, 2023, for a student club conference. The disbursement voucher was not submitted before obtaining the service requested.

When an expense is incurred before the disbursement voucher is approved, a liability is added to the club without ensuring the club account has sufficient funds to cover the expense. In addition, the requester does not give the financial clerk and principal the opportunity to determine whether the item(s) to be purchased are allowable or not before the liability is incurred.

The EPISD CAM under –

- Section 11.2 General Operating Procedures Disbursements... states, "Employees, including administration, are not authorized to obtain goods or services without obtaining prior approval. Expenditures from campus activity funds require the principal's written approval - prior to ordering or receiving any goods/services. Approval is documented on the Disbursement Voucher (DV)..."
- 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. The information recorded here is compared to the invoice/receipt in order to determine whether there was prior approval for the purchase. This SECTION may consist of estimates in unit price, extended price and total cost. The amount/approval date should not be altered."

## Recommendation

- 3.2.1 The principal and financial clerk should revisit the CAM guidelines regarding DVs and enforce the approval requirements. In addition, the financial clerk should inform and remind campus personnel periodically about the DV approval requirements.

**Principal's Response:** "The invoices tested were prior to the principal arriving on campus. The new principal started 08/07/23. The invoice was dated 05/01/23. There is a permanent principal on campus and now knows the purchasing procedures. The new business agent will start 01/08/24 and will work collaboratively to ensure CAM guidelines regarding DVs and enforce the approval requirements. The business agent, once she is trained, will inform and remind campus personnel periodically about the DV approval requirements."

## Finding 3.3 The Principal Secretary has access to the vault

On the day of the visit, the portable vault was not secured/locked with a combination. According to the Principal's Secretary, the portable vault has not been locked with a combination since January 2023. In addition, the Principal's Secretary has inappropriate access to the portable vault. The Principal's Secretary has the former financial clerk's key to open the closet where the portable vault is kept. By not locking the vault with a combination and only using a key to access it, the risk of unauthorized access could be increased. From January 28, 2023, to May 24, 2023, and from September 19, 2023, to December 22, 2023, the Campus was without a financial clerk.

The EPISD CAM under –

- 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." AND "The vault should be locked when the authorized employees are not available to monitor access to the vault (examples: out to lunch, meetings, etc.)"
- Section 10.1 Vault Combination states, "The vault combination will be changed what (sic) the Principal, Assistant Principal, and/or financial clerk leaves the campus."

## Recommendations



- 3.3.1 The Principal and Assistant Principals should revisit the Campus Accounting Manual regarding who should have access to the vault.
- 3.3.2 The Principal should contact the Campus Accounting Department to determine if the combination for the portable vault can be changed. If so, the Principal should request a combination change.

**Principal's Response:** "The campus was running without a business agent for a couple of months. A business agent has been hired and is scheduled to start 01/08/24. Administration will revisit the Campus Accounting Manual and will request a new combination to the lock."

### Finding 3.4

#### Unreceipted funds inside the vault

During the campus visit, a total of \$6,469 of unreceipted funds were in the vault. One of the Assistant Principals received this money for various athletic events. The Assistant Principal, designated to collect monies for various events, was not assigned a miscellaneous receipt book and, as such, did not issue a receipt when the funds were turned in. On October 18, 2023, Campus Accounting issued a miscellaneous receipt book to the Assistant Principal.

Without receipts, there is no record of the monies the campus collects, including purpose, amount, collection date, the person paying, recipient, etc. A receipt serves as documentation to confirm that the total amount collected is the amount recorded in the accounting system and deposited.

The EPISD CAM under -

- Section 7.2 Miscellaneous and SFO Receipts states, "When money is received from any source, a pre-numbered Miscellaneous (duplicate) or SFO receipt is prepared." AND "Receipts are prepared and issued at the collection point. The monies must be counted in the presence of the payer and a receipt issued immediately."
- Section 7.8 Authorized Agent states, "The principal is also authorized to accept cash and write receipts."
- Section 8.1 General Operating Procedures states, "All funds received must be receipted before being placed in the vault for safekeeping."
- Section 10.2 Items in the Vault states, "Cash in the vault must be properly receipted and accounted for."

### Recommendation

- 3.4.1 The Principal should direct, in writing, the designated employees who collect monies to revisit the CAM guidelines regarding receipting and ensure they have a miscellaneous receipt book if they will be collecting funds and cannot issue SFO receipts.

**Principal's Response:** "The campus was running without a business agent for a couple of months, therefore administration and the secretary to the principal was accepting money from organizations and only securing it in the vault. We will send an email/newsletter to inform who are the designated employees who can collect monies and the designated people will revisit the CAM guidelines regarding receipt. We now have a receipt book as of 10/18/23."

### Finding 3.5

Supporting documentation was not found in the Financial Clerk's office for two of the eight deposits tested

The Financial Clerk did not file the following supporting documentation with the corresponding deposits. We confirmed the monies received were deposited to the bank.

