

2016-2017

Report to Board of Trustees and Administration

Audit Plan Code: 17-00.07

INVESTIGATION: ALLEGATIONS OF IMPROPER REINSTATEMENT OF STUDENTS' COURSE CREDITS AT A HIGH SCHOOL

Allegations were not validated. However, data entry oversight needs to improve to increase data accuracy and completeness.



**EL PASO
INDEPENDENT
SCHOOL DISTRICT**
Internal Audit Department



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ABBREVIATIONS LIST

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| AP G&I | Assistant Principal Guidance and Instruction |
| CAP | Corrective Action Plan |
| CUM | Cumulative Record Folder (student file) |

Executive Summary

According to the Institute of Internal Auditors' professional standards and related practice guides, Internal Audit (IA) should maintain an active role that relates to both promoting and assessing ethics throughout the District. Internal Audit's responsibilities, outlined in Board Policy CFC (Exhibit), include investigating reported alleged occurrences of fraud, theft, waste, and the like, and recommending controls to prevent and/or detect such occurrences (for example, hotline reports).

Internal Audit completed an investigation to determine the validity of an allegation received through the Fraud, Waste, and Abuse Hotline. The Executive Summary provides, on a summarized basis, the findings discussed throughout the body of the investigation report that follows. The investigation report includes background information, detailed findings, recommendations, and management's corrective action plan.

This project was approved by the Board of Trustees as part of the 2016-2017 Internal Audit Plan under the "Contingency" category

Summary of Allegation(s)

An anonymous reporter alleged the following occurred at the same high school:

1. Attendance review meetings were not held for graduating seniors who had lost credit in many classes due to non-attendance.
2. The principal directed the attendance clerk(s) to change attendance records.

Summary of Investigation Results

Allegations not validated based on the following:

1. Based on a sample selected, there is evidence that attendance review committee meetings were held.
2. We found no evidence attendance records were manipulated or the principal directed the attendance clerks to do so. In addition, the senior attendance clerk stated s/he did not receive any directive to improperly change attendance records.

Ancillary findings:

While conducting our investigation to determine the validity of the allegations, we detected the following:

1. A student's credit was reinstated, but he/she had a failing grade of a 55 for the course. Reinstatement of this credit did not affect the student's eligibility for graduation.
2. A student's credit was reinstated for two courses that were not checked off as "Grant" on the Principal's Plan. According to the principal the credits should have been reinstated for the two courses which qualified under the principal plan. However, he/she did not check off on the form. Based on discussions with the principal we concluded the students' eligibility for graduation was not affected.

Management's Corrective Action Plan

A Corrective Action Plan (CAP) was provided outlining the activities to be implemented. The CAP appears to be sufficient to address the ancillary outlined in this report. Internal



Audit will monitor the implementation of the CAP and schedule follow-up review(s) of evidence to ensure CAP activities have occurred.

Conclusion

Based on the sample selected and evidence available in students' CUM folders, we did not validate the allegations. However, during our investigation, we detected ancillary findings related to reinstatement of student credit errors caused by (i) the principal (i.e. filling out Principal's Plan form incompletely), (ii) the registrar (i.e. error in transferring information from Principal's Plan form to system), and (iii) lack of reviewer (i.e. not verifying information entered by registrar).



Investigation Report

Background

During the 2015-2016 school year Texas Education Code 25.092 and Board Policy FEC (Local) required that a student who was in attendance for at least 75 percent but less than 90 percent of the days a class was offered may be given credit or a final grade for the class if the student completed a plan approved by the school's principal.

If the student failed to successfully complete the plan, or if a student's attendance dropped below 75 percent of the days the class was offered, the student, parent, or representative may have requested award of credit or a final grade by submitting a written petition to the appropriate attendance committee. Students who lost credit or did not receive a final grade because of excessive absences may have regained credit or be awarded a final grade by fulfilling the requirements established by the attendance review committee. Board Policy FEC(Local)* required "Each campus shall have one or more attendance review committees that shall function as necessary for the efficient implementation of Education Code 25.092".

* The Board adopted an innovation plan waiving provisions in state law denying credit or a final grade to a student who has not attended class 90 percent of the days the class is offered. Changes are effective beginning with the 2016-2017 school year.

Evidence (i.e. Principal's Plan or Attendance Review Committee) to support the proper reinstatement of credit due to nonattendance is kept in a student's Academic Achievement Record/Cumulative folder (CUM).

At the high school level, the registrar maintains and updates the Academic Achievement Records/Cumulative records for students. According to the Administrator's Reference Guide "Registrars must enter the information on file in the student's cum folder. Registrars must not make decisions regarding what courses or credits students receive, and should not enter student data without supporting documentation... Counselors should verify that data has been properly entered."

Allegation(s)

Internal Audit received a Hotline report through the District's Fraud, Waste, and Abuse Hotline. The anonymous reporter alleged the following occurred at a high school:

"...we saw seniors graduate that had lost credit in many of our classes due to non-attendance. We are aware of no attendance review meetings being held for these Seniors...Our Question is this: Did (principal) direct our Attendance clerks to change attendance records just like he directed one of us to change a grade? (Sic)"

Objective and Scope

The objective of our investigation was to determine the validity of the allegations. The scope was limited to 2015-2016 graduating students at the high school in question, who had transcript credits restored during the spring semester of the same school year.

