

Employee Relations: *Performance Stipends and Reimbursements for Professional Development*



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INTERNAL AUDITOR
REPORT #: 001_SY2023-2024

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EXECUTIVE SUMMARY

The Office of Internal Audit has completed its assurance audit regarding the Employee Relations Department's policies, procedures, and processes of employee stipends and related compensations.

The purpose of this audit report was to provide a reasonable assessment to the Governing Board that the managing department for these stipends, Employee Relations (ER), is adhering to the set criteria, processes, procedures, and internal controls to ensure only eligible employees received the apportionable monies.

The ER department is responsible for collecting, verifying, and calculating employee stipends and requests for reimbursements on Professional Development costs and/or expenses. It manages the overall processes and procedures, working closely with the Human Resources and Finance departments, to ensure that eligible employees receive accurate compensation and reimbursements for applicable stipends and requests.

The audit scope covered the period from January 1, 2022, through June 30, 2023.

The audit methodology included, but was not limited to, ER staff interviews, selected samples from provided data using random selections, interval, systematic, and/or block sampling, and comparing them against applicable criteria.

Excluded from this audit were stipends paid by the ESSER Fund, which included Retention, Vaccines, and Vaccine Boosters. These stipends were excluded because ER was not responsible for collecting, verifying, or determining eligibility for these funds.

The objectives of this audit were to determine if:

1. The distributed monies align with applicable district policies, statutes, and corresponding School Year (SY) approved guidelines by the Governing Board.
2. The recipients of the distributed stipends and reimbursements were eligible and vetted.
3. The issued stipends, reimbursements, and payments were accurately calculated.
4. The supporting documents substantiate the paid distributions.
5. The efficiency, effectiveness, integrity, and reliability of the processes, procedures, and implemented internal controls meet standards.

The primary criteria used for the audit included applicable district policies, the Arizona Revised Statute (A.R.S.), relevant guidelines, contractual agreements, the "301 Pay for Performance Plan" for the (2021-2022) School Year (SY), approved by the Governing Board on 9/9/2021, and the "301 Pay for Performance Plan" for the (2022-2023 SY), approved by the Governing Board on 6/21/22.

The data for the distributed monies was grouped by: (2021-2022 SY) and (2022-2023 SY) into the following seven categories:

1. "301 Performance Pay", 1st Payment, based on Professional Learning Community (PLCs) meetings.
2. "301 Performance Pay", 2nd Payment, centered on Performance Evaluation of individual teachers.
3. "301 Performance Pay", 3rd Payment, depends on the remaining balance of the 301 Fund.
4. "National Board Certified" (NBPTS).
5. "School Council Facilitator".
6. "Professional Development" (PD).
7. "Teacher Decompression Resolution" (TDRA).

The audit primarily examined the processes and procedures implemented by the ER department to determine eligible employees. It assessed whether these processes contained adequate supporting documentation, adhered to applicable requirements, and ensured the accurate issuance of stipends and reimbursements.

Additionally, the audit encompassed a review of the department's methods for determining employee eligibility and their adherence to relevant requirements and guidelines.

Observed conditions are listed below in order of their perceived risk:

- 1- **Policies and Guidelines:** Implementation and adherence to applicable written policies and guidelines were not consistent.
- 2- **Integrity of Data:** Inaccurate, conflicting, and inconsistent information was observed in the provided data.
- 3- **Due Diligence:** Several oversights and corrections were observed throughout the information.
- 4- **Supporting Documentation:** Provided documentation did not properly substantiate the issued stipends and/or reimbursements in the data.
- 5- **Processes, Procedures, and Internal Controls:** Inconsistencies were found in the performance of the current processes, procedures, and internal controls.

In summary, this audit was based on the information provided by the Employee Relations department, 301 Pay for Performance Plans approved by the Governing Board for School Years 2021/2022 and 2022/2023, District Policy GCO, and Arizona Revised Statute §15-977.

The Employee Relations department, in collaboration with Human Resources, Finance, and school sites, process a significant amount of data from various sources throughout the school year to determine which employees are eligible for these stipends and PD reimbursements.