**Table 1: Deposits without supporting documentation**

Date of Deposit in SFO	Amount of SFO receipt	Deposit Slip on file	Tally Sheet or Collection sheet on file	SFO receipts on file	Deposit Analysis document on file
7/31/2023	\$ 1,380.00	No	No	No	No
9/5/2023	\$ 1,227.00	Yes	No	No	No

The lack of supporting documentation for deposits does not follow the bookkeeping policies and procedures from the EPISD Campus Accounting Manual. Without receipts or deposit slips, there is no record of the monies the campus collects and deposits. A receipt serves as documentation to confirm that the total amount collected is the amount recorded in the accounting system and deposited.

The EPISD Campus Accounting Manual (CAM) under -

- Section 7.2 Miscellaneous and SFO Receipts states, "When money is received from any source, a pre-numbered Miscellaneous (duplicate) or SFO receipt is prepared... SFO receipts are kept attached to the Deposit Analysis."
- Section 8.2 Bank Deposit Preparation states, "Bank Deposits Slips are prepared in duplicate for school... The school retains the yellow copy in the book... Attach the tally sheet to the deposit analysis."

### Recommendation

3.5.1 The incoming Financial Clerk should follow the bank deposit preparation guidelines in the Campus Accounting Manual.

**Principal's Response:** "The campus was running without a business agent for a couple of months. The new business agent, once trained and supported, will follow the bank deposit preparation guidelines in the Campus Accounting Manual."

## Observations, Recommendations, and Principal's/Management'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 Attendance Clerk generated the 'ATTV03 Student Absent on 1st Day of Enrollment' on the 1st day of school; however, only one page was archived. The report consisted of 35 pages.

The EPISD Attendance Procedures Manual under Daily Procedures states, “Run the Student Absent on 1st day of Enrollment ATTV03 Report. Verify that entering students attend class during the accounting period on the first day of enrollment.”

## Recommendation

1.1.1 The Attendance clerk should ensure all pages of the ATTV03 report generated on the 1st day of school are filed.

**Principal’s Response:** “The attendance clerk is aware that the entire ATTV03 Student Absent on 1st Day of Enrollment report needs to be filed. This was an erroe (sic). With the guidance of the assistant principal overseeing attendance.” The Principal accepted our recommendation.

## Observation 1.2

The Principal and two Assistant Principals have not attended attendance training.

## Recommendation

1.2.1 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:** “The principal started his assignment on 8/07/23 after the trainings, the 2 assistant principals do not oversee attendance. The principal and the assistant principals will attend attendance training or a meeting similar before the end of the 23-24 school year.”

## Observation 1.3

From the three dates tested, the “Attendance not Taken” report was not generated no later than noon for morning classes on August 24, 2023, and September 22, 2023. The reports were generated only once after 3:00 p.m.

The EPISD Attendance Procedures Manual under Daily Attendance Procedures states, “Generate the attendance not taken report to determine who has not taken attendance by no later than noon for morning classes and no later than three o’clock p.m.”

## Recommendation

1.3.1 The Principal should direct, in writing, the attendance clerk to generate the “Attendance Not Taken” report as outlined in the EPISD Attendance Procedures Manual.

**Principal’s Response:** “Attendance clerk’s time restrictions only allowed her to post once a day. The Senior attendance clerk now generates “Attendance not Taken” reports twice daily but will be more consistent in sending them by noon and 3pm each day.”

## Observation 1.4

A student was absent on August 11, 2023, and the supporting documentation was submitted to the campus on August 31, 2023. The administrator did not review the documentation to approve or deny the excuse for the absence.

The EPISD Attendance Procedures Manual under Parent Contact states, “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.”

## Recommendation

- 1.4.1 The Principal, Assistant Principals, and Attendance clerk should revisit the supporting documentation approval procedures under Parent Contact in the EPISD Attendance Manual to avoid reoccurrences.

**Principal’s Response:** “Attendance clerk just acceptanced (sic) the note, coded the absence, and filed the note. The attendance clerk now provides notes to assistant principal overseeing attendance yes for approval.” The Principal accepted our recommendation.

## Observation 1.5

Three instances of misfiled attendance documents were identified during the campus visit.

**Table 2: Daily File folder with misfiling**

Daily File Folder Date	Support or document on file	Absence dates indicated in support
8/14/2023	Email	8/11/2023
8/14/2023	Absence call log	8/15/2023
9/22/2023	Attendance Correction Form	9/26/2023

The EPISD Attendance Procedures Manual, under Daily Attendance Procedures, states, “Retain all sign-in/sign-out sheets, absence notes, physician notes, and substitute class rosters. File in the appropriate daily folder... Example: On Monday, you receive a note for last Thursday. File the note in the Thursday folder.”

## Recommendation

- 1.5.1 The Principal should direct the attendance clerk to file the attendance documents identified in the correct daily folder.

**Principal’s Response:** “Human filing error. The principal will direct the attendance clerk to file the attendance documents identified in the correct daily folder.”

## Observation 1.6

- The EPISD Attendance Procedures Manual does not specify:
- When the six-week attendance self-audits are due.
  - The purpose and expectations of reporting on a six-week basis to the Assistant Superintendent the list of teachers who do not take attendance.

