



OFFICE OF INTERNAL AUDIT

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# Community Schools & Preschool Programs

Internal Audit Report



REPORT #: 004\_FY2022-2023

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INTERNAL AUDITOR

## TABLE OF CONTENTS

	PAGE
<b>EXECUTIVE SUMMARY</b>	iii
<b>OVERVIEW:</b>	
Background	1
Statement of Auditing Standards	2
Audit Purpose and Objectives	2
Audit Scope, Methodology and Exclusions	3
Internal Audit's Due Professional Care	3
<b>OBSERVATIONS:</b>	
1- Classroom Doors	4
2-Integrity of Scholarship Applications	5
3-Building Security	6
4-Outdated Premises Inspection Report	7
5-No Classroom Keys	8
6-Approving Multiple Invoices	8
7-Segregation of Duties	9
8-Inventory of Assets	10
9-Employee Files	11
10- Field Trip Packets	12
11- Oversights in the Translated Family Handbook	13
<b>CONCLUSION:</b>	14
Acknowledgment:	14
Appendix A: Organizational Chart	15
Appendix B: References	16
Appendix C: Glossary	22

## EXECUTIVE SUMMARY

The Office of Internal Audit has completed the assurance audit of the Community Schools and Preschool Programs (CSPP) department in the Tucson Unified School District (TUSD). The TUSD's organizational chart (Appendix-A) aligns the Director of the CSPP department with the Superintendent Leadership Team.

The CSPP department includes two Infant and Early Learning Centers (IELCs). Preschools are offered at fifty-eight (58) sites, which include nine (9) Pima Early Education Program Scholarships (PEEPS), six (6) tuition-based programs, and 48 Title 1/inclusive programs. Before and After-school programs are offered and available at 20 schools. The CSPP serves a total of 2,413 children and is supported by total of 281 staff members. Its operations are overseen and managed by one Director.

The purpose of auditing the general CSPP department was to provide District management with reasonable assurance of the department's compliance with required district policies and regulations. The objectives of the audit were to review selected processes, procedures, practices, and internal controls within the department to determine if they aligned with applicable governance. This was accomplished by conducting interviews with department employees, reviewing activities and procedures, analyzing provided data, examining inventory records, evaluating staff activities related to their job descriptions, and assessing the effectiveness of internal controls.

The primary criteria used for this audit were the district's written policies and regulations, including the Arizona Department of Health Services (AZDHS), Bureau of Child Care Licensing, Arizona Administrative Code, and Arizona Revised Statutes for Child Care Facilities. Additional criteria were obtained if the observed condition(s) deviated from or were not directly addressed by the district AZDHS, and available resources.

The audit scope included records and activities from March 1, 2022, through March 30, 2023.

Sampling methodology used was interval/strategic and random (nonstatistical/judgmental).

Opportunities for improvement, based on conditions observed during the audit, have been listed below in order of their perceived risk.

- 1- **CLASSROOM DOORS:** Some of the automatic locking mechanisms for classroom doors have been disabled.
- 2- **INTEGRITY OF SCHOLARSHIP APPLICATIONS:** Some "Quality First Scholarship" application packets contained manipulated dates.
- 3- **BUILDING SECURITY:** One building has had several break-ins and trespassers.
- 4- **OUTDATED PREMISES INSPECTION REPORT:** One school has an expired and outdated premises inspection report.
- 5- **NO CLASSROOM KEYS:** Most staff members do not have keys to their designated classrooms.
- 6- **APPROVING MULTIPLE INVOICES:** Multiple invoices were approved without performing due diligence.

- 7- **SEGREGATION OF DUTIES:** There is minimal segregation of duties in the handling and receipting of cash.
- 8- **INVENTORY OF ASSETS:** The department does not currently maintain a complete inventory of its assets.
- 9- **EMPLOYEE FILES:** Employee files lacked consistency of content between the two learning centers.
- 10- **FIELD TRIP PACKETS:** Documentation for field trips: incomplete Student Travel/Field Trip Rosters.
- 11- **OVERSIGHTS IN THE TRANSLATED FAMILY HANDBOOK:** Oversight in the Spanish handbook.

**BACKGROUND**

Tucson Unified School District (TUSD) is a public school district located in Pima County, Arizona. It serves approximately 42,000 students across 89 schools, including elementary, middle, and high schools. The district’s vision, as stated in its Strategic Plan: “Inspiring a diverse community to connect, learn, innovate, and lead for a better world.”<sup>1</sup>

The District’s mission, as stated in its Strategic Plan: “Our community prepares all students to become responsible, ethical, and engaged global citizens by creating relevant, dynamic, and joyful educational experiences that embraces cultural diversity.”<sup>2</sup>

The Community Schools and Preschool Programs (CSPP) mission statement included in the upcoming “Family Handbook Inclusive and PEEPs Preschool 2023-2024 Early Childhood Preschool Program” states: “TUSD’s Community Schools and Preschool Department’s mission is to support our community of diverse learners by providing high quality, inclusive programming in a safe, nurturing, and engaging environment.”<sup>3</sup>

The TUSD’s District Operating Guide, states: “Community Schools and Preschool Programs are partnerships between the local schools and their neighborhoods to create and provide a high-quality, safe, and secure environment for children before and after school hours. Our goals support TUSD’s mission to produce graduates prepared for successful lives in the 21st Century, including responsible citizenship, development of a positive self-concept, and appreciation and respect for others.”<sup>4</sup>

The CSPP provides a wide variety of services designed to meet the needs of children and their families. Among their programs are the two Infant and Early Learning Centers (IELCs), which prioritize a well-rounded approach encompassing play, social interaction, and personalized learning for children aged 6 weeks to 5 years. Enrollment criteria are customized for each age group, with accommodations made to ensure meeting the needs of every child.

Preschool programs are offered at fifty-eight (58) selected school sites, which are further segmented by their flexible funding options as follows: Forty-eight (48) are Title 1/inclusive, nine (9) offer the Pima Early Education Program Scholarship (PEEPS), and six (6) are tuition-based.

Community Education Programs include Before and After School Care and Tuition Prekindergarten.

Families have flexibility in funding options, ranging from out-of-pocket tuition payments to scholarships offered through organizations like Quality First and PEEPS. Subsidized options are also available for qualifying families, ensuring that affordable childcare solutions are accessible to all.

The CSPP department serves a total of 2,413 students, supported by 281 staff members, and managed and overseen by one Director. The table below illustrates the total number of enrollees and total support staff per program.

Summary of CSPP’s Participants and Staff per Program						
	IELCs	Community Education (Before and After School; Tuition PreK.)		Inclusive	PEEPS	Total
Students	144	382	107	1600	180	2,413
Staff	53	66		154	8	281

CSPP works closely with school sites, program facilitators, local organizations, and agencies to secure opportunities that enhance their outreach, services, and effective management of resources to support the needs of the community they serve.

### **STATEMENT OF AUDITING STANDARDS**

The audit was conducted using the knowledge obtained from the preliminary documents requested, and provided ahead of schedule by, the CSPP department. The information provided contains reliable material, including but not limited to: web links with applicable data, worksheets, manuals, previously performed audits at school sites, and other valuable data.

Additional guidance was obtained from the following sources: TUSD policies and procedures, TUSD's District Operating Guide (DOG), The Arizona Department of Health Services (AZDHS), Arizona Department of Economic Security (DES), DES Division of Child Care (DCC), The Institute of Internal Auditors (IIA), Arizona Auditor General's Uniform Systems of Financial Records (USFR), Arizona Department of Accounting (ADOA-GAO), Arizona Department of Education (ADE), Arizona Procurement Code, Arizona Revised Statutes (ARS), U.S. Department of Education (DOE), and U.S. Government Accountability Office (GAO), Generally Accepted Government Auditing Standards (GAGAS), National Fire Protection Agency (NFPA).

When necessary, other sources such as other school districts and auditing entities were used for applicable and generally acceptable practices. This type of criteria is referred to as Best Practices. Best Practices are to be used when no specific written policies capture the observed condition(s), either because they are new, unique, and/or requires implementing common sense.

### **AUDIT PURPOSE AND OBJECTIVES**

The purpose of auditing the CSPP department was to provide District management with reasonable assurance that TUSD's youngest future students are in a safe environment while adhering to required standards and regulations.

The objectives of the audit were used to review the learning centers processes, procedures, practices, and internal controls to determine compliance with applicable criteria.

The Government Accountability Office (GAO), Applicable Guidance: General (Section 8.08), states "The audit objectives are what the audit is intended to accomplish. They identify the audit subject matter and performance aspects to be included. Audit objectives can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria. Audit objectives may also pertain to the current status or condition of a program. The term program as used in GAGAS includes processes, projects, studies, policies, operations, activities, entities, and functions." <sup>5</sup>

The following activities were reviewed:

- 1- Overall safety and security of the "Infant and Early Learning Centers".
- 2- Processes and procedures for student applications; verification of collection and recording of payments, supporting documentation, and accuracy of information.
- 3- Overview of the department's funding; tuition paid from sponsored to subsidized and supplemented payments using Quality First scholarships, Department of Economic Security, Pima Early Education Program Scholarships, Title I, and applicable grants.
- 4- Segregation of duties between employees that intake cash payments.

- 5- Inventory records for taggable and non-tagtable for assets.
- 6- Manuals, policies, and processes for compliance with internal controls, and existence of.
- 7- Review of staff files, verification of required documents for licensing by the AZDHS.
- 8- Records, retention of documents.

The objectives were accomplished by:

- Conducting interviews with selected staff.
- Reviewing preliminary information and department content for consistency and reliability.
- Researching applicable policies to verify observed conditions and/or compliance.
- Reviewing iVisions transaction records to confirm attachment of documents.
- Analyzing staff rights and accesses in iVisions to verify segregation of duties.
- Comparing inventory records, tags, and locations to assess accuracy of recorded assets.

### **AUDIT SCOPE, METHODOLOGY, AND EXCLUSIONS**

The audit scope encompassed March 1, 2022, through March 30, 2023.

The following sampling methodologies were used to review the department's operations:

Nonstatistical/Judgmental and Random sampling.

The audit was performed by selecting random samples from the two Learning Centers to determine the integrity of their operational activities. The samples were not limited to any specific program or method of payments.

The primary criteria used to assess and provide reasonable assurance were District policies.

Activities, tasks, and items that deviated from District policies were compared with the guidelines and requirements of the Arizona Department of Health Services. Additional research was conducted when no direct criteria were available. The highest level of governance was applied.

