



Internal Audit

Attendance for Credit Audit

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Date: November 10, 2022

To: Board of Trustees
Stephanie S. Elizalde, Ed.D., Superintendent

From: Robert Rubel, MBA, CPA, CIA, CISA
Chief Internal Audit Officer

Subject: Attendance for Credit Audit

Executive Summary

The Dallas Independent School District (District) Office of Internal Audit (OIA) has completed the Attendance for Credit Audit.

The audit focused on the processes surrounding the District's Attendance for Credit (AFC) Program. The audit included reviewing the AFC Program to determine if the program is effective and in compliance with state and local requirements.

Overall, the Graduation, Recovery, Attendance/Advocacy and Dropout Intervention (GRAAD) department and School Leadership have implemented processes and procedures for operating the AFC Program amongst campuses. With the support of GRAAD, the District is able to provide a program that encourages students to engage in learning and promote academic development. Additionally, GRAAD has taken a proactive approach to better manage AFC operations by implementing an AFC Interface System with the assistance of Enterprise Applications.

Opportunities for improvement were identified in the following areas:

1. Electronic processes should be utilized across campuses to better manage, track, and monitor the AFC Program.
2. Monitoring processes should be implemented to verify accuracy of restored credit in the student information system (PowerSchool).
3. A methodology for developing content for seat time assignments should be established.

Implementation of the recommendations in this report could assist GRAAD and School Leadership in improving AFC Program operations.

Background

The AFC Program provides an opportunity for students to restore credit or final grades in accordance with Texas Education Code (TEC) 25.092. This statute states a student in any grade level between kindergarten and 12th grade may not be given credit or a final grade for a class if the student is in attendance less than 90 percent of the day the class is offered. This statute does, however, provide an opportunity for students in attendance for at least 75 percent but less than 90 percent of the days a class is offered to be given credit or a final grade for the class if the student completes a plan determined and approved by the school's principal. The plan is

established to allow the student to meet the instructional requirements of the class. Per the GRAAD department's statistics, 52,732 out of 130,724 (40 percent) enrolled students were eligible to participate in the AFC Program during the Fiscal Year (FY) 2021-2022.

The AFC Program is implemented at every campus and overseen centrally by the GRAAD department. Each campus principal is required to form an Attendance Committee that is responsible for managing the program at the campus. The purpose of the AFC Program is to allow an opportunity for students to restore credit by completing academic seat time outside of school hours. The amount of seat time required is established by GRAAD; however, campus-based Attendance Committees are charged with determining what content specific work will be given to satisfy seat time for each individual student. The Attendance Committee must ensure that all documentation for the program is well maintained. Below is the documentation necessary to support participation and completion of the AFC Program:

- *Principal's plan* – Document created by the Attendance Committee for the AFC Program at each campus. The principal's plan provides specific dates and times that students in the program can complete work to restore credit. It also provides the number of hours and types of assignments required to restore credit (seat time).
- *Attendance Review and Restoration Form (ARR)* – Documents the specific requirements for an individual student to participate in and complete the AFC Program. All students participating in the program must be provided an individual plan that details the number of absences, when the student will participate in academic seat-time restoration opportunities, and what types of assignments the student will complete.
- *Seat time logs* – Campuses are required to maintain logs of actual time that students spend conducting academic seat time. The log must accurately document each content area with the time the student spends completing instructional assignments for that content area.
- *Documentation showing completion of content-specific work* – Campuses are required to maintain all student assignments completed for the AFC Program. Student assignments must be aligned with the specific content area indicated on the student's plan documented on the ARR.

An additional function of the Attendance Committees is to consider and approve or deny petitions submitted by students or parents requesting:

- Additional time to complete the AFC Program
- An exemption from the principal's plan due to extenuating circumstances
- Inclusion in the AFC Program despite being present for less than 75 percent of the class meetings

The Attendance Committee is required to hold a minimum of three meetings per semester to discuss AFC Program activity. The Attendance Committee must make certain that their meetings are documented with an agenda, sign in sheet, and minutes.

