
Make the Mark.

Atlanta Public Schools | March 14, 2025

Student Extracurricular Activities Internal Audit – Report #FY25-07



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March 14, 2025

Petrina Bloodworth, CIA, CFE, CRMA, MPA
Executive Director, Internal Compliance
Atlanta Public Schools
130 Trinity Avenue
Atlanta, GA 30303-3624

Dear Petrina:

Plante Moran has completed consulting services for Atlanta Public Schools ("APS") consisting of an internal audit over the Student Extracurricular Activity processes at select schools during the 2024 calendar year, as summarized in our professional services agreement dated May 15, 2024, and statement of work dated October 25, 2024.

We were not engaged to conduct an audit with the objective of expressing an opinion on APS's internal control environment. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is solely for the information and use of the management and the Atlanta Public Schools Board of Education and is not intended for use by anyone other than these specified parties.

We would like to recognize and thank the management and staff of APS for their cooperation and courtesy extended to us throughout this process.

Sincerely,



Matthew Bohdan, CPA, CIA
Engagement Partner



Troy A. Snyder, CICA
Relationship Partner

Executive Summary



Project Overview & Background

The Atlanta Public Schools (“APS”) Audit Committee approved an internal audit of the Student Extracurricular Activity processes at select schools per the 2024-2025 risk assessment and internal audit plan on June 27, 2024. The Office of Internal Compliance (“OIC”) engaged Plante & Moran, PLLC to perform this internal audit of the Student Extracurricular Activity processes.

Objective & Scope

Plante & Moran, PLLC evaluated the Student Extracurricular Activity processes and practices related to student fees and application of spending across a sample of APS schools for the period January 2024 through December 2024. The audit covered a risk-based sample of two extracurricular activities at nine high schools, one from each cluster within the District.

The extracurricular activities selected for testing included football and cheerleading. These activities were selected using a risk-based approach. We reviewed the 'Consolidated Receipts and Disbursements' report, which indicated these two activities had higher amounts of funds received and disbursed compared to other extracurricular activities. Additionally, football and cheerleading had the highest volume of student participation among the selected schools.

Our audit objectives included reviewing and assessing procedures for determining student fees related to participation, evaluating the application of spending across selected activities and schools, and performing analytics to evaluate differences in fee components that comprise the student fees across schools. Further details regarding the audit objectives tested can be found on page 5 of this report.

Methodology

To evaluate the adequacy of the procedures and practices in place, Plante & Moran, PLLC performed the following:

1. Conducted walkthroughs with the Director of Athletics and Program Manager of Quality Control and Process Improvement to obtain an understanding of athletic and non-athletic extracurricular activity processes.
2. Developed process documentation including a risk and control matrix and process narrative.
3. Reviewed and inspected existing school-level procedures and training materials.
4. Distributed surveys to understand the practices in place within each in-scope school related to extracurricular activities.
5. Conducted process interviews with school Principals and Athletic Directors to understand processes and practices related to fee determination and application of spending for cheerleading and football.

6. Inspected sample evidence, including student fee detail for the selected activities to evaluate the effectiveness of documentation and internal controls.
7. Identified gaps in internal controls and process inconsistencies.
8. Delivered a summary of findings and best practices in internal controls.

Summary of Themes

The table below highlights overarching thematic areas of development that were identified during audit fieldwork.

No.	Area	Theme
1	Lack of Standardized Processes	There is a District-wide absence of established standardized processes for determining the student fee and application of spending in extracurricular activities. As a result, schools currently follow inconsistent practices to determine student fees and application of spending, which are not clearly documented or formally approved. The absence of standardized processes across schools can lead to a lack of accountability within the District, inefficient use of funds, and transparency issues. Implementing standardized processes across the District may promote transparency to parents and community members, facilitate better financial management, and enhance overall operational and fiscal efficiency.
2	Limited Stakeholder Transparency	At several schools, there is a lack of transparency for parents regarding student fees in extracurricular activities. Itemized details of these fees are not documented or retained, and some schools do not provide the detail to parents. The lack of transparency can cause dissatisfaction with the community members and decreased participation by students. Additionally, community members may lose trust in the District and school's ability to manage funds responsibly. Implementing policies requiring detailed disclosure of student fees may increase trust in the District and help hold school staff accountable to the application of spending.

