
**HOUSTON INDEPENDENT
SCHOOL DISTRICT**

**An Internal Audit of:
STUDENT MEMBERSHIP**

July 19, 2024



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Ms. Teresa Corrigan, Sr. Executive Director/
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Houston Independent School District
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We have completed the Student Membership 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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HOUSTON INDEPENDENT SCHOOL DISTRICT

STUDENT MEMBERSHIP

EXECUTIVE SUMMARY

BACKGROUND

Per the Texas Education Agency (TEA), in a district if the student is enrolled in the District and is either:

- Scheduled to attend at least two hours of instruction each school day or
- Participates in an alternative attendance accounting program.

Student membership and eligibility to generate average daily attendance (ADA) are related to the amount of time that a student receives instruction each day. As such, student membership is critical for the Foundation School Program (i.e., state aid).

The TEA requires specific documentation for each student enrolled in a school district for reporting to the Public Education Information Management System (PEIMS), which encompasses all data requested and received by TEA about public education, including student demographic and academic performance, personnel, financial and organizational information.

District's are required to reconcile its student detail reports with the campus summary reports. In addition, teachers must reconcile their student rosters with the actual students in their classrooms.

HOUSTON INDEPENDENT SCHOOL DISTRICT

STUDENT MEMBERSHIP (continued)

AUDIT OBJECTIVES

To determine if HISD is compliant with the state-mandated student membership reconciliation process as outlined in the Texas Education Agency's (TEA) Student Attendance Accounting Handbook (SAAH).

AUDIT SCOPE AND APPROACH

We reviewed the District's:

- Federal/State Reporting and Attendance Manual
- Federal and State Compliance Data with Quality, Integrity, Transparency Manual
- Board Policy or superintendent procedures addressing official attendance period.

We also performed walkthroughs of the District's current procedures to establish membership, eligibility and reconciliation of the student, camps and district summary reports for each six weeks. We also tested the student detail report, campus summary report, and district summary report for the first and fourth six-week periods to ensure compliance with Section 3.10 *Quality Control* of SAAH.

We selected 10% of the campuses (or 25 campuses) and reviewed the student detail and campus summary reports. These documents are required in case of a TEA audit and are discussed in section 2.3 of the TEA SAAH. In addition, Section 2.3.4 *Reconciliation of Teacher's Roster Information and Attendance Accounting Records* states "Student membership from the teacher's roster is to be reconciled to the attendance accounting records at the end of the first and fourth six-week reporting periods. The reconciliation is to verify that all students are reported on attendance records and that "no show" students have been purged from the attendance accounting system." We tested the fourth six-week period teacher reconciliations.

From the same 25 campuses, we selected five (5) students that are coded as eligible to generate Average Daily Attendance for Foundation School Program purposes and requested documentation required per Sections 2 and 3 of the TEA SAAH. We tested the following four (4) attributes:

- A. Funding Eligibility (*TEA SAAH 3.2.2*)
- B. Age Eligibility (*TEA SAAH 3.2.3.1*)
- C. Residency (*TEA SAAH 3.3.1*)
- D. Identify and Age (*TEA SAAH 3.3.3*)

HOUSTON INDEPENDENT SCHOOL DISTRICT

STUDENT MEMBERSHIP (continued)

OVERALL CONCLUSION

The District should ensure that all campuses are aware of the documentation requirements for Student Membership requirements, reconciliation of its attendance reports and the first and fourth teacher reconciliation process outlined in the TEA SAAH Chapters 2 and 3.

OBSERVATIONS AND RECOMMENDATIONS

1. Lack of Documentation

Observation: Of the 125 students tested across 25 campuses, we noted five (5) (4 percent error rate) students whose files were lacking documentation, as described below:

Campus Affected	
Anderson Elementary	Two students' file were not located by the campus and as such, we were unable to determine membership at this campus.
Bellaire High School	One student's residency was determined by a phone bill, which is not an approved form of documentation per Section 3.3.1 of the Student Attendance and Accounting Handbook.
North Forest High School	The lack of one student's file not located by the campus prevented us from verifying identity and age.
Sharpstown High School	One student's residency was determined by a rental receipt, which is not an approved form of documentation per Section 3.3.1 of the Student Attendance and Accounting Handbook.

Recommendation: The District should ensure that all students enrolled have the required information

Management's Action Plan:

<p>1. Implement as proposed <input type="checkbox"/></p> <p>2. Implement alternative plan (add a comment) <input checked="" type="checkbox"/></p> <p>3. Take no action (add a comment) <input type="checkbox"/></p>	<p>Responsible Party: Wanda Thomas, Director, Federal and State Compliance Assessment, Accountability, & Compliance</p> <p>Planned Completion Date: August 12, 2024</p>
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Management's Comment:

FSC will add a statement in the FSC Weekly Reminders to campuses, reminding campuses to follow up with parents concerning missing documents that were not received during the initial enrollment. FSC will remind campuses to remind parents that they have 30 days to submit any required documents that were not submitted by the parent during the initial enrollment.