As the AFC Program requires significant amounts of detailed documentation, the GRAAD department attempted to develop a module in PowerSchool in 2016 for AFC that would meet their needs. According to GRAAD, PowerSchool was unable to provide them with the tools needed. GRAAD then, along with Enterprise Applications, developed an AFC Interface System during the summer of 2021 to automate processes for program activity. PowerSchool, the District's student information system, interfaces with the AFC Interface System and provides the necessary data

for any student that falls below 90 percent attendance for a course. The system was implemented at the campus level in August 2021. Per GRAAD, in October 2021 some data reliability issues were identified that required the system to be brought offline until late March of 2022. Once corrected, campuses were instructed to begin utilizing the system; however, a significant number of schools were either not using the system or were using it inconsistently. At the beginning of the FY 2022-2023 GRAAD management held multiple trainings in order to instruct campuses on how to utilize the system. Additionally, GRAAD is requiring middle and high schools to solely use the system beginning in the FY 2022-2023. The GRAAD department is currently working to implement the system at elementary schools with several schools being beta-tested this school year.

Scope

This audit focused on current operations and included activity from FY 2021-2022. Certain other matters, procedures, and transactions outside that period were reviewed to understand and verify information during the audit period.

Objective

The objective of the Attendance for Credit Audit was to evaluate the AFC Program for effectiveness and to determine compliance with state and local requirements, as well as review compliance results to analyze campus performance.

Methodology

OIA reviewed processes, controls, and supporting documents related to the AFC Program. Auditors interviewed key personnel, conducted walkthroughs, and performed the following:

1. To analyze effectiveness of the AFC Program, auditors obtained the compliance reviews performed by the GRAAD department for FY 2021-2022 and analyzed results to determine opportunities for improvement.
See results in the Program Performance Analysis.
2. To determine whether students that receive restored credit properly completed the program, auditors conducted the following:
 - Using the results from the GRAAD department's FY 2021-2022 compliance review, auditors selected six secondary campuses (three middle schools and three high schools) that either showed a decline in performance from one semester to another, sustained poor performance in both semesters, or had underperformance in the first semester and were not tested in the second semester. From those six campuses auditors obtained a listing of all students that were eligible for the AFC Program in FY 2021-2022 and randomly selected five students from each of the six campuses to verify, for those whose credit was restored, the associated student had fully completed the program. To determine whether the students completed the program in compliance with established AFC policies, auditors verified the following was completed to support credit restoration:
 - Attendance committee was formed, made up of 50 percent teachers, and meetings were conducted three times a semester.
 - Campuswide principal plan was established and determined the hours of seat time per number of absences.

- Seat time hours were documented, completed timely and in accordance with the plan, and conducted outside of school hours.
 - Assignments completed during seat time hours were maintained and appeared to be appropriate for the subject/course needed for credit restoration.
 - Any exceptions to seat time requirements were accompanied by a valid petition.
- Recommendations 1 and 2 in this report were noted

Primary criteria used for this audit were:

- 1) FEC(LOCAL), Attendance for Credit, issued December 1, 2016
- 2) Texas Education Code, Section 25.092, Minimum Attendance for Class Credit or Final Grade, September 9, 2021
- 3) Attendance for Credit Procedural Manual 2021-2022

Audit Observations and Recommendations

Observation 1: Electronic processes should be utilized across campuses to better manage, track, and monitor the AFC Program.

Condition

Auditors judgmentally selected 30 students eligible for the AFC Program during FY 2021-2022. Auditors verified the following was conducted to support the students' AFC Program status:

- Individual principal plan was established and determined the hours of seat time per number of absences.
- ARR forms were completed to authorize completion of the plan and credit being awarded.
- Seat time hours were documented, completed timely and in accordance with the plan, and conducted outside of school hours.
- Assignments completed during seat time hours were maintained and appeared to be appropriate for the subject/course needed for credit restoration.
- Any exceptions to seat time requirements were accompanied by a valid petition.

In addition, auditors verified the selected students' campus formed an Attendance Committee that was made up of 50 percent teachers and conducted meetings three times a semester.

Out of the 30 students tested, six were properly documented and 24 had instances of incomplete or missing documentation which could not be tested and therefore were deemed to have been restored credit inappropriately. The breakdown of audit test results is shown below.

- Overall
 - Out of the six campuses selected, two could not locate any documentation and one did not respond to the documentation request resulting in a remainder of 15 students eligible for testing.
 - Two students had petitions which exempted them from the program.
 - Three students were properly denied credit.
 - One student was noted as improperly eligible for the program as the campus stated absences were incorrectly given in the fall of FY 2021-2022. The campus noted the student's absences should have been reversed in PowerSchool; however, the absences were still noted in the system as of the audit date. The campus could not

provide any documentation to support this claim.