This internal audit excluded visitation to school sites preschools programs.

### **INTERNAL AUDIT'S DUE PROFESSIONAL CARE**

Audits are designed to assess the organization's operation, authenticate the reliability and accuracy of data, detect and prevent fraud, strengthen internal controls, evaluate adherence to policies and procedures, and promote effective and efficient use of resources.

Internal audits are conducted to provide District management with reasonable –not absolute– assurance that the organization's objectives will be met. An auditor can only evaluate, analyze, develop conclusions, and provide recommendations based on internal data available from, or provided by, the auditee.

GAO's -Applicable Guidance- Determining Significance and Obtaining an Understanding of Internal Controls- (Section 8.46), states: "The nature and extent of procedures auditors perform to obtain an understanding of internal control is a matter of professional judgment and may vary among audits based on audit objectives, audit risk, internal control deficiencies, and the auditors' knowledge about internal control gained in prior audits.... The auditors' understanding of internal control may be obtained through procedures such as inquiries, observations, inspection of documents and records, review of other audit reports, or direct tests."<sup>6</sup>

All audits contain an element of inherent risk; this limitation may be attributed to countless reasons, including but not limited to: lack of written policies, non-disclosure or withholding of information, errors caused by human oversight, potential undetected fraud, limitations of technology/systems, inadequate controls, employees circumventing set processes, minimal training of staff, management overriding systems, etc.

During the exit meeting, the Director of the Community Schools and Preschool Programs department was provided with a summary of the observed conditions, relevant examples, and supporting documents.

The intended purpose of the exit meeting was to inform the auditee of the audit findings, answer questions, provide examples of the analyzed documents, clarify information, and expand on observations as needed. The auditee was informed of the audit observations that would be included in the final audit report and the due date for their Management Responses and Commitments (MRCs).

Audit observations and recommendations are listed below in the order of their perceived risk.

## AUDIT OBSERVATIONS AND RECOMMENDATIONS

### 1. CLASSROOM DOORS

**CONDITION:** Some of the automatic locking mechanisms for classroom doors have been disabled.

- Specifically, magnets have been added to the locking mechanisms preventing classroom doors from locking as designed and intended. Currently the only way to lock an affected door, is to first open the door, then remove the magnet(s), then re-close the door.

**CRITERIA:** "School Safety and Security", published by the National Fire Protection Association (NFPA). It addresses current requirements and guidelines regarding fire alarm systems and locking classroom doors. Main focus has been highlighted.

#### Safe Door Locking

##### What is code-compliant door locking?

Starting with the 2018 edition of NFPA 101, the Code provides two options for locking classroom doors from the inside. While the 2018 edition of the Code originally allowed for one door locking option, the NFPA Standards Council issued a Tentative Interim Agreement (TIA), which—for existing installations only—allows for a second type of door lock/latch combination that continues to deliver a high level of safety to students and staff.

##### Option One

The hardware for the first option is sometimes called an interconnected latch or lock, and is similar to what you might see in a hotel room. This type of locking mechanism can be used for newly installed doors. It can also be retrofitted on existing doors.



Images are from the NFPA 101, 2021 edition <sup>7</sup>

##### Option Two

The second option enables existing school classroom doors to be retrofitted with secondary hardware, which might include items such as a thumb turn lock. For existing classroom doors only, this option can be used in lieu of single operation hardware, which combines a latch and lock together.

This is one example of the second door locking option; it's called a dead bolt lock with a thumb turn:



Performance requirements related to these fixed locking devices include the following criteria regardless of the approach taken:

• The door must be lockable from the egress side without having to open it.

- The lock cannot require special knowledge, a key, or tool to engage or disengage from the egress side of the door.
- The two releasing operations, where permitted, must not be required to be performed simultaneously to unlock/unlatch the door.
- The lock must be installed at an acceptable height—between 34 in. to 48 in. above the floor.
- The door must have the ability to be unlocked and opened from outside the classroom with the necessary key or credential.
- The staff must be drilled in the engagement and release of locks.



Arizona Department of Health Services (AZDHS), Bureau of Child Care Licensing, Arizona Administrative Code and Arizona Revised Statutes for Child Care Facilities, § 36-883. Standards of care; rules; classifications, states:

- "A. The director of the department of health services shall prescribe reasonable rules regarding the health, safety and well-being of the children to be cared for in a child care facility. These rules shall include standards for the following:
1. Adequate physical facilities for the care of children such as building construction, fire protection, sanitation, sleeping facilities, isolation facilities, toilet facilities, heating, ventilation, indoor and outdoor activity areas and, if provided by the facility, transportation safely to and from the premises...
- D. The department of health services shall conduct a comprehensive review of its rules at least once every two years. Before conducting this review, the department shall consult with agencies and organizations that are knowledgeable about the provision of child care facilities to children including:
1. The department of economic security.
  2. The department of education.
  3. The state fire marshal.
  4. The league of Arizona cities and towns.
  5. Citizen groups."<sup>8</sup>

**EFFECT:** Unlocked doors can allow unauthorized individuals unhindered access to classrooms and occupants.

**CAUSE:** Prioritizing convenience over the safety and security of occupants.

**RECOMMENDATION:**

- a. Restore the functionality of all security devices.
- b. Ensure compliance with safety and security guidelines.

**2. INTEGRITY OF SCHOLARSHIP APPLICATIONS**

**CONDITION:** Some "Quality First Scholarship" application packets contained inaccurate dates.

**CRITERIA:** Policy Code: GBEA -Staff Ethics- "All employees of the District are expected to maintain high standards in there school relationships. These standards must be idealistic and at the same time practical, so they can apply reasonably to all staff members. The employees acknowledge that the schools belong to the public they serve for the purpose of providing educational opportunities to all. However, every employee assumes responsibility for providing leadership in the school and community. This responsibility requires the employee to maintain standards of exemplary conduct. It must be recognized that the employee's actions will be viewed and appraised by the community, associates, and students. To these ends, the Board adopts the following statements of standards."<sup>9</sup>

**The school employee:**

- Supports the principle of due process and protects the civil and human rights of all individuals.
- Maintains just, courteous, and proper relationships with students, parents, staff members and others.
- Strives for the maintenance of efficiency and knowledge of developments in the employee's field of work.
- Makes the well-being of students the fundamental value of all decision-making and actions.
- Implements the Governing Board's policies and administrative rules and regulations.
- Fulfills job responsibilities with honesty and integrity.
- Will not falsify, misuse, sell, transfer or access for personal use, records or data maintained by the school district.
- Never accepts gratuities or gifts that influence judgment in the exercise of professional duties.
- Avoids using position for personal gain through political, social, religious, economic, or other influence.
- Abides by copyright restrictions, security, or administration procedures for a test or assessment.
- Honors all contracts until fulfillment or release.
- Keeps information deemed confidential in nature secure unless disclosure serves District purposes or when required by law.
- Pursues appropriate measures to correct any laws, policies, or regulations that are not consistent with sound educational goals."

**EFFECT:** Ten application packets were reviewed; all contained inconsistencies between the school year being applied for and the school year on the signed forms.

Applications packets should match and contain consistent school years throughout the application forms reflecting the intended enrollment year for which its being applied.

Doing so will preserve the integrity of the application, minimize duplication of efforts and reduce parent's frustration.

**CAUSE:** Manipulation of Quality First Scholarship applications.

**RECOMMENDATIONS:** Adhere to applicable policies, procedures, and requirements.

### 3. **BUILDING SECURITY**

**CONDITION:** One building has had several break-ins and trespassers.

**CRITERIA:** Policy Code: EB -Environmental and Safety Program states: "The Superintendent or designee will establish procedures to protect the safety of all students, employees, visitors, and others present on school property or at school-sponsored events.

The practice of safety shall also be considered a facet of the instructional plan of the schools by virtue of educational programs in traffic and pedestrian safety, driver education, fire prevention, and emergency procedures, appropriate for students at different grade levels. General areas of emphasis shall include, but not be limited to in-service training; accident record keeping; plant inspection; driver and vehicle safety programs; fire prevention; school site selection; and emergency procedures and traffic safety problems relevant to students, employees, and the community...

Responsibilities of employees:

- Report promptly to the administrator any defects in buildings, grounds, or equipment that might prove injurious to the safety, health, or comfort of students, employees, or other persons.
- Take reasonable precaution for the safe use of buildings, grounds, and equipment by students."<sup>10</sup>

**EFFECT:** Potential safety threat to children and staff, vandalism, theft of property/assets, etc.

**CONTRIBUTING FACTORS:** The property fence is only 4' high, the building is not fully occupied, some areas are not commonly patrolled, unlocked doors, unlocked doors between rooms.

**RECOMMENDATION:**

Utilize Policy Code: EB, and request assistance from applicable departments.

- a) Consider increasing the height of the perimeter fence.
- b) Enlist assistance from School Safety to increase patrolling of the area.
  - After a holiday, request an interior patrol/walk, with focus on less trafficked areas.
- c) Obtain written guidance from either the Fire Marshall, Fire and Safety, or related, on how to best address the classrooms with interconnecting doors.

#### 4. OUTDATED PREMISES INSPECTION REPORT

**CONDITION:** One school has an expired and outdated premises inspection report.

**CRITERIA:** Arizona Administrative Code (A.A.C.), Title 9. Health Services, Chapter 3. Department of Health Services -Child Care group homes, R9-3-206 (Inspections; Investigations), states, "A. An applicant, certificate holder, or provider shall allow immediate access to all areas of the premises that may affect the health, safety, or welfare of an enrolled child or to which an enrolled child may have access during hours of operation to representatives from:

1. The Department,
2. The local health department,
3. Arizona Department of Child Safety, or
4. The local fire department or State Fire Marshal."<sup>11</sup>

A.A.C., R9-5-309 (Gas and Fire Inspection), states,

"C. A licensee shall maintain on facility premises:

1. A current fire inspection report including documentation of any repairs or corrections required by the fire inspection report..."<sup>12</sup>

Furthermore, A.A.C., R9-3-207, Denial, Revocation, or Suspension of a Certificate, states, "A. The Department may deny, revoke, or suspend a certificate to operate a child care group home if an application or certificate holder...