## Recommendations

- 1.6.1 The Student and Parent Services department should define the submission deadlines for each of the six weeks attendance self-audits.

- 1.6.2 The Student and Parent Services Department, in collaboration with School Leadership, should outline in the EPISD Attendance Procedures Manual the purpose and the expectations of reporting on a six-week basis to the Assistant Superintendent the list of teachers who do not take attendance.

**Management's Response:** "It was a suggestion from a previous attendance audit if I remember correctly. The teacher posted information was added due to the external audit findings that teachers were not taking attendance and during the SPS self-audit reviews. We wanted campuses to ensure teachers take attendance. The above recommendation will be added to the handbook."

## 2. Truancy

### Observation 2.1

The NOA letters sampled were mailed, on average, 11 days after the letter was generated. The NOA letters were sent to the parents through the EPISD in-District mail which led to the delay. At the time, the school did not have a Financial Clerk to provide postage for all the campus correspondence. According to the attendance clerk, they were only allowed to mail 20 letters per day through in-District mail. The Senior Attendance Clerk keeps track of when the letters are mailed; however, the practice will end when the campus starts mailing the letters instead of using the EPISD in-District mail.

**Table 3: Tested NOAs**

Date of NOA	Date NOA mailed	Number of days it took for the letter to be mailed
8/16/2023	8/28/2023	8
8/21/2023	9/8/2023	12
8/16/2023	9/7/2023	14
Sum # of total days		34
Average days		11.33

The EPISD Student Retention and Truancy Prevention Manual under Notice to Home of Unexcused states, "Campus personnel will send the Notice of Unexcused Absence to Parent by mail when a student is identified as having three unexcused absences." However, the Student Retention and Truancy Prevention Administrative Reference Guide does not outline timelines for when the campuses must distribute the NOA letters to parents.

Texas Education Code 25.085(g) states, "After the third unexcused absence of a person described by Subsection (e), a school district shall issue a warning letter to the person that states the person's enrollment may be revoked for the remainder of the school year if the person has more than five unexcused absences in a semester."

### Recommendation

- 2.1.1 The Principal should obtain postage at the campus level to mail the NOA letters promptly.

**Principal's Response:** "No postage was available. The principal will obtain postage at the campus level to mail the NOA letters promptly."

- 2.1.2 The EPISD Student Retention and Truancy Prevention management should determine whether the NOA letters must be mailed within a specific number of days and develop a process that will ensure



campuses are distributing the NOA letters to parents within the prescribed timeline.

**Management's Response:** According to the Executive Director of Student and Parent Services, "...not sure why the campus would limit the number of mailings per day. This is unusual practice for a campus. There are currently no guidelines regarding when NOA's should be mailed. This recommendation will be implemented this year. Outreach Specialists have been provided viewing rights to monitor Truancy and Prevention coding compared to unexcused absences. This finding will be reviewed with the campus as well and added to the plan of action they develop."

### 3. Activity Funds

#### Observation 3.1

One of the eight deposits tested did not have the date of the deposit written on the bank deposit slip. The EPISD Campus Accounting Manual (CAM) under Section 8.2 Bank Deposit Preparation states, "The following information must be recorded on the bank deposit slip...Date of the deposit..."

#### Recommendation

3.1.1 The incoming Financial Clerk should follow the bank deposit preparation guidelines in the Campus Accounting Manual.

**Principal's Response:** "The campus was running without a business agent for a couple of months. The new business agent, once trained and supported, will follow the bank deposit preparation guidelines in the Campus Accounting Manual."

#### Observation 3.2

Two of the three tested journal entries were not signed by the school principal. The journal entries were transfers of funds from the junior class to the senior class and from the freshman class to the sophomore class done on August 15, 2023.

The EPISD Campus Accounting Manual (CAM) under Section 19.2 Completing a Journal Entry states, "All Journal Entries must be signed by the principal and campus financial clerk."

#### Recommendation

3.2.1 The Principal and incoming Financial Clerk should follow the campus accounting procedures regarding the transfer of funds.

**Principal's Response:** "The principal was not aware of this transaction and procedure as he started 08/07/23. In addition, The campus was running without a business agent for a couple of months. The Principal and incoming Financial Clerk, once trained and supported, will follow the campus accounting procedures regarding the transfer of funds."



# Appendix A: Background and Methodology

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.



The Campus Systems Audit provides an independent and objective risk-based assessment of Jefferson High 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."

## Student 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 degreed 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. <sup>1</sup> 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.<sup>2</sup> The financial clerk and principal are responsible for managing campus activity funds. The principal is responsible for approving disbursements from campus activity funds.

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## 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.
5. Performed a risk-based analysis to select the campuses to audit. The analysis was performed based on (i) information gathered from key

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<sup>1</sup> Texas Association of School Boards School Legal Services, Activity Funds

<sup>2</sup> Board Policy CFD (Local) Accounting: Activity Funds Management

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.



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