Detailed Audit Results



Approach

Plante Moran conducted a comprehensive evaluation of the District's practices and procedures through a series of electronic surveys and interviews. The audit team worked closely with APS management to ensure a thorough understanding of the processes and controls in place. This approach included the following:

1. Engaged with key personnel through surveys and interviews to document procedures and process understanding.
2. Developed comprehensive process documentation to capture the current state of extracurricular activity fee determination and application of spending.
3. Conducted detailed inspections and sample testing to evaluate the effectiveness of controls and identify any gaps.
4. Reviewed and analyzed existing practices and procedures to identify strengths and opportunities for improvement.

Plante Moran leveraged this audit approach to evaluate the following audit objectives.

No.	Audit Objective Descriptions
1	Review and assess procedures for determining student fees across a sample of extracurricular activities and schools.
2	Review and assess procedures for determining the application of spending across a sample of extracurricular activities and schools.
3	Perform analytics to evaluate differences in student fees across a sample of extracurricular activities and schools.

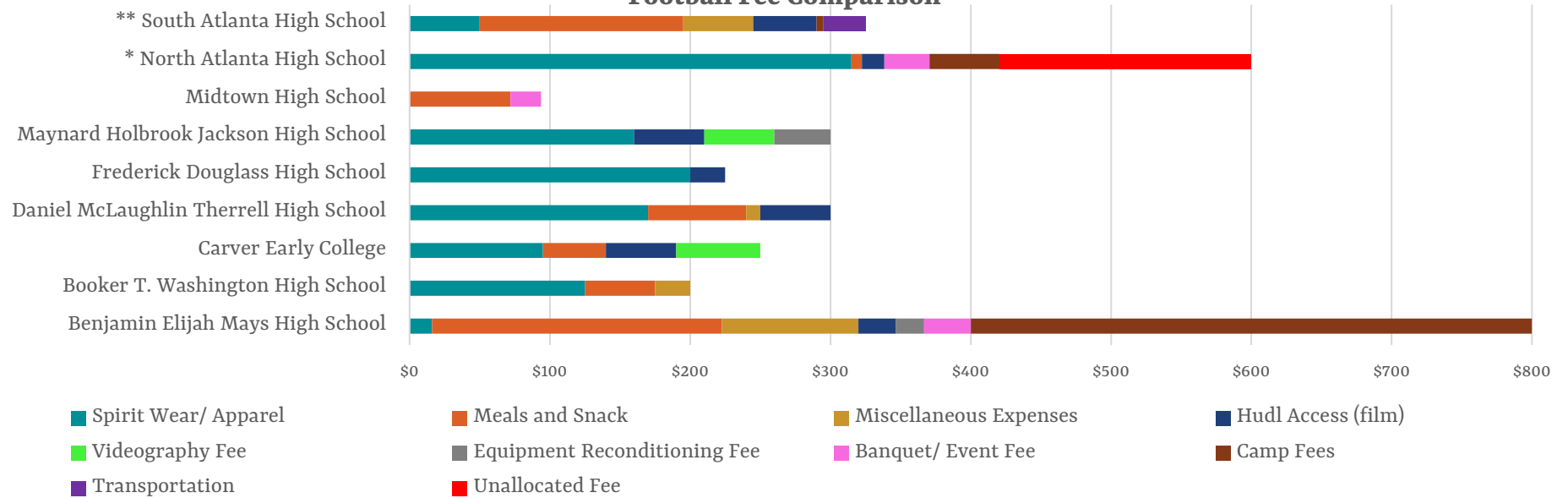
Itemized Student Fee Analytics

Our team evaluated the average fee allocation per category for football and cheerleading based on itemized student fee detail provided by various schools. We grouped the spending items into categories to identify discrepancies. The pages following consist of bar charts representing the percentage of student fee allocation groupings per school.