6. Fails to substantially comply with any provision in A.R.S. Title 36, Chapter 7.1, Article 4 of this Chapter."<sup>13</sup>

**EFFECT:** Potential suspension of, or disciplinary action against, the license.

**CAUSE:** Not maintaining or obtaining a current premises inspection report.

**RECOMMENDATION:**

- a. Adhere to the AZDHS requirements to ensure compliance.
- b. Obtain an updated premises inspection report.
- c. Maintain close attention to this site to ensure their Gas and Fire Inspections are renewed on a timely manner to prevent future expiration of their premises inspection report.

**5. NO CLASSROOM KEYS**

**CONDITION:** Most staff members do not have keys to their designated classrooms.

**CRITERIA:** According to the "Growing Up at Tucson Unified Community Schools Staff Handbook 2021-2022" under the Professional Responsibility section, specifically the Campus Environment subsection, the last bullet point states: "Staff is responsible for locking their rooms and safeguarding assigned keys. Do not leave personal items of value or money in rooms. Rooms must be locked each evening when you leave."<sup>14</sup>

**EFFECT:** Classrooms are left unlocked/unsecured outside of business hours. Unlocked/unsecured doors increase the risk of theft and/or vandalism of property and assets.

**CAUSE:** Not adhering to district policies/procedures.

**RECOMMENDATION:** Follow the requirements specified in the department's Staff Handbook.

**6. APPROVING MULTIPLE INVOICES**

**CONDITION:** Multiple invoices were approved without performing due diligence.

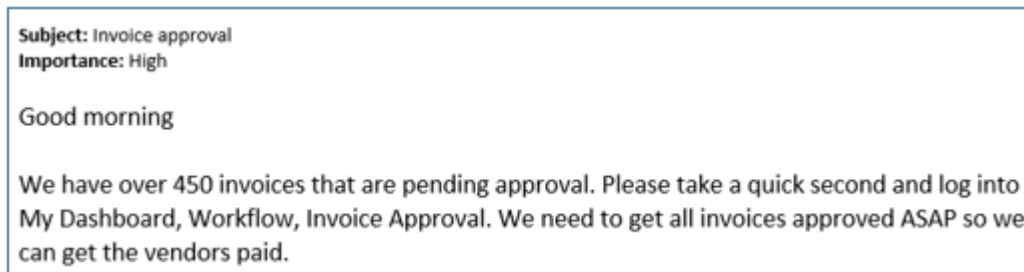
**CRITERIA:** The Uniform System of Financial Records (USFR) for Arizona School Districts provides a list of 24 steps in the Procedures - Expenditure Processing, states: "...Specific procedures may vary depending on the size and organization of the district or degree of automation..."<sup>15</sup>

Receiving	<p>11. Receives a copy of the purchase order (VI-G-23) and performs the following steps when the goods are received:</p> <ol style="list-style-type: none"> <li>a. Inspects the goods for visible damage in the carrier's presence. Damaged goods should not be accepted.</li> <li>b. Determines the quantity received.</li> <li>c. Completes the receiving report, indicating the date received, quantity received, condition of goods, and signature of employee receiving the goods. If a copy of the purchase order is used as a receiving report, the quantity ordered should have been blocked out and the quantity received should be recorded next to the description of each item.</li> <li>d. Delivers goods to the requisitioner and obtains confirmation of delivery by requiring the recipient to initial and date the receiving report.</li> <li>e. Submits the completed receiving report to the district office, with shipping documents attached, such as bills of lading or freight bills.</li> </ol> <p>Note: Receiving reports should also be prepared and retained for purchased services and construction projects for verification of performance and completion. Such receiving reports should be prepared by the district employee responsible for procuring the services or managing the project. "</p>
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Image from USFR -RECEIVING, STEP 11<sup>16</sup>

**EFFECT:** During a meeting with a staff member, an email was received notifying them that they had invoices to approve. The urgency of performing the approvals was emphasized in the e-mail. This individual demonstrated how the process worked by logging into the system and clicking the approve invoices" button. The approval process did not include any actual review, authentication, or verification.

Image<sup>17</sup> below is an example of the e-mails commonly received by the department's staff, informing them they have pending invoices and to approve them as soon as possible.



This individual, and other staff members, were asked why they didn't open and look at each individual invoice to verify if the charges were correct, if the merchandise had been received, or if it was an actual purchase for one of their sites? Common responses included: "Several of us receive these emails; we simply log in to the dashboard and approve them." and "We do what we are told".

Not performing due diligence when approving invoices could increase potential for theft, fraud, and approval of non-allowable purchases.

**CAUSE:** Prioritizing accommodating and assisting with deadlines over performing due-diligence.

**RECOMMENDATION:**

- a) Implement due diligence and encourage collaboration between departments while ensuring adherence to internal controls.

## 7. SEGREGATION OF DUTIES

**CONDITION:** There is minimal segregation of duties in the handling and receipting of cash.

- The Office Assistant is responsible for collecting, receipting, recording, reconciling, preparing deposits, and signing off on the deposit slips. In cases where the deposits exceed \$1,000, they personally deliver deposits to the bank at the end of their workday.

**CRITERIA:** According to the USFR - Introduction - VI-A: "An effective accounting system can help safeguard district assets from fraud, theft, or misuse. Accounting system policies and procedures, formally documented and adopted by the governing board, should provide separation of responsibilities, adequate internal checks and balances, and sufficient records to support financial transactions.

Responsibilities should be assigned to specific departments, if applicable, and adequately separated within departments so that one individual does not have complete authority over an entire financial transaction or process. Districts should also periodically rotate responsibilities among employees when practical and require employees who process financial transactions to take vacation time and have another employee perform their responsibilities..."<sup>18</sup>

**EFFECT:** Increased potential for theft, fraud, and inaccurate information.

**CAUSE:** Not adhering to applicable policies/procedures. Unfamiliarity with USFR requirements.

**RECOMMENDATION:**

Implement and follow the applicable Accounting Procedures in USFR.

**8. INVENTORY OF ASSETS**

**CONDITION:** The department does not currently maintain a complete inventory of its assets.

**CRITERIA:** Policy Code: DID -Asset Management, states, "The Governing Board recognizes the District's responsibility to manage both fixed and capital assets as integral to the basic mission of providing quality education. Arizona Department of Education requires school districts to adhere to the Uniform System of Financial Records (USFR) regarding physical inventory and to maintain a detailed listing of land, buildings, furniture, and equipment.

The acquisition threshold for capitalizing items and entering them on the general fixed assets listing shall be five thousand dollars (\$5,000) or greater. Items having an acquisition cost equal to and greater than one thousand dollars (\$1,000) but less than five thousand dollars (\$5,000) shall be placed on the stewardship listing. General fixed assets and stewardship items shall be inventoried as specified by the USFR."<sup>19</sup>

Regulation Code: DID-R-: Asset Management - delineates the following:

**"Receiving and Tagging Capital Assets**

A purchase order for taggable capital equipment will have a note to sites upon receipt to send all partial copies or completed original purchase orders to the Asset Management Office. The receiving site must send the signed Purchase Order Receiver including bill of lading, packing slip, invoices, partial reports and warranty documents to the Asset Management Office upon receipt of capital equipment.

The Asset Management Office will input receiving of the equipment into the Asset Management database to create an Asset ID Number and forward partial receiver copies or the completed receiving original copy of the purchase order to Accounts Payable (Finance/Student Finance). The Asset Management Office will send the Asset ID Number to the receiving site via e-mail or hard copy, and add the new equipment to the site inventory listing.

The receiving site is responsible for tagging the equipment with the appropriate business unit and Asset ID Tag Number as provided by the Asset Management Office. The receiving site will confirm, by signature, that the equipment has been tagged and also provide Asset Management with the corresponding project code and serial numbers when applicable.

**Inventory Procedures:**

TUSD requires that all district and federally funded items valued at \$1000.00 or more with a useful life of a year or more will be physically accounted for annually. Asset Management will be responsible for the distribution of the annual inventory listings in the \$1,000.00 and over schedule.

The Site or Department Administrator will use this annual inventory list to:

1. Check off items on the listing for physical verification. Items not accounted for or verified must be explained on the appropriate TUSD form (refer to DID-E).
4. Account for all items at their respective sites regardless of value and whether they were lost, damaged, or stolen.

5. Verify that all items with an existing Property Control Number also have an Asset ID Number as a cross-reference...

### Stewardship Listing:

The purpose of the Stewardship Listing is to enhance accountability of safeguarding District property and to maintain a listing of specific items with a value of \$1,000.00 to \$5,000.00. Equipment listed in this dollar range may require maintenance or may be identified as commonly pilfered. Asset Management will maintain Stewardship Listings for the following categories above \$1,000.00 in value; technology equipment with a value of \$200.00 and above will also be added to the stewardship listing. The property will remain the responsibility of the Site or Department Administrator. The Stewardship Listing will be provided to the Site or Department Administrator upon request."<sup>20</sup>

**EFFECT:** The Director, and four of the five Program Coordinators interviewed during this audit, verbally stated they do not tag assets or maintain inventory records.

One Program Coordinator provided an inventory list including a total of 21 assets.

The list was compared to the corresponding inventory records provided by the Asset Management department.

Out of the 186 assets in the Asset Management, none matched the 21 assets listed in the provided records from the IELC.

Asset Management also provided a list containing 159 assets for the other IELC site.

**CAUSE:** Unaware of the Policy Code: DID -Asset Management.

### RECOMMENDATION:

- a) Follow the process outlined in Policy-DID and Regulation DID.
- b) Develop a process for collaborative work with the Asset Management Department regarding overlapping duties and records.