Methodology

To achieve our audit objectives, we:

- Researched relevant District policies and procedures,



- Obtained attendance and transcript audit logs from Technology Services.
- Contacted senior attendance clerk.
- Compared attendance audit log files to transcript audit data.
- Selected a sample of students and reviewed the students' cumulative (CUM) folders for evidence (i.e. Principal's Plan or Attendance Review Committee documents) to support the reinstatement of credit

Due Professional Care

The Institute of Internal Auditors Professional Standard 1220-Due Professional Care states internal auditors "must exercise *due professional care* by considering the:

- Extent of work needed to achieve the engagement's objectives;
- Relative complexity, materiality, or significance of matters to which assurance procedures are applied;
- Adequacy and effectiveness of governance, risk management, and control procedures;
- Probability of significant errors, fraud, or noncompliance; and
- Cost of assurance in relation to potential benefits."

"*Due professional care*" implies reasonable care and competence, not infallibility, or extraordinary performance. As such, due professional care requires the internal auditor to conduct examinations and verifications to a reasonable extent. Accordingly, internal auditors cannot give absolute assurance that noncompliance or irregularities do not exist.

Validity of Allegation(s)

Based on the sample selected and evidence available, ***the allegations were not validated***. Our investigation did not detect anomalies in the attendance audit log file. We found that all students' CUM folders tested contained evidence to support changes such as the Principal's Plan or Attendance Review Committee documentation.

Ancillary Finding(s)

During our investigation to determine the validity of the allegation, we detected manual errors as stated below.

Ancillary Finding (#01)

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| | <p>A student's credit was reinstated, but should not have based on a failing grade of a 55 for the course. Reinstatement of this credit did not affect the student's eligibility for graduation, as the student had already earned the required credits under this subject.</p> <p>It appears the error was due to a data entry error made by the registrar. The supporting documentation signed by the Principal did not indicate the credit should have been reinstated. The review control noted in the Administrator's Reference Guide (ARG) (see criteria section below) failed to identify this error.</p> |
| Criteria | <p>According to the EPISD Administrator's Reference Guide –Curriculum and Instruction Section Page 12, "Registrars must enter the information on file in the student's cum folder. Registrars must not make decisions regarding what courses or credits students receive, and should not enter student data without supporting documentation... Counselors should verify that data has been properly entered."</p> |



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| Recommendations | The principal should provide a corrective action plan to address the root cause and prevent future errors. |
| Management's Response and Action Plan | <p>1. "Credit which was incorrectly awarded for the grade of 55 will be removed and reflected on student transcript. A memo will be placed in the cum folder explaining the reason for the removal of credit."</p> <p><u>Person Responsible:</u> Principal</p> <p><u>Projected Implementation Date:</u> Complete</p> <p>2. The high school "...will hold a review of policy guidelines for credit reinstatement with assistant principal, counselors, and registrar. Administrators will screen future documents for any inconsistencies with policy. Registrar will likewise check for inconsistencies and bring attention to administration before processing."</p> <p><u>Person(s) Responsible:</u> Principal, Assistant Principal, Counselors and Registrar</p> <p><u>Projected Implementation Date:</u> Complete</p> |

Ancillary Finding (#02)

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| | <p>A student's credit was reinstated for two courses that were not checked off as "Grant" (i.e. give credit) on the Principal's Plan. Reinstatement of these credits allowed the student to graduate.</p> <p>It appears the error was caused by the following contributing factors:</p> <ul style="list-style-type: none"> • According to the principal, he/she forgot to check off "Grant" on the Principal's Plan, therefore, the credits should have been reinstated for the two courses. • Registrar entered and thus reinstated credits without the Principal's Plan form stating so. • The review control (also noted in Finding 1) failed to identify this error. |
| Criteria | <p>1. Texas Education Code 25.092. MINIMUM ATTENDANCE FOR CLASS CREDIT OR FINAL GRADE, "(a-1) According to A student who is in attendance for at least 75 percent but less than 90 percent of the days a class is offered may be given credit or a final grade for the class if the student completes a plan approved by the school's principal that provides for the student to meet the instructional requirements of the class...."</p> <p>2. Board Policy FEC(Local) ATTENDANCE FOR CREDIT, Methods for Regaining Credit or Awarding a Final Grade: "If the student fails to successfully complete the plan, or when a student's attendance drops below 75 percent of the days the class is offered, the student, parent, or representative may request award of credit or a final grade by submitting a written petition to the appropriate Attendance Review Committee."</p> <p>3. EPISD Administrator's Reference Guide –Curriculum and Instruction Section Page 12, "Registrars must enter the information on file in the student's cum folder. Registrars must not make decisions regarding what courses or credits students receive, and should not enter student data without supporting documentation... Counselors should verify that data has been properly entered."</p> |



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| Recommendations | We recommend the principal provide a corrective action plan to address the root cause and prevent future errors. |
| Management's Corrective Action Plan | <p>1. "While current policy has rendered the Principal's Plan for credit reinstatement unnecessary..." beginning with school year 2016-2017, "...the error found in this report is indicative of an ambiguous and incomplete form being submitted by the principal and processed by the registrar. In the future, all forms submitted to the registrar will be completed by one administrator and reviewed by a second administrator, specifically the AP G&I. A simple, yet consistent peer review of documents submitted to the registrar will minimize or eliminate errors of this type in the future. Upon acceptance of this CAP a meeting will occur with all stakeholders outlining this additional step."</p> <p><u>Person(s) Responsible:</u> Principal and Assistant Principal</p> <p><u>Projected Implementation Date:</u> October 28, 2016.</p> <p>2. "Credits will be granted for the two courses in question as they did qualify under the principal's plan. A signed and dated memo will be written and attached to the original principal's plan explaining the error and clarifying the award of credit."</p> <p><u>Person(s) Responsible:</u> Principal</p> <p><u>Projected Implementation Date:</u> Complete</p> |