The current processes and procedures were found to be convoluted, requiring time and effort to perform redundant tasks that are highly manual, subject to human error, and result in multiple inaccuracies.

The purpose of the audit was to provide a reasonable assessment of the stipends and reimbursement distribution process.

Audit observations were communicated, at various levels of detail, to the Employee Relations Director during the exit meeting. Ms. Meza and staff are commended for their dedication, commitment, and efforts in navigating the multiple phases of the disbursement process.

BACKGROUND

The Tucson Unified School District (District), its mission is "...in partnership with parents and the greater community, is to assure each pre-K through 12th grade student receives an engaging, rigorous and comprehensive education. The District is committed to inclusion and non-discrimination in all District activities. At all times, District staff should work to ensure that staff, parents, students, and members of the public are included and welcome to participate in District activities."¹

The Employee Relations (ER) Department's web page states: "Who We Are. We are here to support the needs of The District and our employees. Our goal is to serve as liaisons for all in a fair, efficient, and timely manner. Because we know the field of education is ever-changing and fast paced, we are here to promote your future success and growth..."

The department's mission statement is "To establish a productive working environment with individuals from many diverse backgrounds while providing the best possible education and service for our children to enrich our community."²

Pursuant to Arizona Revised Statutes (A.R.S.) § 15-977 (Classroom site fund), it outlines the establishment, administration, and allocation of the classroom site fund in the context of a K-12 school district in Arizona. This statute outlines a comprehensive framework for the allocation and use of the classroom site fund, with a strong emphasis on performance-based compensation for teachers and the importance of achieving educational standards and goals. It also establishes transparency and reporting requirements to ensure accountability for the use of these funds.

The fund is intended to support various educational purposes, including class size reduction, teacher compensation, assessment intervention programs, teacher development, dropout prevention programs, teacher liability insurance premiums, and student support services. The statute also emphasizes the implementation of a performance-based compensation system for teachers and the distribution of funds based on certain criteria.

Overview of referenced portions of A.R.S. § 15-977:

B: Performance-Based Compensation System

- School district governing boards must adopt a performance-based compensation system to allocate funds from the classroom site fund.
- Teacher performance is a component of the allocation process.

C: Elements of Performance-Based Compensation System

- A performance-based compensation system includes elements such as individual teacher performance, regular teacher evaluation for effectiveness, teacher professional development, appeal process for denied performance-based compensation, and regular evaluation for effectiveness.
- Approval of the system requires an affirmative vote of at least 70% of eligible teachers.

D: Teacher Professional Development

- The performance-based compensation system must include teacher professional development programs aligned with its elements.

E: Modification of Compensation System Elements

- School district governing boards may modify and consider additional elements for the compensation system.

F: Assessment Plan

- School districts must develop assessment plans for their performance-based compensation systems and submit them to the Department of Education.

This audit assessed stipends distributed by the Employee Relations department as agreed by the 301/Classroom Site Fund (CSF), performance payments based on Professional Learning Community (PLC) meetings, teacher evaluations, Professional Development (PD) and/or reimbursements, and other distributed stipends.

Issuance of stipends and reimbursements are based, in part, on availability of funds. Requests for costs and expenses are made for eligible PDs, subject to verification, validation, and approval by authorized personnel, compliance with applicable agreements, and district policies.

Criteria used included, but were not limited to:

- A.R.S. § 15-977 – Classroom site fund
- “301 Pay for Performance Plan” for (2021-2022 SY) Governing Board Approved on 9/9/2021.
- “301 Pay for Performance Plan” for (2022-2023 SY) Governing Board Approved on 6/21/22.
- Governing Board Policy – Code: GCO – Title: Evaluations of Certified Staff Members.
- Applicable agreements related to employees and their profession, certifications, and appointments (i.e., National Board stipends for certifications, training, and/or site facilitators).
- Relevant statutes, regulations, standards, and guidelines.