- 8 students were remaining for testing of documentation.
- Principal's Plan:
 - Out of the three campuses that provided documentation, two did not provide campus-wide principal's plans.
- ARR Forms:
 - Out of the eight students with documentation tested, none had ARR forms and as such, auditors could not determine if the ARR plans corresponded with the individual principal plan.
- Seat Time Logs:
 - Out of the eight students with documentation tested, three were missing seat logs.
 - For the five students with seat logs, one did not complete the corresponding hours defined in the individual principal plan.
 - For the five students with seat logs, auditors could not verify seat time was completed timely as individual principal plans and ARR forms were not provided.
 - Additionally, for the five seat logs obtained, OIA did not find any direct evidence of work being completed during school hours.
- Seat Time Assignments
 - Out of the eight students with documentation tested, four were missing support showing student work.
- Attendance Committee:
 - Out of the six campuses selected, five did not provide meeting minutes to support an Attendance Committee was formed and conducted the required number of meetings.

Criteria

FEC (LOCAL), Attendance for Credit, issued December 1, 2016

Completion of class and homework assignments for days of absence and earning a passing grade are required. The attendance committee may require the student to satisfy time-on-task requirements before and/or after school.

Texas Education Code, Section 25.092, Minimum Attendance for Class Credit or Final Grade, September 9, 2021

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.

The board of trustees of each school district shall appoint one or more attendance committees to hear petitions for class credit or a final grade by students who are in attendance fewer than the number of days required under Subsection (a) and have not earned class credit or a final grade under Subsection (a-1). Classroom teachers shall comprise a majority of the

membership of the committee. A committee may give class credit or a final grade to a student because of extenuating circumstances.

Attendance for Credit Procedural Manual 2021 - 2022

The AFC Procedural Manual requires campuses to do the following:

- All Attendance Committee meetings must be documented with an agenda, sign in sheet, and minutes.
- The attendance committee is responsible for assigning alternate learning activities for students who are placed on the principal's plan. The committee also determines the deadlines for students to successfully complete the principal's plan.
- Students eligible for the principal's plan must be documented on the Attendance Review and Restoration Form (ARR) in the Attendance for Credit online system.
- Campuses are required to update/maintain logs of actual time that students spend restoring final grade or credit through academic seat time. The log must accurately document each content area with the time the student spends completing instructional assignments for that content area.
- All learning activities must be documented in writing. Students are required to complete assignments that are aligned with the subject area missed during the time of their absences. Content-specific assignments are to be provided for each student.

Cause

Although GRAAD requires AFC documentation to be kept for a minimum of three years, lack of streamlined processes to operate the AFC Program along with significant amounts of documentation requirements have resulted in documentation not being properly obtained, tracked, or monitored. In addition, auditors noted that high turnover at the campuses has resulted in frequent changes to Attendance Committee members and chairs resulting in AFC document retention processes not being properly performed.

Effect

Not maintaining the required documentation to support completion of or exemption from the AFC Program could allow for students to be improperly awarded credit for their courses and potentially place the District in violation of Texas Education Code, Section 25.092. Additionally, students not completing the required work could potentially cause academic hardships in future classes and grades.

Recommendation 1

- To better manage, track, and monitor the AFC Program, GRAAD along with School Leadership should ensure all campuses are fully utilizing the AFC Interface System for, but not limited to, the following processes:
 - Documenting Attendance Committee members, meeting agendas, meeting minutes, and meeting attendance
 - Documenting campuswide and individual principal's plans
 - Maintaining seat time logs
 - Documenting seat time assignments

- Documenting petitions
- Documenting warning and violation letters (not tested during the audit)
- Additional things to consider implementing when system is fully utilized:
 - Create dashboards to effectively monitor campus AFC activity in real time to ensure students are not restored credit when they did not properly complete the program.
 - Implement system controls to restrict marking a student as complete in the system until all requirements are met.
 - Implement system controls that will not release assignments for seat time until after school hours.
 - Create templates and fillable fields where needed to streamline documentation across campuses.
 - Create system notifications, alerts, progress completion milestones, etc. where needed.
 - GRAAD should consider developing more robust change management processes for the AFC Program, including cross training for campus staff to help aide in transition of Attendance Committee members when turnover occurs.

Risk Level for Observation 1: High¹

Observation 2: Monitoring processes should be implemented to verify accuracy of restored credit in PowerSchool.

Condition

Per review of AFC processes and testing performed in observation 1, auditors noted no effective processes are in place to verify students who did not sufficiently complete the AFC Program are properly denied credit in the student information system. The Attendance Committee is responsible for tracking students' completion of the AFC Program. At the end of each semester a manual list of students who were eligible and did not sufficiently complete the AFC Program is provided to a campus administrator who must then manually update the students to show denial of credit within the student information system.