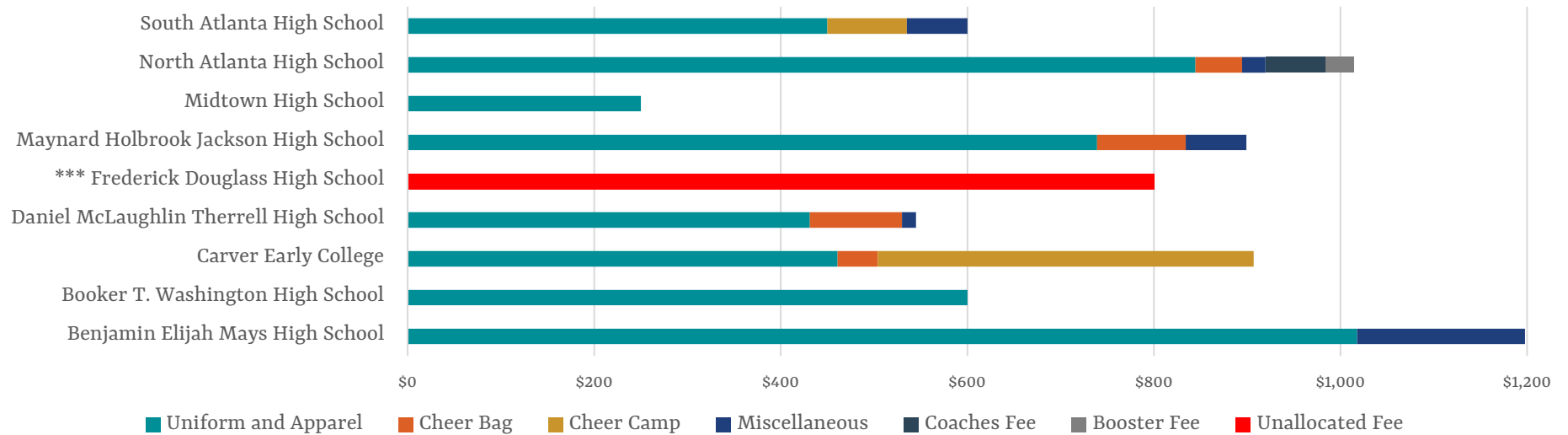
The identified allocation categories are listed below:

Football	Cheerleading
• Spirit Wear/Apparel • Meals and Snack • Miscellaneous Expenses • Hudl Access (film) • Videography Fee • Equipment Reconditioning Fee • Banquet/Event Fee • Camp Fees • Transportation • Unallocated Fee*	• Uniform and Apparel • Cheer Bag • Cheer Camp • Miscellaneous • Coaches Fee • Booster Fee • Unallocated Fee***

Football Fee Comparison



Cheerleading Fee Comparison



* North Atlanta reported a student fee of \$600 with an itemized listing of \$420, leaving \$180 unallocated.

** South Atlanta reported a student fee of \$200 with an itemized listing of \$325. Per inquiry, the school planned to obtain the remaining \$125 through fundraising.

*** Frederick Douglass reported a student fee of \$800 and was unable to provide an itemized listing.

Summary of Findings and Recommendations

Our observations below are based on corroborative inquiry with APS personnel, inspection of sample documentation, and in some cases, testing through our use of data analytics. In response to our observations, recommendations are included for the District’s consideration on how to resolve gaps where internal controls were not in place, internal controls were not designed effectively, or opportunities exist to reduce risk to the District.

Each recommendation was rated high, moderate, or low based on priority in terms of impact on the process, internal controls, or efficiency of operations.

1. **High priority** indicates that the finding requires immediate attention, and the recommendation may have a significant impact on risk mitigation.
2. **Moderate priority** indicates that the finding should be addressed timely, and the recommendation may have a meaningful impact on risk mitigation.
3. **Low priority** indicates that the finding should be addressed as time and resources permit, and the recommendation may have a low impact on risk mitigation.

The following table summarizes the findings identified through the audit.

High Priority	Moderate Priority	Low Priority	Total Findings
1	3	0	4

The table below summarizes the findings and related recommendations identified through the audit:

No.	Observation	Recommendation	Priority
1	Schools do not have formally documented procedures to govern the following processes: 1. Determination of student fees for extracurricular activities and identification of relevant fee components. 2. Activity-based extracurricular spend allocation.	1. Develop comprehensive District-wide Standard Operating Procedures (SOP) for the following processes. a. Determination of student fees associated with extracurricular activities, including definitions of acceptable fee components and common examples of such components (e.g. apparel/accessories, meals, equipment, travel, and competition fees). Any components not covered by common examples listed must be accompanied by a detailed explanation justifying the necessity of the component. The SOP should additionally include a predefined timeframe in which student fees, inclusive of fee components, are clearly communicated to parents/guardians. b. Detailed procedures for preparing and calculating student fee proposals at the school level. The preparation process should include the following: i. Designation of specific preparers, such as Head Coaches and/or non-athletic activity leaders. ii. Identification of optimally priced goods and services. iii. Predefined deadline to submit fee proposals for review. c. Formal review process for student fees. The process should designate specific reviewers, such as Athletic Directors and/or Principals. Fee proposals should be assessed based on necessity, cost justification, reasonableness, and consideration of alternatives, if required. d. Allocation of spending and prioritization of purchases for extracurricular activities, including mandating that student fees collected are used in accordance with the itemized fee components originally approved.	High

No.	Observation	Recommendation	Priority
		i. Document and establish a procedure requiring that any exceptions or subsequent changes to the use of funds, which deviate from the originally approved fee proposal, must be justified with a reasonable business case. Document and establish a dollar and/or percentage threshold that mandates any subsequent changes over the predetermined threshold must undergo review and approval again. e. A procedure that requires documentation related to the preparation and review of fee proposals be retained within a central repository (i.e. approved District SharePoint site) to promote a clear audit trail. i. Documentation should include evidence of the preparation and review, such as signatures and dates, review questions and comments, changes made, as well as meeting minutes, if applicable. Additionally, supporting documentation used to determine each fee component (e.g. pricing quotes) and use of funds (e.g. receipts and invoices) should be retained. 2. Provide training and instruction to all staff involved in student fee determination and allocation of spending processes to promote understanding and consistent application of the established policies and procedures across all schools and activities. Training attendees should include Principals, Athletic Directors, Head Coaches, and non-athletic activity leaders at a minimum.	
Management Response #1: APS leadership agrees. The District will establish a standardized, District-wide policy governing extracurricular activity fees, owned by Finance/Accounting, to ensure consistency, equity, transparency, and compliance with District financial standards. The policy will: • Define allowable and prohibited fee components • Establish documentation and justification requirements			

No.	Observation	Recommendation	Priority
	- Define approval thresholds and re-approval criteria - Establish expectations for monitoring, record retention, and transparency Standard Operating Procedures (SOPs), templates, and workflows will be implemented District-wide to support consistent application across all schools and activities. Athletics leadership will be consulted to ensure alignment with programmatic needs. Implementation Date: August 1, 2026 Responsible for Implementing Recommendation: Executive Director, Accounting Services (policy owner and approver) Director of Athletics (program alignment and implementation oversight) Athletic Directors/Coaches (fee preparation and parent communication)		

No.	Observation	Recommendation	Priority
2	Schools do not have a formal monitoring process to ensure accountability for use of funds.	Develop and implement a formal monitoring process to ensure accountability regarding the use of funds. a. Periodically review the use of funds to assess compliance with the fee proposal. Designated reviewers should be independent from the preparer of fee proposals. For example, Athletic Directors and/or Principals should be the primary reviewers. However, in cases where the Athletic Director is also the Head Coach, then the Principal should be the designated reviewer. b. Reviews should involve matching a sample of expense dollar amounts and vendors to supporting documentation, such as receipts and invoices.	Moderate

Management Response #2: APS leadership agrees. The District will implement a formal, standardized monitoring process to ensure that extracurricular activity funds are used in accordance with approved fee plans. Monitoring will be performed at the school level by designated Bookkeepers or Business Managers who are independent of fee preparation.

Monitoring activities will include:

- Reconciliation of fee collections to approved fee plans
- Verification that expenditures align with approved components
- Review of supporting documentation (receipts, invoices)
- Identification and escalation of variances exceeding established thresholds

District-level summaries and trend reporting will be reviewed periodically by Finance leadership.