The data provided by the auditee, for the distributed monies, was grouped by SY: (2021-2022) and (2022-2023), into the following seven categories:

1. “301 Performance Pay”, 1st Payment, based on Professional Learning Community (PLCs) meetings.
2. “301 Performance Pay”, 2nd Payment, centered on Performance Evaluation of individual teachers.
3. “301 Performance Pay”, 3rd Payment, depends on the remaining balance of the 301 Fund.
4. “National Board Certified” (NBPTS)
5. “School Council Facilitator”.
6. “Professional Development” (PD)
7. “Teacher Decompression Resolution” (TDRA).

Based on the applicable standards, polices, and requirements in the approved plans, not all employees are eligible to receive listed stipends.

The ER department, in collaboration with the Human Resources and Finance Department, manages and oversees the disbursement of these funds.

STATEMENT OF AUDITING STANDARDS

The audit was conducted following the Institute of Internal Auditors (IIA) as the authoritative guidance for Internal Audits.

The IIA “Implementation Standard 2310, the reliability of the audit information depends on the use of appropriate engagement techniques. Some techniques take longer or require more resources than others but may be worth the investment because they enable a higher level of assurance. In general, simple manual audit procedures include:

- Inspecting physical evidence, such as the physical property of the area under review.
- Examining documentation from either the audit client or outside sources.
- Gathering testimonial evidence through interviews, surveys, or risk and control self-assessments.
- Conducting a walk-through to observe a process in action.
- Examining data that is continuously monitored via technology.”³

AUDIT SCOPE, METHODOLOGY, AND EXCLUSIONS

The scope of the audit was January 1, 2022, through June 30, 2023.

The audit included review of stipends, including but not limited to, Pay for Performance, National Board-Certified teachers, School Council Facilitators, and reimbursements for Professional Development (PD).

Excluded from this audit were:

- Pass Through Stipends (funds processed and paid through the Employee Relations Department Account Code (DAC), for which the ER department was not directly responsible for collecting, verifying, and/or managing the required documentation to determine and substantiate employees’ eligibility).
- Stipends issued from ESSER funds (Including but not limited to: Retention, Vaccine, and Vaccine Boosters).

Audit methodology included, but was not limited to:

- Interviews with ER Department’s staff
- Review of:
 - “301 Pay for Performance Plan” for (2021-2022 SY)
 - “301 Pay for Performance Plan” for (2022-2023 SY)
 - PD guidelines, and consensus
- Review of existing:
 - District policies
 - Arizona Revised Statutes
 - Department of Education
- Reviewed, verified, and cross analyzed information provided by ER, sites, and within iVisions:
 - Excel Worksheets
 - Applicable supporting documents
 - Distribution and payments

The findings and observations of this assessment were based on information provided by the ER department, and comparing them to applicable documents, data, and criteria.

AUDIT OBJECTIVES AND PURPOSE

The objective and purpose of this audit was to review the ER’s processes, procedures, and implemented internal controls regarding distribution of stipends related to the “301 Pay for Performance Plan” for (2021-2022 SY) and (2022-2023 SY). The objectives collectively aim to determine that the processes of awarding “301 Performance Pay” stipends were accurate, compliant with the corresponding approved plan, equitable, and correct.

This included reviewing:

- 1- Information provided by the auditee
- 2- Information from the department's SharePoint website
- 3- Policies, processes, and procedures
- 4- Internal controls

General disclaimer: The article titled "Audit Sampling" in the IIA Magazine states, "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 then 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."⁴



However, most sampling methodologies, contain an inherent limitation, such as an inability to detect all existing issues. This is why audits can only provide reasonable assurance and never absolute.

The audit's findings and recommendations are intended to assist the Employee Relations department in making informed decisions regarding the distribution of future stipends and reimbursements by providing them with a reasonable assessment of their processes and procedures.

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

AUDIT OBSERVATIONS AND RECOMMENDATIONS

1. COMPLIANCE WITH POLICIES AND REGULATIONS:

CONDITION: Implementation and adherence to applicable written policies and guidelines were not consistent.