Criteria

Texas Education Code, Section 25.092, Minimum Attendance for Class Credit or Final Grade, September 9, 2021

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.

¹ See Attachment 1 for Definition of Risk Level.

Cause

Manual and time-consuming processes to operate the AFC Program appear to be the cause for lack of implementation of effective monitoring processes.

Effect

Use of manual processes to update student information and lack of monitoring creates an increased risk of students having credit improperly restored, which could potentially place the District in violation of Texas Education Code, Section 25.092.

Recommendation 2

To ensure students that do not fully complete the AFC Program are not awarded credit, GRAAD in collaboration with the IT department should consider interfacing the AFC system with PowerSchool. If the systems cannot be interfaced, consider implementing manual processes by utilization of reporting tools to ensure the data within student information system matches the AFC system and verifies students are not improperly restored credit.

Risk Level for Observation 2: High²

Observation 3: A methodology for developing content for seat time assignments should be established.

Condition

During testing of the AFC Program, auditors attempted to review appropriateness of principal's plans along with work assigned to properly restore credit. Auditors noted there is currently no standardized methodology for assigning credit restoration work for students across the District and therefore were unable to test appropriateness of assignments given to restore credit. Per discussions with GRAAD, the method for determining how much and what type of work should be assigned to meet the instructional requirements of the class and properly restore credit is determined by the principals at each campus. GRAAD establishes a minimum amount of seat time by grade level, but it is up to the campus' discretion if additional hours are needed. GRAAD did state they are currently working with Teaching and Learning to develop methodologies for each grade and course to better standardize the amount and type of work expected of students attempting to restore credit.

Criteria

Texas Education Code, Section 25.092, Minimum Attendance for Class Credit or Final Grade, September 9, 2021

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

² See Attachment 1 for Definition of Risk Level.

requirements of the class.

Attendance for Credit Procedural Manual 2021-2022, Prescriptive Plan, Page 8

A prescriptive plan must be provided for each student. A plan is considered prescriptive when it details the specific requirements for an individual student. Placing students on a prescriptive plan ensures that each student receives instructional assignments that are aligned with the class time missed by that individual student.

Cause

No standard methodology has been defined to properly determine the amount of content specific work based upon the number of seat time hours needed to restore credit.

Effect

Without a standard methodology for evaluating how much and what type of work should be required to restore credit, the District risks creating multiple standards of sufficiency of work based on the subjective judgment of each campus' Attendance Committee. If restoration work is not sufficient, the student may not properly learn concepts vital to their academic success.

Recommendation 3

- GRAAD should continue to work with Teaching and Learning to develop measurable standards for work being completed by students in the AFC Program. Once determined, standardized procedures such as use of templates should be implemented. Individual principal plans along with type and amount of work should be monitored across campuses to ensure compliance.

Risk Level for Observation 3: Low³

³ See Attachment 1 for Definition of Risk Level.

Program Performance Analysis

In order to oversee AFC Program activity at the campuses, the GRAAD department conducts compliance reviews to evaluate every campus' performance related to the AFC Program. These reviews are conducted once every fall and spring semester for each campus. Areas evaluated in these reviews include:

- Principal's plan is submitted
- ARRs are available for participating students and contain appropriate documentation
- Petitions for extenuating circumstances are documented
- Academic seat time student logs are maintained
- Content-specific work has been documented
- The Attendance Committee meets at least three times per semester, keeps accurate records of agendas, sign-in sheets, and meeting minutes detailing student specific plans and decisions
- Attendance Committee members each have a role and follow through with progress monitoring and record keeping and, the majority of team members (51 percent) are teachers
- Evidence of a system for progress monitoring
- Campus AFC activity is aligned with District policy and best practices

Based on an established rubric from GRAAD, campuses are graded on a scale of 1 through 3 for each of the above attributes, 1 being the best and 3 being the worst. Campuses scoring a 3 are considered to be underperforming in that specific area. Each individual attribute score is then consolidated to establish an overall tier rating for the campus. The overall tier rating is also defined on a 1 through 3 scale.

According to the compliance reviews conducted by the GRAAD department for FY 2022, 35 out of 229 campuses (15.28 percent) had a tier rating of 3 (underperformed) during at least one of their GRAAD compliance reviews. Thirty-four out of 229 campuses (14.85 percent) underperformed during both of their GRAAD compliance reviews for the FY 2022.