Implementation Date: September 1, 2026

Responsible for Implementing Recommendation: Bookkeepers/ Business Managers (school-level monitoring and documentation)

Athletic Directors (corrective action and compliance enforcement)

Executive Director, Accounting Services (oversight, reconciliation support, and reporting)

No.	Observation	Recommendation	Priority
3	Schools did not provide an itemized listing of fee components or were unable to provide an explanation for the student fees.	- Develop a standard template that all schools must use to determine student fees and report how the funds were spent for all extracurricular activities. - The following 3 categories should be clearly outlined within the template: - Goods and services funded by the District for the extracurricular activity. - Itemized listing of fee components that constitute the student fee. - Additional items that are optional add-ons and not covered by the student fee. - Clearly outline each individual component budgeted as separate line items within the template for each category. Develop clear definitions and guidelines for each common fee component to promote consistent interpretation and application for all schools. - Require schools to provide itemized listing of fee components to participating students and parents, enhancing transparency. This should be done both in written form and discussed during annual parent meetings to promote clear communication. Encourage schools to ensure transparency by making details comprising each student fee readily available upon request throughout the year.	Moderate
Management Response #3: APS leadership agrees. The District will implement a standardized fee itemization template for all extracurricular activities to promote transparency and consistent communication with parents and guardians. The template will: Clearly distinguish between:			

1. District-funded components
2. Required student-funded components
3. Optional add-ons
 - Include standard definitions and terminology for common fee components
 - Be required for annual written communications and parent meetings
 - Be made available to parents upon request throughout the school year

Implementation Date: June 30, 2026

Responsible for Implementing Recommendation: Executive Director, Accounting Services (standards and financial definitions)

Director of Athletics (alignment with activity needs)

Athletic Directors/Coaches (distribution and explanation to families)

No.	Observation	Recommendation	Priority
4	There is inconsistent management of student fees for extracurricular activities. 1. There is a discrepancy for one school that reported their football student fee was greater than the aggregate of all related fee components reported. 2. One school included a mandatory sports booster fee as a fee component in determining their cheerleading fee. Per the Atlanta Independent School System Finance Policies and Procedures Manual, booster club funds should never be comingled with student activity funds.	1. Fees for participation in football camps, cheer competitions, and other voluntary activities not required of all team members should be categorized as add-ons. Consequently, only the specific athletes or team members who participate in these voluntary activities should bear the additional fees. 2. Athletic Directors and/or Principals should conduct precise reviews of fee proposals to verify the following: a. Costs associated with each fee component are necessary, reasonably priced, and provide the District with the best value. b. Prohibited fee components are not included in student fees. c. Fee components that do not involve each participating student is not included in student fees.	Moderate
Management Response #4: APS leadership agrees. The District will strengthen fee governance by enforcing clear standards for fee composition and review and prohibiting inappropriate or non-compliant components. Actions will include: • Prohibiting inclusion of booster club fees in student fee calculations • Requiring voluntary camps, competitions, and similar activities to be classified as optional add-ons • Requiring reviewers to validate that each component is: ○ Necessary ○ Reasonably priced			

- Applicable to all participating students (unless designated as an add-on)
- Implementing price-reasonableness and cross-school comparability checks for high-cost items

Implementation Date: May 1, 2026

Responsible for Implementing Recommendation: Executive Director, Accounting Services (policy enforcement and fee standards)

Director of Athletics (program oversight)

Athletic Directors (fee review and enforcement)

Appendix



Appendix 1: Background Narrative

Atlanta Public Schools Student Extracurricular Activities Internal Audit Process Narrative

District and School Roles and Responsibilities

Per inquiry interviews, the roles and responsibilities within the Atlanta Public School's athletics and extracurricular programs are clearly defined. The Project Manager for Quality Control & Process Improvement in the APS Operations Division supports school athletics by ensuring the availability of facilities, equipment, and resources. The Director of Athletics serves as the primary point of contact for the Operations Division for all schools and is responsible for creating and maintaining Standard Operating Procedures (SOPs) related to athletics. The organization of athletics and extracurricular programs varies, with each school determining which specific extracurricular activities the school offers, while athletic programs are managed by the Department of Athletics and follow Georgia High School Association (GHSA) guidelines.

Funding for these activities is multifaceted. Athletic programs receive District supplements for coaching expenses, which are allocated to schools' general funds and managed by Athletic Directors (ADs) and Principals at the individual school level. Equipment funding comes from special revenue funds, such as ticket gate revenue and local school funds. The student fee is determined at the school level by coaches, activity leaders, ADs, and Principals, who discuss and decide based on available funds and needs. Booster organizations also play a role in providing additional resources.