Criteria: Most of the provided documents and agreements had similar content. A common activity was the reimbursements for Professional Developments (PD). Therefore, the "TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FOR TEA CONSENSUS EMPLOYEES 2022/2023 SY" AND (2021/2022), along with approved agreements by the Governing Board and TEA Consensus are being used as references.

"TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FOR TEA CONSENSUS EMPLOYEES 2022/2023 SY" AND 2021/2021 states:

"WHAT IS THE PROFESSIONAL DEVELOPMENT PROGRAM? When TUSD employees participate in activities designed for Professional Development that enhances performance of their current job duties or prepares employees for other TUSD job opportunities in service of the District, their efforts will be supported by offering them compensation.

There are two options available for participation: Compensation for time spent at a training (seat time) or reimbursement of money spent (costs) on training or coursework. The amount is

not to exceed \$500 per current school year (includes course work from July 1st through June 30th)....

...Professional development documentation may be submitted in any increment, on a quarterly basis or submitted upon completion. It is the employee's responsibility to submit appropriate documentation to the Employee Relations Department. The submission deadline for documentation to support reimbursements is listed below:

- **PD activity completed between July 1 and June 30, must be submitted to Employee Relations no later than the first week of July in the new fiscal year. NO reimbursements will be processed after the July deadline...**

...Upon completion of Professional Development (PD) activities, employees can submit for reimbursement of costs or for compensation of seat time. Whether submitting for costs or seat time, a Professional Development Request for Compensation Form (PD1001) must be completed along with supporting documents for the activity as described on page 2 under eligible activities. Employees will receive compensation for seat time or costs incurred (not to exceed \$500 per current school year) as outlined below:

1. Reimbursement of costs-shall mean payment for money spent by an employee on PD activity as provided on page 2 of the criteria (taxable subject to the extent of IRS guidelines).
 - a. Registration costs for a workshop or conference. Employees must provide a detailed receipt of payment from the organization in which professional development activity is attended.
 - b. Requests for reimbursement of tuition costs must include transcripts from college or university indicating a passing grade of C or better and a detailed receipt of payment for tuition indicating payment via check, credit card, or student loans.
2. Compensation for seat time-shall mean hours spent participating in PD activity (considered taxable income). Rate of pay for Seat Time shall be paid at \$25/hour of PD activity.
 - a. Training cannot be a TUSD paid training (i.e. purchased by P.O., mandatory paid training, or reimbursed by TUSD in any way)...

...All workshops, conferences, course work, etc., must have been completed during the current school year July 1st - June 30th to be considered for approval. PD activities deemed as personal health improvement and not related to one's professional work will not be accepted for compensation. Employees may accumulate up to a max of three (3) college credits for activities that are TUSD approved.

What are the criteria for Professional Development...

"Employees must:

- Perform activities outside of contract time. If Professional Development activities occurred during regular contract time, employee is responsible for taking a personal day to receive credit. Verification of that absence including signature of site administrator must be submitted in addition to other required documentation. • Not have been personally reimbursed or compensated in any form by TUSD (e.g., registration fees, release time, tuition reimbursement, TUSD or outside grants).
- May not exceed \$500 of PD activity per current school year (course work from July 1st through June 30th).

- Complete a Professional Development Request for Compensation Form (PD1001), provide supporting documentation and detailed receipts if applicable....”⁵

EFFECT: Following policies, regulations, and agreements in the Employee Relations department of a public school district is crucial for legal compliance, maintaining consistency and fairness, and effective conflict resolution.

Deviation from established policies could lead to an ineffective process, compromised consistency, and hinder optimal conflict resolution that could result in legal vulnerabilities.

Provided data, supporting documents, processes and procedures revealed that delineated requirements for reimbursements were not properly followed.

The observations below, are not all-inclusive, they are an overview of several related deviations, from the criteria, noted in the reimbursement for Professional Development (PD) costs and/or expenses.

School Year 2021-2022 and 2021-2022:

“21-22” tab:

Under the “Description” column, 46 employees were categorized as “Paid - Seat Time”. Random sample size = five employee PD reimbursement request forms.