As a part of the analysis, auditors inquired with campuses to determine reasoning for underperformance. Several campuses indicated transportation was a challenge for some students in meeting the seat time requirements. It appears the District could potentially benefit from providing other environments, such as virtual, for completing seat time assignments. In addition, it may benefit the District to include analysis of program participation and completion rates as a part of their compliance review.

Conclusion

The District is responsible for establishing and operating an effective AFC Program to allow students an opportunity to restore lost credit due to excessive absences and receive the instructional time needed to promote academic success. As such, it is crucial that streamlined processes are in place to ensure the overall effectiveness of the AFC Program.

Overall, the GRAAD department and School Leadership have implemented processes and procedures for the AFC Program; however, implementation of the recommendations in this report could assist in improving AFC Program operations.

We would like to thank the GRAAD department and School Leadership for their cooperation and assistance with this audit.

The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. Those standards require OIA to plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our observations and conclusions based on our audit objectives. OIA believes the evidence obtained provides a reasonable basis for our observations and conclusions based on our audit objectives.

Respectfully submitted,

Robert Rubel

Robert Rubel, MBA, CPA, CIA, CISA
Chief Internal Audit Officer

Cc: Pamela Lear, Ed.D., Deputy Superintendent, Chief of Staff and Racial Equity
Dwayne Thompson, Deputy Superintendent, Business Services, Financial Services
Tiffany Huitt, Chief Schools Officer, School Leadership
Leslie Ann Stephens, Deputy Chief Operations, School Leadership
Vicente Reyes, Assistant Superintendent, School Leadership
Jacki McFarland, Executive Director GRAAD, Districtwide Student Initiatives, School Leadership
Sean Brinkman, Chief Technology Officer, Information Technology
Roland Antoine, Assistant Superintendent, Enterprise Applications, Information Technology

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Definition of Risk Level

Risk Level	Definition
High	High probability of occurrence that would significantly impact District operations and have a significant financial or compliance risk. These observations are defined as an issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of the District.
Medium	Risks are considered to be substantially undesirable and pose a moderate level of risk exposure to District operations. Without appropriate controls, the risk will happen on a consistent basis.
Low	The risks are considered to be undesirable and could moderately expose the District. Without appropriate controls, the risk will occur some of the time.

Management Response

Observation 1 - Electronic processes should be utilized across campuses to better manage, track, and monitor the AFC Program.

Acknowledgement of observation:

- ☒ Agree
☐ Disagree

Management's Response:

The GRAAD department is continuing to collaborate with PowerSchool and Enterprise to convert all campus and central systems to the Enterprise Application electronic system. This includes campus-wide principal's plan reporting features, AfC committee reporting documents, and denial/restoration of final grade or credit. While some system alerts and notifications are available, we are considering additional prompts that will assist campus teams with monitoring student and campus progress with the principal's plan. We will include the Student Data Services department so that a comprehensive system can be built that could allow the Enterprise system to inform the PowerSchool system of final grade and credit denials.

Estimated Implementation Date: Fall 2023

Individuals responsible for implementation: Jacki McFarland, Marcia Williams, Isaac Gonzalez

Observation 2 - Monitoring processes should be implemented to verify accuracy of restored credit in PowerSchool.

Acknowledgement of observation:

- ☒ Agree
☐ Disagree

Management's Response:

The current Attendance for Credit reporting system within PowerSchool was designed to include the capability for campuses to generate reports to verify the list of students who have been denied or restored final grade or credit. Unfortunately, the processes in PowerSchool have not functioned properly and are not available for full utilization by central or campus staff. To address this issue, the GRAAD department is currently collaborating with the Enterprise Application team to integrate this capability into the reporting features that will migrate from PowerSchool to Enterprise. In addition, the team is exploring the communication between both systems so that Enterprise could inform PowerSchool of all student credit or final grade denials and restorations.

Estimated Implementation Date: Fall 2023

Individuals responsible for implementation: Jacki McFarland, Marcia Williams, Isaac Gonzalez

Observation 3 – A methodology for developing content for seat time assignments should be established.

Acknowledgement of observation:

- ☒ Agree
- ☐ Disagree

Management's Response:

Per district policy, academic seat time assignments are currently determined by the Attendance for Credit committee at each campus. As we implement the standardization of content-specific assignments through the Teaching and Learning Department, we will also explore system capabilities for the controlled release of assignments.

Estimated Implementation Date: Fall 2023 (9th – 12th grade only with implementation each following year for 6th – 8th and K-5th)

Individuals responsible for implementation: Jacki McFarland, Marcia Williams, Isaac Gonzalez