Student Fee Determination

Per inquiry interviews with ADs and Principals across the District, the process of determining student fees generally follows a consistent pattern, though it may vary slightly from school to school. The overall application remains consistent, where each Head Coach is responsible for creating an itemized list of required fees for students prior to the beginning of the season, including items not provided by the District or funded by the school. In some instances, Head Coaches collaborate with team parent liaisons or sports boosters to develop a realistic and comprehensive list of necessary items. Once the list is finalized, it is submitted to the AD of the school for approval. The AD may change the list or provide feedback, particularly regarding fee adjustments.

Through our interviews with the ADs and Principals at Frederick Douglass High School, Carver Early College, and Benjamin Elijah May High School, it was confirmed the Principal's approval is also required before the itemized listing of fee components is fully sanctioned. The remaining schools interviewed did not have a formalized approval process established. Upon approval, coaches can proceed with distributing the itemized listing for each student fee.

Communication of these fees to parents varies between schools. Some schools inform parents verbally during meetings, while others use emails, group chats, or publishing the itemized listing of fees online on SchoolCash. Additionally, some schools provide a physical hardcopy to parents. There is no

standard method for communicating these fees. Fundraising opportunities are available at each school to assist with costs, including mandatory participation in fundraisers by all student athletes, coach-selected fundraisers, and different sponsorship opportunities. Additionally, athletic partners, sports booster clubs, and community partnerships contribute through donations and support for families in need. No student is excluded from participating in activities due to an inability to pay the student fee. However, if a student is unable to pay the student fee, they may be excluded from certain events, such as cheer competitions as specialized uniforms are a requirement to compete. Nevertheless, it will not prevent the student from participating as a team member of the District's extracurricular activity.

Allocation of Spending

Based on survey responses, the process for determining the use of funds and allocating spending for extracurricular activities, specifically football and cheerleading programs, involves identifying specific needs such as equipment, supplies, apparel, travel accommodations, and specialty coaching fees, which are reviewed and updated annually. The decision-making process includes input from coaches, ADs, and at times, parents as well as students. There is no standardized approval process, and it varies by school. Approvals from the ADs and Principals may be given verbally or documented via email. Spending is allocated based on the approved budget and tracked through applications like School Funds Online, with monthly reports reviewed by ADs and Principals. All spending is documented with receipts, invoices, and approval forms to ensure transparency and accountability.