- Two out of the five employee PD reimbursement request forms had PD attendance dates during regular school days: 2/15/22 (Tuesday), and 2/22/22 (Tuesday). No documentation, notes, or supplemental information were found supporting an approved absence for the regular school days.

“22-23” tab:

Under the “Description” 126 employees were categorized as “Paid – Seat Time” or “Paid - Seat Time Classified”. Random sample size = eight employee PD reimbursement request forms.

- Four out of the eight employees had dates for PD attendance during regular classroom days: 2/6/23 (Monday), 2/7/23 (Tuesday), 2/14/23 (Tuesday), 2/15/22 (Wednesday), and 10/7/22 (Friday, grading day). No documentation, notes, or supplemental information were found supporting an approved absence for the regular school days.

RECOMMENDATION:

Ensure compliance with polices, regulations, and applicable standards.

2. Data Integrity

Condition: Inaccurate, conflicting, and inconsistent information was observed in the provided data.

Criteria: The United States Government Accountability Office (GAO) –Assessing Data Reliability- “Assessment of data reliability depends on audit purpose. Assessments of reliability are made in the broader context of the audit’s purpose and the risk associated with using insufficiently reliable data. Auditors determine whether data are fit for use given the audit’s objectives and any expected findings and conclusions. A data reliability determination does not involve attesting to the overall reliability of the data or database. The audit team is only determining the reliability of the specific data needed to support the findings, conclusions, or recommendations in the context of the audit objectives.”⁶

Effect: Effective controls ensure that accurate and reliable data is used in the stipend calculations; maintaining data integrity and quality.

Some of the observations from data provided by the auditee:

Data in both the (21-22) and (22-23) tabs contained sporadic and/or no information in the following columns: “Budget”, “Bargaining Unit”, “User Defined ID”, “User Defined”, “Hire Date”, and “Union Code”.

- The “Descriptions” column contained 110 employees categorized as “PD Seat Time” all employees had “0.0000” in the “FTE” column. The “Rate” column had four employees with an amount of \$25.00, one employee with an amount of \$37.50, and the remaining employees with a \$0.00”.

SCHOOL YEAR 2021-2022:

“21-22” tab:

- Under the “Description” 38 employees, 8 of which were duplicated, creating a total of 46 entries, were categorized as “Paid-Seat Time”.
- Under the “Bargaining Unit” two employees had “TEA Consensus”, the rest were left blank.
- All 46 employees under the “Union Code” were entered as “TEA Consensus” without specifying the union.

SharePoint folder –

Documents in the file named “2021-2022 SY Certified PD Documentation” contained a total of 95 employees and 295 PD reimbursement request forms

Documents in the file named “2021-2022 SY Classified PD Document”, contained a total of 7 employees and 12 reimbursement requests.

The total combined number of employees requesting reimbursement(s) is 102.

- The variance in supporting documentation between employees submitting reimbursement requests, and those receiving reimbursements, is 64.

“301 DAC” tab was analyzed for the disbursed payments (i.e., 1st, 2nd, and 3rd). Some of the corresponding observations under the “Description” column were:

- “301 Performance Pay – PY21-22- 1st Pymt” contained 2,754 listed employees.
 - In the “Bargaining Union” column two employees were categorized as “TEA Consensus”, 2,752 employees had no entry.
 - In the “Union Code” column included:
 - 1 CWA, 1 TEA WC/FS, 7 Non-BU ESI, 3 Non-BU EXC, 5 Non-BU Sub, 125 RTW, and 2,612 employees were categorized as “TEA Consensus” without specifying “CWA”, or “TEA WC/FC”. Both, CWA and WC/FS are included in the “TEA Consensus”.
- “301 Performance Pay -PY21-22- 2nd Pymt” contained a population of 2,671 listed employees.
 - In the “FTE” cell, five employees had a value of “1.0000”, one had a value of “0.3000”, the remaining 2,665 had a value of “0.0000”.

SCHOOL YEAR 2022-2023:

“22-23” tab:

- Four out of 126 listed employees were categorized as “TEA WC/FC” under an unnamed column.
- One employee had information entered under the column titled “Bargaining Unit”.