## 9. EMPLOYEE FILES

**CONDITION:** Employee files lacked consistency of content between the two learning centers.

**CRITERIA:** Arizona Department of Health Services Bureau of Child Care Facilities Licensing Arizona Administrative Code and Arizona Revised Statutes for Child Care Facilities, R9-5-402 (image below)<sup>21</sup>

<b>R9-5-402. Staff Records and Reports</b>	
<b>A.</b>	A licensee shall maintain a file for each staff member containing:
1.	The staff member's name, date of birth, home address, and telephone number;
2.	The staff member's starting date of employment or volunteer service;
3.	The staff member's ending date of employment or volunteer service, if applicable;
4.	The name and telephone number of an individual to be notified in case of an emergency;
5.	The staff member's written statement attesting to current immunity against measles, rubella, diphtheria, mumps, and pertussis;
6.	The form required in A.R.S. § 36-883.02(C);
7.	Documents required by R9-5-203;
8.	Documents required by R9-5-301;
9.	Documents required by R9-5-401, if applicable;
10.	If applicable:
a.	The form required in A.R.S. § 8-804(I),
b.	Documentation of the submission required in A.R.S. § 8-804 and the information received as a result of the submission, and
c.	Documentation of training provided by a licensee as required by R9-5-403, if applicable;
11.	A copy of any current license or certification required by A.R.S. Title 36, Chapter 7.1, Article 1. or this Chapter; and

	12. Documentation of the requirements in A.R.S. § 36-883.02(D).
<b>B.</b>	A licensee shall ensure that, for a staff member who is currently working at the facility, the staff member's information required by: <ol style="list-style-type: none"> <li>1. Subsections (A)(1) through (11) is maintained in a single location on facility premises, and</li> <li>2. Subsection (A)(12) is maintained and provided to the Department within two hours of the Department's request.</li> </ol>
<b>C.</b>	A licensee shall ensure that, for an individual who is not currently working at the facility, the information required in subsections (A)(1) through (12) is: <ol style="list-style-type: none"> <li>1. Maintained for 12 months after the date the individual last worked at the facility, and</li> <li>2. Provided to the Department within two hours of the Department's request.</li> </ol>

Governing Board Policy, Personnel Records and Files, Policy Code: GBJ includes: "The District will maintain a complete and current official personnel file for each District employee in the Human Resources Office of the District. Employees may obtain one copy of their personnel file at no cost. Former employees may obtain a copy of their personnel file for a reasonable fee as set forth in Policy Regulation GBJ-R."<sup>22</sup>

Policy Regulation, Personnel Records and Files, Code: GBJ-R, includes: "Supervisors may maintain an employee file in a locked cabinet. The file may include, but is not limited to:

- Notes on attendance or tardiness
- Complaints from customers and/or co-workers
- Awards or citations for excellent performance
- Documented conversations regarding performance"<sup>23</sup>

**EFFECT:** Ten randomly selected files for current employees (Teachers and Teacher's Aids) were viewed and compared to the "New Staff Licensing Paperwork" check list. The table below lists the various observations noted in the CSPP staff folders.

Information in Staff Folders						
	CPR/First Aid Card	Immunization Card	TB Test	Finger prints	Background Check	Human Resources Info.
Contained	5	8	7	5	5	6
Outdated	1 (2011)	0	0	0	0	0
Missing	4	2	2	5	5	4
After Start Date	0	0	1	0	0	0

**CAUSE:** Not following and/or unaware of applicable requirements.

**RECOMMENDATION:**

- a) Adhere to requirements set forth by AZDHS: R9-5-402, Governing Board Policy GBJ, and Regulation GBJ-R.

## 10. FIELD TRIP PACKETS

**CONDITION:** Documentation for field trips: incomplete Student Travel/Field Trip Rosters.

**CRITERIA:** Policy Code JHC: Released Time for students – "Approval of a District/Student activity by the Superintendent of Schools or designee must be based on standards which include presence of a detailed itinerary, parental permission slips, safe places or conditions during the trip, reasonable use of school days, adequate supervision, and adherence to all requirements in Administrative Regulation 6153, Student Travel."<sup>24</sup>



**EFFECT:** Six randomly selected field trip packets were reviewed, from random schools and trips. All travel packets reviewed included approval dates between April 1, 2022, and October 17, 2022. Five of the six packets contained incomplete Student Travel/Field Trip Rosters.

**CAUSE:** Staff not ensuring the documents are properly filled out and received.

**RECOMMENDATION:**

- a) Ensure Travel/Field Trip Rosters are complete and in all files.

**11. OVERSIGHTS IN THE TRANSLATED FAMILY HANDBOOK**

**CONDITION:** Oversight in the Spanish handbook.

**CRITERIA:** Best business practices for referenced materials, such as manuals, instructional guides, standard operating procedures, policies, etc., is for content to be up to date. Ensuring reference materials are accurate, reliable, and error free is essential to aid the users. If the reference documents contain outdated information, incorrect, noncompliant, and/or contradictory information their functionality and reliability is diminished.

**EFFECT:** The Spanish Handbook linked to the [tusd1.org/community-school-program](https://tusd1.org/community-school-program) has several misspellings, oversights, and inaccuracies; examples provided below:

- Misspellings on:
  - Pg. 4: INSCRPCION
  - Pg. 7: Prprocedimeinto
- Singular vs. plural on:
  - Pg. 4: Completen vs. complete...etc..
  - Pg. 6: Sentence, "su hijo", "enfermos".
- Punctuation on Pg. 6, first paragraph, extra "a"
- Incomplete sentence Pg. 6, consider reviewing

**CAUSE:** Lack of review; oversights and inaccuracies in the content.

**RECOMMENDATION:**

- a) Review other translated manuals, forms, and pamphlets to verify translation and applicability.
- b) Consider working with Technology Services to create and maintain a digital manual that can be updated as needed.

CONCLUSION

The audit was conducted to provide reasonable assurance to District management regarding the overall management of the Community Schools and Preschool Programs (CSPP) and its governance.

The audit objectives were intended to evaluate CSPP's efficiency of processes and procedures. These objectives were accomplished through staff interviews, visits to Learning Centers, observations of processes, reviews, and analysis of relevant information to assess compliance with District policies, AZDHS requirements, and other applicable regulations.

GOA, (Section 6.46), states: "Internal control plays an expanded role in the government sector. Given the government's accountability for public resources, assessing internal control in a government environment may involve considering controls that would not be required in the private sector. In the government sector, evaluating controls that are relevant to the audit involves understanding significant controls that the audited entity designed, implemented, and operated as part of its responsibility for oversight of public resources..."<sup>25</sup>

The audit findings were based on observations obtained during the audit process, which evaluated the department's practices and procedures for their alignment with regulations and standards.

The Office of Internal Audit (OIA) can only provide reasonable assurance on conducted internal audits, never absolute assurance.

The observations listed in this audit report identify areas with opportunities for improvement. A follow-up audit may be conducted within the next six months.

ACKNOWLEDGMENT

The Office of Internal Audit wishes to express its appreciation to the Director of the CSPP department, its support staff, and the Asset Management Associate for their time, assistance, and cooperation during the audit.

Final Internal Audit Report No. 004 SY 2022-2023; provided to Governing Board on June 30, 2023.

Martha Smith                      6/19/2023  
Martha Smith                      Date  
Internal Auditor

**Report Distributed:**

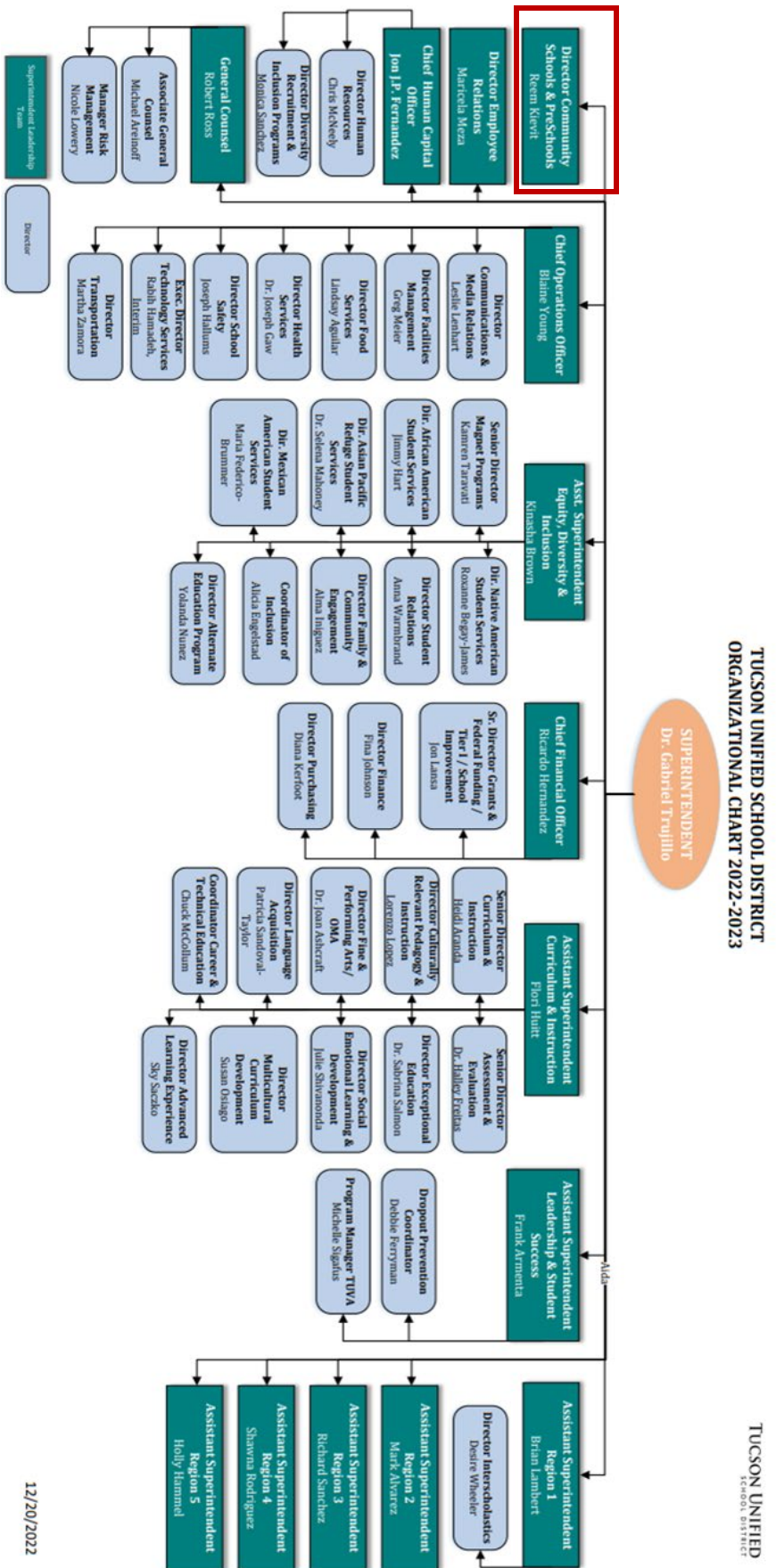
Governing Board:  
Dr. Ravi Shah, President  
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Sadie Shaw, Member  
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Robert Ross, General Counsel  
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and Preschool Programs

Audit Committee Chair and Members:

- Mr. Wiegandt, Chair, •Dr. Kelly, Co-Chair; Members: •Ms. Martinez, •Ms. Perin, •Mr. Cavanaugh, •Mr. Oberg

