
HOUSTON INDEPENDENT SCHOOL DISTRICT

An Internal Audit of
MAGNET PROGRAMS

July 23, 2024

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Ms. Teresa Corrigan, Sr. Executive Director,
Ethics & Compliance
Houston Independent School District
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We have completed the Magnet Programs audit for Houston Independent School District (the "District") for the school year 2022-2023. We assessed whether the District has internal controls to ensure compliance with applicable laws, policies and procedures. We have identified opportunities for improvement and recommendations to address internal control issues noted or enhance existing processes. These are identified in this audit report.

The procedures were performed based on guidelines provided by management and in accordance with standards for consulting services issued by the American Institute of Certified Public Accountants. We were not engaged to, and did not perform an audit, in which the objective would be the expression of an opinion. Accordingly, we do not express such an opinion.

This report is intended solely for the use of management and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. The following report summarizes the procedures performed, observations and findings. Please contact Celina Cereceres at 713-386-1175 should you have any questions about this audit report.

Sincerely,

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Whitley Penn, LLP
Houston, TX

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EXECUTIVE SUMMARY

BACKGROUND

Per the District's FDB Local Admissions – Intradistrict Transfers and Classroom Assignments

An intradistrict transfer request shall be considered in the following priority order:

1. Legally mandated—such as for special education students.
2. Magnet schools.
3. Special.
4. Open enrollment—granted to any enrolled District student who wishes to transfer to another school that has space available to accommodate the student.
5. Public Education Grant (PEG)—see FDA (LEGAL) and (LOCAL).

A transfer to the Magnet Program, including Magnet and Vanguard Programs, shall be granted to a student who meets the eligibility criteria and qualifications of the specific magnet program requested when there is available space to accommodate the transfer student. These programs shall strive to achieve ethnic and other forms of diversity in the selection of students through a uniform, fair, credible, and properly applied application process. Application procedures shall be disseminated to every parent and guardian. Transportation may be provided in accordance with established campus guidelines.

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AUDIT OBJECTIVES

To determine if the District’s Magnet Programs are compliant with federal and/or state regulations as it relates to student enrollment criteria and funding.

AUDIT SCOPE AND APPROACH

We met with the Office of School Choice personnel to discuss procedures and controls over the Magnet Programs as it pertains to the application process, selection, and admission. We will document procedures and deadlines described in FDB Local (*Admissions Intradistrict Transfers and Classroom Assignments*) and the 2022-2023 HISD School Choice Guidelines.

We were provided with a listing of students from Smart Choice (the District’s student information system) for school years 2021-2022 and 2022-2023 to identify students coded as Magnet Schools (MA), Out-of-District Magnet (OM) and Out-of-District Transfer –School Based Employee (ODES). There was a total of 7,624 students that were enrolled between school years 2022 and 2023. We did not test students prior to school year 2022 because applications were not available prior to that school year. We tested a total of 336 students as detailed below:

Student Type	Sample Size
Magnet Students (MA)	300
Out-of-District Employee Magnet Students (ODES)	9
Out-of-District Magnet Students (OM)	27

We tested the student applications to ensure that the student coded as a Magnet student followed Board local policy. We tested the following attributes based on FDB Local:

1. Completed application was postmarked by the deadline.
2. An acceptance letter was sent to each applicant with program information and qualifying status by the annually established date.
3. After receiving his/her acceptance letter from the Magnet or Vanguard programs, the student informed the program by the designated date of their intent to enroll.
4. Final acceptance was approved by the Student Transfer department.

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OVERALL CONCLUSION

We have identified findings related to documentation requirements over the Magnet/Vanguard Program.

OBSERVATIONS AND RECOMMENDATIONS

1. Communication and Documentation

Observation: An applicant who has not responded to the acceptance letter will be contacted by the coordinator. In addition, an applicant who does not respond to the coordinator will be removed from the acceptance list to make space for other students. The purpose of these steps is to show that the final acceptance into the Magnet/Vanguard Program was approved by the Student Transfer department. We noted that documentation of such communication was not tracked and affected our entire sample of 336 Magnet/Vanguard students.

Recommendation: The District should ensure that the Student Transfer department documents its final approval student admission into the Magnet/Vanguard program in accordance with Board Policy FDB Local.

Management's Action Plan:

1. Implement as proposed <input type="checkbox"/>	Responsible Party: School Choice – Magnet Team
2. Implement alternative plan (add a comment) <input type="checkbox"/>	
3. Take no action (add a comment) <input checked="" type="checkbox"/>	
Planned Completion Date: 5 days after the end of Phase 1 deadline	

Management's Comment:

An enhancement to Salesforce was added to the platform this past school year (2023-24) where acceptance is now documented and maintained. It no longer allows a coordinator to remove an applicant. However, an offered seat automatically expires if the parent does not accept the seat.

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2. Application Discrepancies and Magnet Program Information System

Observation: We found that 12 of the 336 applications showed a different enrollment school year than the date reflected in the Smart Choice Information System. In addition, we noted that 117 instances in which the applications were not postmarked by the Phase 1 deadline.

Recommendation: The District should ensure that the supporting documentation supports the information reported in the student information system.

Management's Action Plan:

1. Implement as proposed <input type="checkbox"/>	Responsible Party: School Choice – Applications Team
2. Implement alternative plan (add a comment) <input type="checkbox"/>	
3. Take no action (add a comment) <input checked="" type="checkbox"/>	
Planned Completion Date: After parent notifications are sent, continuous process	

Management's Comment:

In the newly designed Salesforce platform used for the School Choice application all functions are trackable for the school year, and reports allow users to check the timestamp for supporting documentation upload. All applications are submitted online, no paper applications or snail mail are used.

3. Magnet/Vanguard Programs Acceptance Letters

Observation: In 172 instances, we were unable to locate the correspondence notifying the student about the program as well as their qualifying status by the annually established date. In addition, we were unable to find where the student informed the program of his or her intent to enroll in the program.

Recommendation: The District should ensure that all correspondence is sent to the student applicant and tracks the sent date. In return the District should track the date by which the student should inform the District of their intent to enroll in the program.

Management's Action Plan:

1. Implement as proposed <input type="checkbox"/>	Responsible Party: School Choice – Applications Team
2. Implement alternative plan (add a comment) <input type="checkbox"/>	
3. Take no action (add a comment) <input checked="" type="checkbox"/>	
Planned Completion Date: After student is offered a seat	

Management's Comment:

The new application system automatically sends a parent notification email when the student is offered a seat. The seat automatically expires if the parent does not accept it within the allotted time which is 14 calendar days after lottery and 5 calendar days in phase 2.

Parent responses are retained for one year.