- The last column, in the same tab and worksheet, had no title; but had entries for each employee as follows: 14 employees were categorized as “TEA WC/FS”, 1 was categorized as “RTW”, and 80 were categorized as “TEA Consensus”.
- Under the “Description” column 95 employees, 31 of which were duplicates, creating a total of 126 entries, were categorized as “PD - Seat Time”.

SharePoint folder: Request for reimbursement for PD:

“2022-23 Certified PD Request Docs” contained 130 employees requesting a total of 330 reimbursements.

The “2022-23 Classified PD Requests Docs” contained a total of 16 employees requesting a total of 44 reimbursements. One document was titled “TEA PD Criteria 22—23SY AS.”

The total combined number of employees requesting reimbursement(s): 146.

- The variance in supporting documentation between employees submitting reimbursement requests, and those receiving reimbursements, is 51.

The “TUCSON UNIFIED SCHOOL DISTRICT 2022-2023 CONSENSUS AGREEMENT”, in the auditee’s SharePoint website, had the incorrect page number for the Professional Development section.

PD content is on page 41, not page 40. (Image below)⁷

Consensus Agreement with TEA for 2022-2023		Governing Board Approved 7/26/2022
CONSENSUS AGREEMENT FOR 2022-2023		
Table of Contents		
Article		Page
<u>19. Professional and Staff Development</u>	40
20. Teacher Assistants	42
21. Substitutes	42

Body of the Article (Image below)

ARTICLE NINETEEN

PROFESSIONAL AND STAFF DEVELOPMENT

19-3 Professional Development

1. TUSD shall allocate the remaining balance from the Professional Development Fund in 2021-2022 to continue to be available for reimbursement or compensation for certificated staff for the 2022-2023 contract year only.
2. Staff will be reimbursed or compensated under the guidelines established by the Joint TUSD/TEA Professional Development Committee.
3. The reimbursement amount will not exceed \$500 per current school year (which includes course work from July 1st through June 30th.
4. TUSD and TEA shall jointly publish all criteria and procedures established by the Joint TUSD/TEA Professional Development Committee.

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The subsections in – “2022-2023 TEA White Collar and Food Services Agreement” ARTICLE SIXTEEN PROFESSIONAL DEVELOPMENT, does not specify if funds are available to reimburse employees for Professional Development costs/expenses.

“16-1 The Professional Development fund is suspended. TUSD shall allocate the remaining balance from the 2015-2016 Professional Development Fund to continue to be available for reimbursement or compensation for ESPs for the 2016-2017 contract year only.

- 16-2** ESPs will be reimbursed or compensated under the guidelines established by the Joint TUSD/TEA Professional Development Committee.
- 16-3** The reimbursement amount will not exceed \$500 per current school year (which includes course work from July 1st through June 30th).
- 16-4** TUSD and TEA shall jointly publish all criteria and procedures established by the joint TUSD/TEA Professional Development Committee.
- 16-5** TEA and TUSD shall collaboratively develop a program of professional development designed to provide ESPs with the skill and knowledge that would enhance their opportunities for career advancement in TUSD. This program shall be available to ESPs for the 2019-20 School Year, or sooner.”⁸

Recommendation:

Ensure the information from collaborating departments and sites contain accurate, consistent, and reliable information.

- 3. DUE DILIGENCE:** Several oversights and corrections were observed throughout the provided data.

Criteria: The Uniform System of Financial Records (USFR) –Introductions: Accounting Procedures, states: “An effective accounting system can also 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.”⁹

Government Auditing Standards (GAS) 8.122 states: “Abuse is behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances, but excludes fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.”¹⁰

“Tucson Unified School District Professional Development Program for TEA Consensus Employees 2022/2023 SY” and 2021/2022 – Professional Development...

“Upon completion of Professional Development (PD) activities, employees can submit for reimbursement of costs or for compensation of seat time. Whether submitting for costs or seat time, a Professional Development Request for Compensation Form (PD1001) must be completed along with supporting documents for the activity as described on page 2 under eligible activities.