FIGURE 1



## REFERENCES

1. **TUSD's Strategic Plan VISION:** "Inspiring a diverse community to connect, learn, innovate, and lead for a better world." Retrieved by OIA on 3/28/23 from: Strategic Plan (tusd1.org).
2. **TUSDs Strategic Plan -MISSION:** "Our community prepares all students to become responsible, ethical, and engaged global citizens by creating relevant, dynamic, and joyful educational experiences that embrace cultural diversity." Retrieved by OIA on 3/28/23 from: Strategic Plan (tusd1.org)
3. **Family Handbook Inclusive and PEEPs Preschool 2023-2024 Early Childhood Preschool Program:** "TUSD's Community Schools and Preschool Department's mission is to support our community of diverse learners by providing high quality, inclusive programming in a safe, nurturing, and engaging environment." -preliminary information provided by CSPP on 4/28/23 to OIA.
4. **TUSD's District Operating Guide:** "Community Schools and Preschool Programs are partnerships between the local schools and their neighborhoods to create and provide a high-quality, safe, and secure environment for children before and after school hours. Our goals support TUSD's mission to produce graduates prepared for successful lives in the 21st Century, including responsible citizenship, development of a positive self-concept, and appreciation and respect for others." Retrieved by OIA on 6/20/23 from [tusd1.sharepoint.com/sites/EmployeeNetwork/Shared Documents/DOG.pdf](https://tusd1.sharepoint.com/sites/EmployeeNetwork/Shared Documents/DOG.pdf)
5. **Government Accountability Office (GAO) - Applicable Guidance: General (Section 8.08),** states "The audit objectives are what the audit is intended to accomplish. They identify the audit subject matter and performance aspects to be included. Audit objectives can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria. Audit objectives may also pertain to the current status or condition of a program. The term program as used in GAGAS includes processes, projects, studies, policies, operations, activities, entities, and functions." Retrieved by OIA on 4/1/23 from: <https://www.gao.gov/assets/gao-21-368g.pdf>
6. **GAO - "Determining Significance and Obtaining an Understanding of Internal Controls (Section 8.46)** The nature and extent of procedures auditors perform to obtain an understanding of internal control is a matter of professional judgment and may vary among audits based on audit objectives, audit risk, internal control deficiencies, and the auditors' knowledge about internal control gained in prior audits. The understanding of internal control builds on the understanding of the program required in paragraph 8.36. The auditors' understanding of internal control may be obtained through procedures such as inquiries, observations, inspection of documents and records, review of other audit reports, or direct tests." Retrieved by OIA on 4/1/23 from: <https://www.gao.gov/assets/gao-21-368g.pdf>
7. **National Fire Protection Association (NFPA): Safe Door Locking -What is code-compliant door locking?** Starting with the 2018 edition of NFPA 101, the Code provides two options for locking classroom doors from the inside. While the 2018 edition of the Code originally allowed for one door locking option, the NFPA Standards Council issued a Tentative Interim Agreement (TIA), which—for existing installations only—allows for a second type of door lock/latch combination that continues to deliver a high level of safety to students and staff. Option One The hardware for the first option is sometimes called an interconnected latch or lock, and is similar to what you might see in a hotel room. This type of locking mechanism can be used for newly installed doors. It can also be retrofitted on existing doors.  
 Option Two The second option enables existing school classroom doors to be retrofitted with secondary hardware, which might include items such as a thumb turn lock. For existing classroom doors only, this option can be used in lieu of single operation hardware, which combines a latch and lock together.  
 This is one example of the second door locking option; it's called a dead bolt lock with a thumb turn:  
 Performance requirements related to these fixed locking devices include the following criteria regardless of the approach taken:
  - The door must be lockable from the egress side without having to open it.
  - The lock cannot require special knowledge, a key, or tool to engage or disengage from the egress side of the door.

- The two releasing operations, where permitted, must not be required to be performed simultaneously to unlock/unlatch the door.
- The lock must be installed at an acceptable height— between 34 in. to 48 in. above the floor.
- The door must have the ability to be unlocked and opened from outside the classroom with the necessary key or credential.
- The staff must be drilled in the engagement and release of locks. Retrieved by OIA on 6/1/23 from [www.nfpa.org](http://www.nfpa.org).

8. **Arizona Department of Health Services (AZDHS), Bureau of Child Care Licensing, Arizona Administrative Code and Arizona Revised Statutes for Child Care Facilities, § 36-883. Standards of care; rules; classifications.**

“A. The director of the department of health services shall prescribe reasonable rules regarding the health, safety and well-being of the children to be cared for in a child care facility. These rules shall include standards for the following:

1. Adequate physical facilities for the care of children such as building construction, fire protection, sanitation, sleeping facilities, isolation facilities, toilet facilities, heating, ventilation, indoor and outdoor activity areas and, if provided by the facility, transportation safely to and from the premises....

D. The department of health services shall conduct a comprehensive review of its rules at least once every two years. Before conducting this review, the department shall consult with agencies and organizations that are knowledgeable about the provision of child care facilities to children including:

1. The department of economic security.
2. The department of education.
3. The state fire marshal.
4. The league of Arizona cities and towns.
5. Citizen groups.”

Retrieved by OIA on 6/16/23 (Pg. 63), from: <https://www.azdhs.gov/documents/licensing/childcare-facilities/rules/bccl-child-care-facility-rules.pdf>.

9. **Policy Code GBEA: Staff Ethics** – “All employees of the District are expected to maintain high standards in their school relationships. These standards must be idealistic and at the same time practical, so that they can apply reasonably to all staff members. The employees acknowledge that the schools belong to the public they serve for the purpose of providing educational opportunities to all. However, every employee assumes responsibility for providing leadership in the school and community. This responsibility requires the employee to maintain standards of exemplary conduct. It must be recognized that the employee's actions will be viewed and appraised by the community, associates, and students. To these ends, the Board adopts the following statements of standards. Retrieved by OIA on 6/16/23 from: <https://govboard.tusd1.org/Policies-and-Regulations/Policy-Code-GBEA>.

<p><b>The school employee:</b></p> <ul style="list-style-type: none"> <li>• Supports the principle of due process and protects the civil and human rights of all individuals.</li> <li>• Maintains just, courteous, and proper relationships with students, parents, staff members and others.</li> <li>• Strives for the maintenance of efficiency and knowledge of developments in the employee's field of work.</li> <li>• Makes the well-being of students the fundamental value of all decision-making and actions.</li> <li>• Implements the Governing Board's policies and administrative rules and regulations.</li> <li>• Fulfills job responsibilities with honesty and integrity.</li> <li>• Will not falsify, misuse, sell, transfer or access for personal use, records or data maintained by the school district.</li> <li>• Never accepts gratuities or gifts that influence judgment in the exercise of professional duties.</li> <li>• Avoids using position for personal gain through political, social, religious, economic, or other influence.</li> <li>• Abides by copyright restrictions, security, or administration procedures for a test or assessment.</li> <li>• Honors all contracts until fulfillment or release.</li> <li>• Keeps information deemed confidential in nature secure unless disclosure serves District purposes or when required by law.</li> <li>• Pursues appropriate measures to correct any laws, policies, or regulations that are not consistent with sound educational goals.”</li> </ul>
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10. **Policy Code: EB** -Environmental and Safety Program states: “The Superintendent or designee will establish procedures to protect the safety of all students, employees, visitors, and others present on school property or at school-sponsored events.

The practice of safety shall also be considered a facet of the instructional plan of the schools by virtue of educational programs in traffic and pedestrian safety, driver education, fire prevention, and emergency procedures, appropriate for students at different grade levels. General areas of emphasis shall include, but not be limited to in-service training; accident record keeping; plant inspection; driver and vehicle safety programs; fire prevention; school site selection; and emergency procedures and traffic safety problems relevant to students, employees, and the community...

Responsibilities of employees:

Report promptly to the administrator any defects in buildings, grounds, or equipment that might prove injurious to the safety, health, or comfort of students, employees, or other persons.

Take reasonable precaution for the safe use of buildings, grounds, and equipment by students.” Retrieved by OIA on 6/16/23: <https://govboard.tusd1.org/Section-E-Support-Services>

11. **Arizona Administrative Code (A.A.C), Title 9. Health Services, Chapter 3. Department of Health Services -Child Care group homes, R9-3-206 (Inspections; Investigations),** “A. An applicant, certificate holder, or provider shall allow immediate access to all areas of the premises that may affect the health, safety, or welfare of an enrolled child or to which an enrolled child may have access during hours of operation to representatives from:

1. The Department,
2. The local health department,
3. Arizona Department of Child Safety, or
4. The local fire department or State Fire Marshal.” Retrieved by OIA on 6/21/22, from [https://apps.azsos.gov/public\\_services/Title\\_09/9-03.pdf](https://apps.azsos.gov/public_services/Title_09/9-03.pdf).

12. **A.A.C: Department of Health Services -Child Care group homes, R9-5-309 (Gas and Fire Inspection),**  
C. A licensee shall maintain on facility premises:
1. A current fire inspection report including documentation of any repairs or corrections required by the fire inspection report; and
  2. If there are gas pipes that run from a gas meter to an appliance or location on the facility premises, a current gas inspection report including documentation of any repairs or corrections required by the gas inspection report. Retrieved by OIA on 6/20/23, from: [https://apps.azsos.gov/public\\_services/Title\\_09/9-03.pdf](https://apps.azsos.gov/public_services/Title_09/9-03.pdf).

13. **A.A.C: R9-3-207, Denial, Revocation, or Suspension of a Certificate,** “A. The Department may deny, revoke, or suspend a certificate to operate a child care group home if an application or certificate holder. 1. Provides false or misleading information to the Department; 2. Is the parent or guardian of a child adjudicated to be a dependent child as defined in A.R.S. § 8-201; 3. Has been denied a certificate or license to operate a child care group home or child care facility in any state, unless the denial was based on the individual’s failure to complete the certification or licensing process according to a required time-frame; 4. Has had a certificate or license to operate a child care group home or child care facility revoked or suspended in any state for reasons that relate to endangerment of the health and safety of children; 5. Has been denied a fingerprint clearance card or has had a fingerprint clearance card suspended or revoked under A.R.S. Title 41, Chapter 12, Article 3.1; 6. Fails to substantially comply with any provision in A.R.S. Title 36, Chapter 7.1, Article 4 of this Chapter.” Retrieved by OIA on 6/21/22; [https://apps.azsos.gov/public\\_services/Title\\_09/9-03.pdf](https://apps.azsos.gov/public_services/Title_09/9-03.pdf)

14. **Growing Up at Tucson Unified Community Schools Staff Handbook 2021-2022** "under the Professional Responsibility section, specifically the Campus Environment subsection, the last bullet point states, "Staff is responsible for locking their rooms and safeguarding assigned keys. Do not leave personal items of value or money in rooms. Rooms must be locked each evening when you leave." Preliminary document provided to OIA on 4/28/23 (Pg. 6).