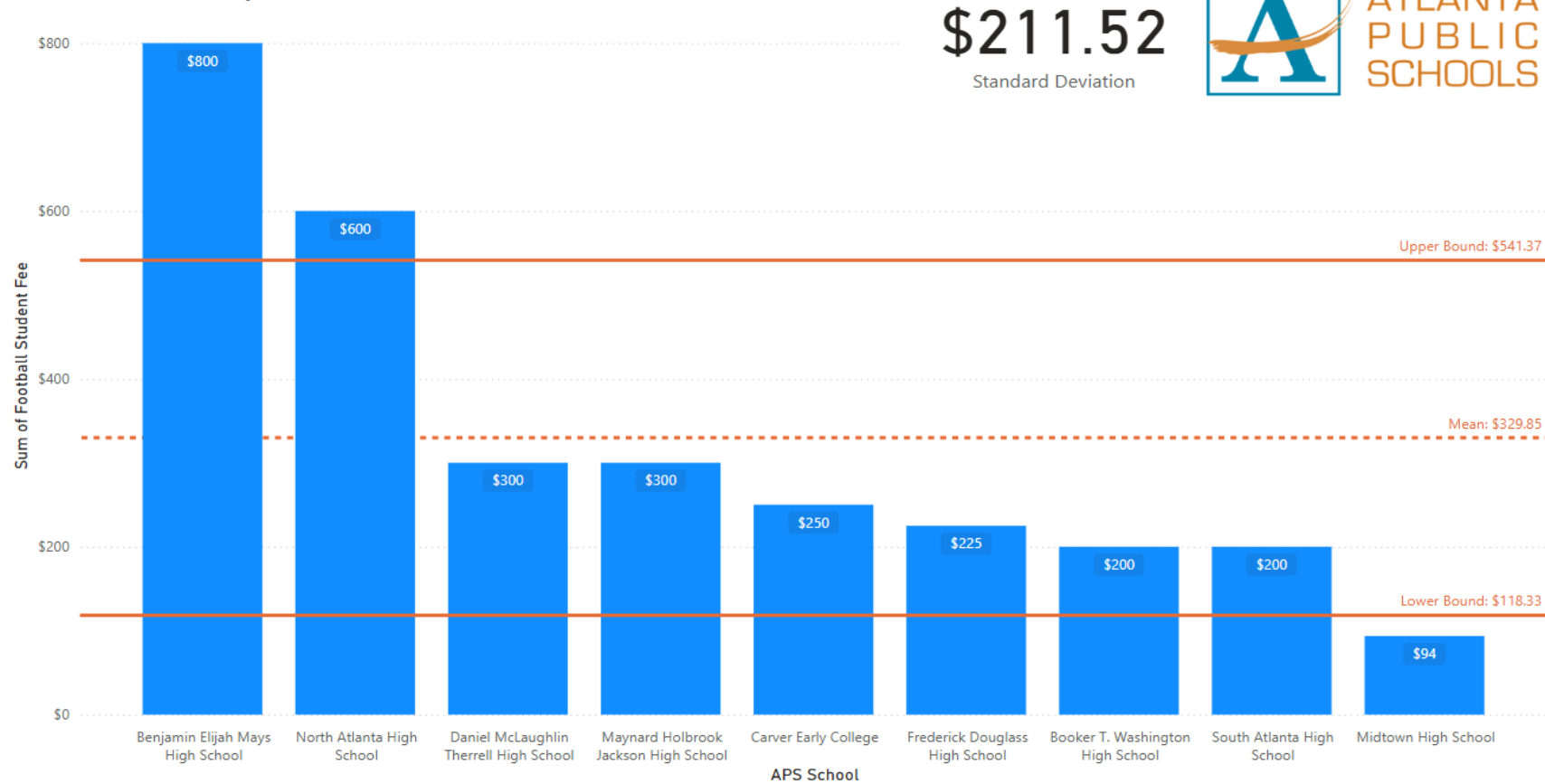
Appendix 2: Total Student Fee Analytics

Our team conducted an analysis to evaluate football and cheerleading student fees across nine high schools in the APS School District. We collected the total student fee that each school had asked for from the participating students through their fee detail. Our objective was to identify typical fees and outliers by calculating the mean and standard deviation of these fees. The mean served as a central value, while the standard deviation measured the variation in fees from the mean highlighting how much a school's fee deviates from the central value. To establish the range for typical fees, we calculated the upper and lower bounds as the mean plus or minus one standard deviation. Fees that fell outside these bounds were classified as outliers, indicating significant deviations from the norm. This analysis provided valuable insights into the distribution of student fees, highlighting schools with unusually high or low fees. The tables below show the total fee for both football and cheerleading:

APS School	Football Student Fee	Cheer Student Fee
Benjamin Elijah Mays High School	\$800	\$ 1,198
North Atlanta High School	\$600	\$ 1,015
Maynard Holbrook Jackson High School	\$300	\$ 899
Frederick Douglass High School	\$225	\$ 800
Carver Early College	\$250	\$ 667
Booker T. Washington High School	\$200	\$ 600
South Atlanta High School	\$200	\$ 600
Daniel McLaughlin Therrell High School	\$300	\$ 545
Midtown High School	\$94	\$ 250

Football

Football Student Fee Analysis



The analysis of football student fees across various APS high schools showed an average fee of \$329.85, with a standard deviation of \$211.52. Standard deviation is a statistical tool that identifies how spread out the numbers in a data set are from the central value. Typical fees ranged between \$118.33 and \$541.37. Benjamin Elijah Mays High School (\$800.00) and North Atlanta High School (\$600.00) had significantly higher fees, while Midtown High School (\$93.67) had significantly lower fees. The remaining schools had fees within the typical range, indicating general consistency in fee structures.

Cheerleading



The analysis of cheerleading student fees across various APS high schools showed an average fee of \$730.36, with a standard deviation of \$265.74. Standard deviation is a statistical tool that identifies how spread out the numbers in a data set are from the central value. Typical fees ranged between \$464.62 and \$996.10. Benjamin Elijah Mays High School (\$1,197.74) and North Atlanta High School (\$1,014.50) had significantly higher fees, while Midtown High School (\$250.00) had significantly lower fees. The remaining schools had fees within the typical range, indicating general consistency in fee structures.

Thank you.



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