HOUSTON INDEPENDENT SCHOOL DISTRICT

STUDENT MEMBERSHIP (continued)

2. Missing Required Reports

Observation: Per Section 2.3 *Required Documentation* of the SAAH, districts must generate Student Detail Reports, Campus Summary Reports, and District Summary Reports each six-week period. One elementary school was unable to provide its campus summary report and as such we were unable to compare it to the student detail and district summary reports for the 4th six-week period.

Recommendation: The District should ensure that its campuses retain its student detail reports and campus summary reports each six week as required by the District’s 2022-2023 Federal and State Reporting and Attendance Manual under “Attendance Best Practices.” We also recommend that at the end of the year, campuses place these reports in a central file, such as a share file, that only central administration personnel responsible for attendance can access.

Management’s Action Plan:

<p>1. Implement as proposed <input type="checkbox"/></p> <p>2. Implement alternative plan (add a comment) <input checked="" type="checkbox"/></p> <p>3. Take no action (add a comment) <input type="checkbox"/></p>	<p>Responsible Party: Wanda Thomas, Director, Federal and State Compliance Assessment, Accountability, & Compliance</p> <p>Planned Completion Date: October 1, 2024</p>
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Management’s Comment:

FSC follows the Student Attendance Accounting Handbook guidelines, and we require campuses to run and submit the Texas Campus Summary and Student Detail Report after each 6-week cycle. FSC will implement a checklist for each coordinator and specialist to check that all documents have been received from the campuses.

3. Variances between Student Detail Reports, Campus Summary Reports and District Summary Reports

Observation: Section 3.10 *Quality Control* of the SAAH states:

“The total of all attendance figures reported by student name in the Student Detail Report must add up to corresponding totals reported in the respective Campus Summary Report covering the same instructional track I the same six-week period. The total of all attendance figures reported by campus in the Campus Summary Report must add up to corresponding district totals reported in the District Summary Report covering the same instructional track in the same six-week period. Your district should balance all attendance reports by six-week period to ensure that that all reports match.”

In the District’s 2022-2023 Federal and State Reporting and Attendance Manual, page 8 outlines the necessary documentation.

“For a particular campus, data totals for all Student Detail Reports must add up to respective totals on the Campus Summary Report. Likewise, data totals for all Campus Summary Reports must add up to respective totals on the District Summary Report. For schools offering multiple tracks, student detail must be summarized by individual tracks.”

Of the 25 campuses selected for testing, 21 campuses’ student detail reports did not agree to the campus summary reports for both the first and fourth six-week periods. We requested explanations for the variances, but due to turnover, individuals responsible for this type of documentation were no longer with the District.

HOUSTON INDEPENDENT SCHOOL DISTRICT

STUDENT MEMBERSHIP (continued)

Management's Action Plan:

1. Implement as proposed <input checked="" type="checkbox"/>	Responsible Party: Wanda Thomas, Director, Federal and State Compliance Assessment, Accountability, & Compliance
2. Implement alternative plan (add a comment) <input type="checkbox"/>	
3. Take no action (add a comment) <input type="checkbox"/>	
Planned Completion Date: August 12, 2024	

Management's Comment:

No comment

4. First and Fourth Six-Week Teacher Reconciliations

Observation: We tested the 4th six-week reconciliation for 25 campuses. We noted that for 16 campuses, the fourth six-week Class Roster and the Student Information System report did not agree. We were not provided with an explanation for the variances nor updated reconciliations. Furthermore, three (3) out of the 16 variances resulted from missing reports.

Recommendation: The District should ensure that the reconciliations are completed each first and fourth six-week periods in accordance with the SAAH and the District's 2022-2023 Federal and State Reporting and Attendance Manual which states:

"Student membership from the teacher's roster is to be reconciled to the attendance accounting records after every six weeks cycle. The reconciliation is to verify that all students are reported on attendance records and that "no show" students have been purged from the attendance accounting system. Houston ISD has developed a standard process and documentation form to be used at the end of every six weeks reporting periods to show the total number of students in membership in each teacher's class during the official attendance period. The total number of students in membership is to be reconciled to the total number of students listed in attendance accounting records. The District PEIMS coordinator and his or her supervisor must certify this document with their signatures.

Management's Action Plan:

1. Implement as proposed <input checked="" type="checkbox"/>	Responsible Party: Wanda Thomas, Director, Federal and State Compliance Assessment, Accountability, & Compliance
2. Implement alternative plan (add a comment) <input type="checkbox"/>	
3. Take no action (add a comment) <input type="checkbox"/>	
Planned Completion Date: August 12, 2024	

Management's Comment:

FSC will add the non-ADA students to the Membership reconciliation form so that non-ADA students will be counted in the total number.