15. **USFR -Source Documents- VI-G-23 – Procedures, Expenditure Processing** “The following procedures for processing expenditures for the procurement of goods use a central supply warehouse for the illustration. Specific procedures may vary depending on the size and organization of the district or degree of automation (i.e., electronic approvals in place of signatures, electronic document storage in place of filing hard copies, electronic payments, etc.).

16. **USFR -Receives, Step #11 (VI-G-23):**
- Inspects the goods for visible damage in the carrier’s presence. Damaged goods should not be accepted.
  - Determines the quantity received.
  - Completes the receiving report, indicating the date received, quantity received, condition of goods, and signature of employee receiving the goods. If a copy of the purchase order is used as a receiving report, the quantity ordered should have been blocked out and the quantity received should be recorded next to the description of each item.
  - Delivers goods to the requisitioner and obtains confirmation of delivery by requiring the recipient to initial and date the receiving report.
  - Submits the completed receiving report to the district office, with shipping documents attached, such as bills of lading or freight bills.

Note: Receiving reports should also be prepared and retained for purchased services and construction projects for verification of performance and completion. Such receiving reports should be prepared by the district employee responsible for procuring the services or managing the project. Retrieved by OIA on 6/12/23 from: <https://www.azauditor.gov/sites/default/files/USFR030623.pdf>.

17. **Image:** Copy of e-mail shared from CSPP staff.
18. **USFR -Introduction -VI-A:** “An effective accounting system can help safeguard district assets from fraud, theft, or misuse. Accounting system policies and procedures, formally documented and adopted by the governing board, should provide separation of responsibilities, adequate internal checks and balances, and sufficient records to support financial transactions. Responsibilities should be assigned to specific departments, if applicable, and adequately separated within departments so that one individual does not have complete authority over an entire financial transaction or process. Districts should also periodically rotate responsibilities among employees when practical and require employees who process financial transactions to take vacation time and have another employee perform their responsibilities. . If adequate separation of responsibilities is not possible because of a district’s limited staff size, district management should implement review procedures at appropriate points in the process to compensate for employees performing incompatible functions. <https://www.azauditor.gov/sites/default/files/USFR030623.pdf>
19. **Policy Code: DID -Asset Management-**District Inventory Specifications and Responsibilities –“The Governing Board recognizes the District’s responsibility to manage both fixed and capital assets as integral to the basic mission of providing quality education. Arizona Department of Education requires school districts to adhere to the Uniform System of Financial Records (USFR) regarding physical inventory and to maintain a detailed listing of land, buildings, furniture, and equipment.
- The acquisition threshold for capitalizing items and entering them on the general fixed assets listing shall be five thousand dollars (\$5,000) or greater. Items having an acquisition cost equal to and greater than one thousand dollars (\$1,000) but less than five thousand dollars (\$5,000) shall be placed on the stewardship listing. General fixed assets and stewardship items shall be inventoried as specified by the USFR.” Retrieved by OIA on 3/1/23 from: <https://govboard.tusd1.org/Policies-and-Regulations/Policy-Code-DID>.
20. **Asset Management - Regulation Code: DID-R-** Section D: Fiscal Management, Regulation Title: Asset Management - Inventory Procedures-
- “Receiving and Tagging Capital Assets** -A purchase order for taggable, capital equipment will have a note to sites upon receipt to send all partial copies or completed original purchase order to the Asset Management Office. The receiving site must send the signed Purchase Order Receiver including bill of lading, packing slip, invoices, partial reports and warranty documents to the Asset Management Office upon receipt of capital equipment. The Asset Management Office will input receiving of the equipment into the Asset Management database to create an Asset ID Number and forward partial receiver copies or the completed receiving original copy of the purchase order to Accounts Payable (Finance/Student Finance). The Asset Management Office will send the Asset ID Number to the receiving site via e-mail or hard copy and add the new equipment to the site inventory listing.
- The receiving site is responsible for tagging the equipment with the appropriate business unit and Asset ID Tag Number as provided by the Asset Management Office. The receiving site will confirm, by signature, that the

equipment has been tagged and also provide Asset Management with the corresponding project code and serial numbers when applicable.

**Inventory Procedures:**

TUSD requires that all district and federally funded items valued at \$1000.00 or more with a useful life of a year or more will be physically accounted for annually. Asset Management will be responsible for the distribution of the annual inventory listings in the \$1,000.00 and over schedule.

1. Check off items on the listing for physical verification. Items not accounted for or verified must be explained on the appropriate TUSD form (refer to DID-E).
2. Correct the inventory listing as necessary for information, including but not limited to serial number, brand name, and project code location (refer to DID-E). Proper project code identification, such as science, computer labs, drama, etc., will assist in separating the inventory listing by department at each site. This will help the Site or Department Administrator conduct future physical inventories.
3. Include new asset acquisitions valued at \$1,000.00 and over that are NOT listed on inventory listings to inventories as "ADD ON's". This will also apply to transfers or surplus acquisitions in this price range.
4. Account for all items at their respective sites regardless of value and whether they were lost, damaged, or stolen.
5. Verify that all items with an existing Property Control Number also have an Asset ID Number as a cross-reference. However, it is not necessary to have the Asset ID Number placed on items that were purchased prior to July 1,1999.
6. Sign, date and return the inventory listing and the appropriate documentation to the Asset Management Office as directed on the annual inventory cover memorandum.

Asset Management recommends that sites keep copies of all transactions to assist the site in maintaining all current and future inventories.

**Stewardship Listing**

The purpose of the Stewardship Listing is to enhance accountability to safeguard District property and to maintain a listing of specific items with a value of \$200.00 to \$999.99. Equipment listed in this dollar range may require maintenance or may be identified as commonly pilfered. Asset Management recommends a physical inventory of all stewardship items be conducted every three (3) years.

Asset Management will maintain Stewardship Listings for the following categories under \$1,000.00 in value, but the property will remain the responsibility of the Site or Department Administrator. The Stewardship Listing will be provided to Site or Department Administrators upon request. Retrieved by OIA on 4/12/23 from: <https://govboard.tusd1.org/Policies-and-Regulations/Policy-Code-DID-R>

**21. Arizona Department of Health Services Bureau of Child Care Facilities Licensing Arizona Administrative Code and Arizona Revised Statutes for Child Care Facilities. Facilities, R9-5-402**

**R9-5-402. Staff Records and Reports**

- A. A licensee shall maintain a file for each staff member containing:
  1. The staff member's name, date of birth, home address, and telephone number;
  2. The staff member's starting date of employment or volunteer service;
  3. The staff member's ending date of employment or volunteer service, if applicable;
  4. The name and telephone number of an individual to be notified in case of an emergency;
  5. The staff member's written statement attesting to current immunity against measles, rubella, diphtheria, mumps, and pertussis;
  6. The form required in A.R.S. § 36-883.02(C);
  7. Documents required by R9-5-203;
  8. Documents required by R9-5-301;
  9. Documents required by R9-5-401, if applicable;
  10. If applicable:
    - a. The form required in A.R.S. § 8-804(I),
    - b. Documentation of the submission required in A.R.S. § 8-804 and the information received as a result of the submission, and
    - c. Documentation of training provided by a licensee as required by R9-5-403, if applicable;
  11. A copy of any current license or certification required by A.R.S. Title 36, Chapter 7.1, Article 1. or this Chapter; and
  12. Documentation of the requirements in A.R.S. § 36-883.02(D).
- B. A licensee shall ensure that, for a staff member who is currently working at the facility, the staff member's information required by:
  1. Subsections (A)(1) through (11) is maintained in a single location on facility premises, and
  2. Subsection (A)(12) is maintained and provided to the Department within two hours of the Department's request.
- C. A licensee shall ensure that, for an individual who is not currently working at the facility, the information required in subsections (A)(1) through (12) is:
  1. Maintained for 12 months after the date the individual last worked at the facility, and
  2. Provided to the Department within two hours of the Department's request.



22. **Governing Board Policy, Personnel Records and Files, Policy Code: GBJ** -“The District will maintain a complete and current official personnel file for each District employee in the Human Resources Office of the District. Employees may obtain one copy of their personnel file at no cost. Former employees may obtain a copy of their personnel file for a reasonable fee as set forth in Policy Regulation GBJ-R.” Retrieved by OIA on 6/22/23 from <https://govboard.tusd1.org/Policies-and-Regulations/Policy-Code-GBJ>
23. **Policy Regulation, Personnel Records and Files, Code: GBJ-R**, includes: “Supervisors may maintain an employee file in a locked cabinet. The file may include, but is not limited to:
- Notes on attendance or tardiness
  - Complaints from customers and/or co-workers
  - Awards or citations for excellent performance
  - Documented conversations regarding performance” Retrieved by OIA on 6/22/23 from <https://govboard.tusd1.org/Policies-and-Regulations/Policy-Code-GBJ-R>
24. **Policy Code JHC: Released Time for students** – “Student travel is an important supplement to the instructional program.  
A District/Student activity (local and non-local) is a District or student sponsored activity involving enrolled TUSD students, that is directly related to the District’s curricular and extracurricular programs. A District/Student activity is an activity requiring the use of District student or private funds, tax credits, or the combination thereof, District personnel time or other resources, and volunteer time. Instructional or non-instructional time may be used in a District/Student activity. A District/Student activity requires approval of the Superintendent of Schools or designee.  
A private activity (local and non-local) is defined basically as an activity which is not a District/Student activity and requires neither District monies or other resources, nor student activity fund monies. Such activities rely entirely on private resources. School personnel shall neither approve nor deny these types of activities. Approval of a District/Student activity by the Superintendent of Schools or designee must be based on standards which include presence of a detailed itinerary, parental permission slips, safe places or conditions during the trip, reasonable use of school days, adequate supervision, and adherence to all requirements in Administrative Regulation 6153, Student Travel.” Retrieved by OIA on 6/13/23 from <https://govboard.tusd1.org/Portals/TUSD1/GovBoard/docs/sect1/JHC.pdf>
25. **GAO-21-368G: 6.46** – “Internal control plays an expanded role in the government sector. Given the government’s accountability for public resources, assessing internal control in a government environment may involve considering controls that would not be required in the private sector. In the government sector, evaluating controls that are relevant to the audit involves understanding significant controls that the audited entity designed, implemented, and operated as part of its responsibility for oversight of public resources...”  
<https://www.gao.gov>

## GLOSSARY

**Accounting Code Structure** - “The account code structure provides a basis for financial reporting and budgeting and consists of the following required elements:

**FUND**—A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are separated to carry on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. District accounting systems must be organized and operated on a fund basis. Individual funds are first classified by category and then by fund type within each category. See §V, Fund Accounting, for information on fund types for financial reporting purposes. There are three fund categories:

**Governmental Funds**—Funds used to account for most of a district’s financial resources based on the purposes for which these resources may or must be used.

**Fiduciary Funds**—Funds used to account for fiduciary activities.

**Proprietary Funds**—Funds used to account for a district’s ongoing activities that are financed and operated in a manner similar to private business enterprises. Proprietary funds are generally self-sustaining with the primary source of revenues being user charges.” USFR (azauditor.gov).

**American Institute of Certified Public Accountants (AICPA)** “Is the national professional organization of Certified Public Accountants in the United States, with more than 418,000 members in 143 countries in business and industry, public practice, government, education, student affiliates and international associates.” <https://www.aicpa.org/>

**Arizona General Accounting Office (GAO)** – “The General Accounting Office (GAO) is responsible for establishing statewide accounting policies and procedures, managing the Arizona Financial Information System (AFIS), administering the statewide payroll through the Human Resources Information Solution (HRIS), preparing the statewide financial reports, and providing technical assistance and other management advisory services.” Home | General Accounting Office (az.gov)

**Arizona Revised Statutes (A.R.S.):** “The statutes are made by the Arizona State Legislature during a legislative session. They are compiled by Legislative Council, with the official publication codified by Thomson West. Citations to statutes include Titles which represent broad subject areas. The Title number is followed by the Section number. For example, A.R.S. § 41-1001 is the definitions Section of Title 41 of the Arizona Administrative Procedures Act. The “§” symbol simply means “section.”” Available online at [www.azleg.gov](http://www.azleg.gov)

**Assurance Engagements** - “An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes for the organization.” <https://www.theiia.org/globalassets/documents/about-us/what-is-internal-audit/ia-assurance-insight-and-objectivity>

**Attribute Sampling** – “Is a statistical sampling method used in auditing to evaluate whether a population of items meets a specific characteristic or attribute. This method involves selecting a sample of items from a population and checking whether each item possesses the attribute of interest.

For example, an auditor may test a sample of invoices from a population of invoices to determine the accuracy of the invoices. The auditor may choose to sample invoices that have a certain attribute, such as invoices over a certain dollar amount or invoices from a specific time period.”

Reference source: American Institute of Certified Public Accountants (AICPA). (2017). AU-C Section 350: Audit Sampling. <https://www.aicpa.org/content/dam/aicpa/researchstandards/auditattest/downloadabledocuments/2017/au-c-00350.pdf>

**Audit Methodology and Procedures** - Defined by GAO 8.11 -Applicable Guidance: General –“The methodology describes the nature and extent of audit procedures for gathering and analyzing evidence to address the audit objectives Audit procedures are the specific steps and tests auditors perform to address the audit objectives.” <https://www.gao.gov/assets/gao-18-568g.pdf>

**Best Practice** - “A procedure that has been shown by research and experience to produce optimal results and that is established or proposed as a standard suitable for widespread adoption.” Defined by Merriam Webster - <https://www.merriam-webster.com/>

**Cause** - Defined by Standard 6.25 in Government Auditing Standards (GAS): “The cause is the factor or factors responsible for the difference between the condition and the criteria and may also serve as a basis for recommendations for corrective actions. Common factors include poorly designed policies, procedures, or criteria; inconsistent, incomplete, or incorrect implementation; or factors beyond the control of program management. Auditors may assess whether the evidence provides a reasonable and convincing argument for why the stated cause is the key factor contributing to the difference between the condition and the criteria.” <https://www.gao.gov/assets/gao-21-368g.pdf>

**Childcare services**, “Means the range of activities and programs provided by a licensee to an enrolled child, including personal care, supervision, education, guidance, and transportation.

**Code of Federal Regulations (CFR), 1996 to Present** – “The Code of Federal Regulations (CFR) annual edition is the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government.

The online CFR is a joint project authorized by the publisher, the National Archives and Records Administration's (NARA) Office of the Federal Register (OFR), and the Government Publishing Office (GPO) to provide the public with enhanced access to Government information. The CFR is divided into 50 titles that represent broad areas subject to Federal regulation. Each title is divided into chapters, which usually bear the name of the issuing agency. Each chapter is further subdivided into parts that cover specific regulatory areas. Large parts may be subdivided into subparts. All parts are organized in sections, and most citations to the CFR refer to material at the section level.” Example: Structure of a CFR citation (e.g. 34 CFR 310.502 Revised as of April 1, 1997) has the following meaning: Title: The numeric value to the left of "CFR", in this case, “21”. Part: The numeric value to the right of CFR, which is “310”. Section/Subpart, is the number after the period, as is “502”. If there was a subpart, it would be a letter of the alphabet (A-Z) used to retrieve a subpart of the CFR A subpart is a letter of the alphabet (A-Z) that is used to retrieve an entire subpart of the CFR rather than many individual sections”. <https://www.govinfo.gov/help/cfr>

**Condition** -Defined by Standard 6.26 in GAS: “Condition: Is a situation that exists. The condition is determined and documented during the audit.” <https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00213-01.htm>

**Construction** – Defined by the Arizona State Legislature: “ ‘ Construction’ means the process of building, altering, repairing, improving, or demolishing any school district structure or building, or other public improvements of any kind to any school district real property. Construction does not include the routine operation, routing repair or routine maintenance of existing structures, buildings or real property.’” <https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00213-01.htm>

**Contract** - Defined by Arizona state legislature: “means all types of state agreements, regardless of what they may be called, for the procurement of materials, services, construction, construction services or the disposal of materials.” <https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/02503.htm>

**Control** – “The Institute of Internal Auditors (IIA) defines control as any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goal will be achieved.” <https://global.theiia.org>

**Cost Benefit Analysis** – “It is a process used to make decisions. It takes into account both quantitative and qualitative factors for analysis of the value for money for a particular project or investment opportunity. Benefits to costs ratio and other indicators are used to conduct such analyses. The objective is to ascertain the soundness of any investment opportunity and provide a basis for making comparisons with other such proposals.” <https://economictimes.indiatimes.com/definition/cost-benefit-analysis>

**Cardiopulmonary resuscitation (CPR)** – “A procedure used to restore normal breathing when the heart stops beating that includes clearing the air passages to the lungs, mouth-to-mouth artificial respiration, and applying pressure to the chest to massage the heart.” <https://www.merriam-webster.com/dictionary/cardiopulmonary%20resuscitation>

**Criteria** -Defined by Standard 6.25 in GAS: “Criteria: For inclusion in findings, criteria may include the laws, regulations, contracts, grant agreements, standards, measures, expected performance, defined business practices, and benchmarks against which performance is compared or evaluated. Criteria identify the required or desired state or expectation with respect to the program or operation. Criteria provide a context for evaluating evidence and understanding the findings, conclusions, and recommendations in the report. In a financial audit, the applicable

financial reporting framework, such as generally accepted accounting principles, represents one set of criteria.”  
<https://www.gao.gov/assets/gao-21-368g.pdf>

**Due Diligence** – “Due diligence is the process of obtaining and reviewing documentation to verify that the procuring entity procured contracts pursuant to the School District Procurement Rules and determining that the contract price and terms are favorable to the district to receive the best value for the good or service desired.

Whether administering or purchasing from a cooperative purchasing agreement, districts are responsible for ensuring that procurements are done in accordance with School District Procurement Rules.” Defined by HG Legal Resources. <https://www.hg.org/legal-articles/what-is-the-relevance-of-industry-standards-under-the-law-36794>

**Education Department General Administrative Regulations (EDGAR)** – “Are federal administrative regulations governing all the grants awarded by the U.S. Department of Education, on or after December 26, 2016 to local districts (LEAs) and charters including State administered programs it includes grant programs found in parts 75, 76, 77, 79, 81, 82, 84, 86, 97, 98 and 99 of Title 34 of the Code of Federal Regulations of 34 C.F.R.; a document issued by ED that contains a reprint of these regulations.” Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards | U.S. Department of Education

**Effect** - Defined by Standard 6.28in GAS: or potential effect: “The effect or potential effect is the outcome or consequence resulting from the difference between the condition and the criteria. When the audit objectives include identifying the actual or potential consequences of a condition that varies (either positively or negatively) from the criteria identified in the audit, effect is a measure of those consequences. Effect or potential effect may be used to demonstrate the need for corrective action in response to identified problems or relevant risks”.  
<https://www.gao.gov/assets/gao-21-368g.pdf>

**Electronic Code of Federal Regulations (eCFR)** - “The Electronic Code of Federal Regulations (eCFR) is a web version of the Code of Federal Regulations (CFR) that is update daily to better reflect its current status. The eCFR is an editorial compilation of CFR material and amendments published in the daily Federal Register.”  
<https://www.ecfr.gov/reader-aids/understanding-the-ecfr/what-is-the-ecfr>

**Financial Management** – “§ 200.302- (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450.”  
 eCFR: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

**Government Accountability Office (GAO)** – “Regulates the Generally Accepted Government Auditing Standards, (GAGAS), that provide audit standards that should be followed for governmental audits.”  
<https://www.gao.gov/products/gao-23-106303>

**Grant Agreement** – “Means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302, 6304.” eCFR :2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

**Individuals with Disabilities Education Grants (IDEA)** – “Grant is intended to support students with disabilities. These funds are used to provide special education services and to support the inclusion of students with disabilities in the general education classroom.” eCFR :2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

**Industry Standard** – “Is the average by which those in a particular field govern themselves. It is the ordinary manner of doing things in that field and can serve to establish different things in various legal settings.” Defined by HG Legal Resources <https://www.hg.org/legal-articles/what-is-the-relevance-of-industry-standards-under-the-law-36794>

**Internal Auditing** – IIA’s definition “Internal auditing is an independent, objective, assurance and consulting activity designed to add value and improve an organization’s operations. At its simplest, internal audit involves identifying the risks that could keep an organization from achieving its goals, making sure the organization’s leaders know about these risks, and proactively recommending improvements to help reduce the risks.” Additionally, “Internal

auditors are explorers, analysts, problem-solvers, reporters, and trusted advisors. They bring objectivity and a variety of skills and expertise to the organization.” <https://global.theiia.org/about/about-internal-auditing/pages/about-internal-auditing.aspx>

**Internal Control** – “A plan of organization under which employees' duties are arranged, and records and procedures are designed, to make it possible to exercise effective control over processes. Internal control procedures which call for proper authorizations by designated officials for all actions performed that must be specified and followed.” <https://global.theiia.org>

**Organizational Chart** – “Organizational charts are the presentation of reporting relationships and employee roles in an enterprise. A well-structured organizational structure would help improve productivity, but a poor organizational structure can weak the organization.” <https://www.orgcharting.com/poor-organizational-structure/>

**Pass-through entity (PTE)** – “Means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a federal program. responsibilities will review Federal agency regulations and implementation of this part, and will provide interpretations of policy requirements and assistance to ensure effective and efficient implementation. Any exceptions will be subject to approval by OMB. Exceptions will only be made in particular cases where adequate justification is presented.” eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

**Perkins V Grants** - “Perkins V grants are intended to support career and technical education programs. These funds are used to provide resources to schools to develop and improve career and technical education programs that prepare students for college and careers.” <https://www.azed.gov/titlei/>

**Program operations** – “Program operations are the strategies, processes, and activities management uses to convert inputs into outputs. Program operations may be subject to internal control.” <https://www.gao.gov/assets/gao-21-368g.pdf>

**Title I** - "The purpose of Title I, Part A (Title I) of the Elementary and Secondary Education Act, as amended by Every Student Succeeds Act (ESEA) provides financial assistance to local educational agencies (LEAs) and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards.

The purpose of Title I is to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging State academic achievement standards and state academic assessments" (EDGAR, §200.1). <https://www.azed.gov/titlei/>

**Sampling** – “Statisticians define sampling as the procedure used to select a subset of individual units (people, organizations, objects, etc.) from an entire population. Sample characteristics are than established and used to estimate characteristics of the population as a whole. Internal auditors use sampling to provide both factual evidence and a reasonable basis to draw conclusions about a population from which the sample was selected.” <https://internalauditor.theiia.org/en/articles/2022/april/audit-sampling/>

**Stewardship Listing** – “The purpose of the Stewardship Listing is to enhance accountability of safeguarding District property and to maintain a listing of specific items with a value of \$1,000.00 to \$5,000.00. Equipment listed in this dollar range may require maintenance or may be identified as commonly pilfered. Asset Management will maintain Stewardship Listings for the following categories above \$1,000.00 in value; technology equipment with a value of \$200.00 and above will also be added to the stewardship listing. The property will remain the responsibility of the Site or Department Administrator”. [Employee Network - DOG.pdf - All Documents \(sharepoint.com\)](#).

**The Institute of Internal Auditors (IIA)** – “Is an international professional association; it is a worldwide leader, authority, and principal educator for internal auditing professionals.” <https://global.theiia.org>

**U.S. Department of Education (DOE)** - “Is the agency of the federal government that establishes policy for, administers and coordinates most federal assistance to education. It assists the president in executing his education policies for the nation and in implementing laws enacted by Congress.” <https://www2.ed.gov>

## Smith, Martha

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**From:** Kievit, Reem  
**Sent:** Tuesday, June 20, 2023 12:18 PM  
**To:** Smith, Martha  
**Subject:** Re: Thank you --> RE: Preliminary Internal Audit Report for Community Schools and Preschool Programs

### MRCs:

1. **Classroom Doors**-Doors will be locked at all times without the use of magnets. This will go into effect as soon as I hear back from Martha Smith that this process is confirmed and ok pending meeting with Director of School Safety.
2. **Integrity of Scholarship Applications**-Scholarship applications will not be modified effective immediately, 6/19/2023.
3. **Building Security**-Will work with school safety to increase the height of the perimeter fence and ask them to increase patrolling of the area. This will be complete by June 30, 2024.
4. **Outdated Premises Inspection Report**-We will adhere to the AZDHS requirements to ensure compliance, obtain an updated premises inspection report, and maintain close attention to this site to ensure their Gas and Fire Inspections are renewed on a timely manner to prevent future expiration of their premises inspection report. Effective immediately, 6/19/23
5. **No Classroom Keys**-We will update the staff handbook to state "for those who have classroom keys" and that the custodian, office staff, or coordinator at the centers will ensure all classroom doors are locked at the close of each center. Effective August 2023.
6. **Approving Multiple Invoices**-Implement due diligence and encourage collaboration between departments while ensuring adherence to internal controls. Program coordinators will create a training and review expectations and protocol with all office staff. Effective August 2023.
7. **Segregation of Duties**-Will implement and follow accounting procedures in UFR. A new protocol will be established and implemented. This will include training of all staff. No one person will have complete authority over an entire financial transaction or process effective August 31, 2023.
8. **Inventory of Assests**-We will collaborate with the Asset Management Department regarding requirements and procedures around inventory of assets. Moving forward all new purchases will be tagged per district policy. Effective August 1, 2023.
9. **Employee Files**-Will ensure the current system and protocol for having accurate files is followed. Will retrain staff and have someone review files 2X a year effective 8/1/23
10. **Field Trip Packets**-will ensure field trip roster are complete in all files effective immediately.
11. **Oversight in translated family handbook**-Will send updated family handbook to language acquisition for translation.

Most Sincerely,  
Reem Kievit M.A.Ed.  
TUSD Director of Community Schools and Preschool Programs  
(520) 225-1175 (office)  
(520) 869-5436 (cell)

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## Smith, Martha

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**From:** Kievit, Reem  
**Sent:** Thursday, June 22, 2023 6:51 AM  
**To:** Smith, Martha  
**Subject:** Fw: WOW --> RE: Thank you --> RE: Preliminary Internal Audit Report for Community Schools and Preschool Programs

Hello Martha,

I made edits based on your feedback and the feedback of some of my colleagues. Please see my new responses and again please let me know if you have any feedback. I also wanted to let you know that I will be out of town June 24-July 3 however I should have limited access to email and if needed and try to reply to anything you may need that is time sensitive.

Thank you!

MRCs:

1. **Classroom Doors**-We are following district protocol and trainings by school safety and have not been cited by the Arizona Department of Health and Safety or the fire marshal. However, doors will continue to be locked at all times but without the use of magnets. This will go into effect as soon as I hear back from the internal auditor that this process is confirmed and approved pending her meeting with the Director of School Safety.
2. **Integrity of Scholarship Applications**-Parent information was never manipulated or changed. The department changed a blank application's date to reflect the new school year so we could begin placing students while we waited for the new application to drop. Within a week or 2 we received the new application and began using it. We will not modify the date on a blank application again in the future, effective immediately, 6/22/2023.
3. **Building Security**-We will work with school safety to try to increase the height of the perimeter fence and ask them to increase patrolling of the area. Funding and when the district will have the resources and time to begin the project will be barriers. Estimated completion date **if** funding, district resources and community support are available is by June 30, 2024.
5. **Outdated Premises Inspection Report**-We do adhere to the AZDHS requirements to ensure compliance, by obtaining updated premises inspection reports. Out of over 50 inspection reports, one was outdated and that is because we were waiting for the fire marshal. However, we will increase our due diligence and work harder with the fire department to ensure all reports are renewed in a timely manner to prevent future expiration of premise inspection reports. Estimated completion date by July 22, 2023.
7. **No Classroom Keys**-We will update the staff handbook to state "for those who have classroom keys" and that the custodian, office staff, or coordinator at the centers will ensure all classroom doors are locked at the close of each center. Has been completed, June 21, 2023.

9. **Approving Multiple Invoices**-Implement due diligence and encourage collaboration between departments while ensuring adherence to internal controls. Program coordinators will create a training and review expectations and protocol with all office staff. Estimated completion date by September 31, 2023.
11. **Segregation of Duties**- A new protocol will be established and implemented. This will include training of all staff. No one person will have complete authority over an entire financial transaction or process. Estimated completion date by September 31, 2023.
12. **Inventory of Assests**-All technology was inventoried and tagged through the technology department. They then delivered all the technology to the Director of the department at Brichta. Every person who checked out a laptop, tablet or iPad completed the paperwork which includes the asset numbers per item checked out to that staff member. Paperwork is then filed. We do not have control over what Assest Managment chose to upload as to where the inventory went, creating a discrepancy. We were unaware that our information was being uploaded and tracked by them through this portal. All capitol items are inventoried upon receipt and tagged either when received or after they are delivered to the sites. The purchase orders are filed as a reference and tracking of all ordered items for efficiency rather than copying and pasting into an excel sheet which seems redundant. However, we will collaborate with the Asset Managment Department regarding requirements and procedures around inventory of assets to determine if there is a way to improve our processes and ensure the information matches between our department and the Asset Management Department. Estimated completion date by December 31, 2023.
13. **Employee Files**-It is unclear which staff files were observed. Are these files current staff files or old ones that need to be maintained for compliance? We have inspections every year for every program by the AZ Department of Health and Safety and they too complete random checks of staff files without concern. Not every person must have a CPR/First Aid Card, therefore we are not out of compliance when a staff member does not have a card on file. However, we ask staff to go through the training and remain current. We choose to have human resources info or staff files on site and will continue to do so. Therefore, does it need to be included in the table in the report from the internal auditor? We will ensure the current system and protocol for having accurate files is followed. We will ensure that files are reviewed 2X a year. The estimated completion date is ongoing.
14. **Field Trip Packets**-After following up with my staff, I was informed that the field trip packets that were observed by the internal auditor did not have rosters because the field trip paperwork was being prepped in advance as a kind of draft for summer programs and we did not have the class lists or rosters until students actually attend the program. In order for our students to attend field trips in June the paperwork must be submitted before budgets close until July. Once we determine who will be attending the program and the field trip, we will add the roster.
15. **Oversight in translated family handbook**-Will will resend the updated family handbook to language acquisition for review and translation estimated completion by September 1, 2023

7.

Most Sincerely,  
Reem Kievit M.A.Ed.  
TUSD Director of Community Schools and Preschool Programs  
(520) 225-1175 (office)  
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