Employees will receive compensation for seat time or costs incurred (not to exceed \$500 per current school year) as outlined below:

1. Reimbursement of costs-shall mean payment for money spent by an employee on PD activity as provided on page 2 of the criteria (taxable subject to the extent of IRS guidelines).
 - a. Registration costs for a workshop or conference. Employees must provide a detailed receipt of payment from the organization in which professional development activity is attended.
 - b. Requests for reimbursement of tuition costs must include transcripts from college or university indicating a passing grade of C or better and a detailed receipt of payment for tuition indicating payment via check, credit card, or student loans.
2. Compensation for seat time-shall mean hours spent participating in PD activity (considered taxable income). Rate of pay for Seat Time shall be paid at \$25/hour of PD activity.

- a. Training cannot be a TUSD paid training (i.e., purchased by P.O., mandatory paid training, or reimbursed by TUSD in any way)...

Employees must:

- Perform activities outside of contract time. If Professional Development activities occurred during regular contract time, employee is responsible for taking a personal day to receive credit. Verification of that absence including signature of site administrator must be submitted in addition to other required documentation.
- Not have been personally reimbursed or compensated in any form by TUSD (e.g., registration fees, release time, tuition reimbursement, TUSD or outside grants). Page 2 of 3 Revised: 7/19/2021.
- May not exceed \$500 of PD activity per current school year (course work from July 1st through June 30th).
- Complete a Professional Development Request for Compensation Form (PD1001), provide supporting documentation and detailed receipts if applicable.”¹¹

Effect: Due diligence involves thoroughly reviewing information as it is being processed, verifying that staff is performing their duties to the best of their abilities while following relevant policies, collective agreements, and legal regulations. It includes ensuring the information is accurate when determining employee’s eligibility, calculations are correct, and awarded stipends and reimbursements can be substantiated with accurate and valid documents.

Due diligence helps prevent legal risks, ensure ethical practices, and assists with identifying areas for improvements and accountability.

- Agreement with ELI for 2022-2023 “Table of Contents” has the Professional Development section identified as being on page 5; it is actually on page 6.

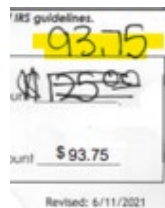
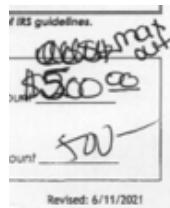
Observations based on data provided by the auditee.

Listed by corresponding tab names:

“21-22” tab:

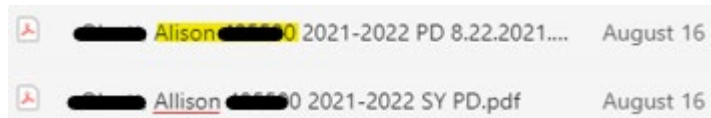
Under the “Description” of “Paid - Seat Time”, 38 employees, 8 of which were duplicated, creating a total of 46 entries.

- One had supporting documentation totaling \$400.00 but was paid \$237.50. None of the reviewed forms, in any combinations, added up to the amount paid.
- Two had hand written corrections made, in the “Committee Approved” section of the reimbursement forms. No initials were made next to these corrections nor was there a written explanation.



OBSERVATIONS

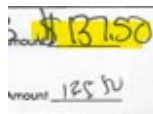
- One had a misspelled name/title in SharePoint file screen identifying the uploaded PDF (Image below).



“22-23” tab: Under the “Description” column, 95 employees, 64 of which were duplicated, creating a total of 126 entries. 17 employees were categorized as “PD - Seat Time Classified”, and 109 were categorized as “PD - Seat Time” from which, two and six employees were respectively and randomly selected out of the list of 95.

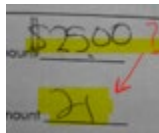
From the randomly selected sample of two employees:

- One employee had a form with different amounts between the “Committee Approved” and the “Pay Authorization” sections:



From the randomly selected sample of six employees:

- One employee had 11 submitted requests for PD reimbursements, each had a “0” or “N/A” entered for # hours for seat time.
- One employee entered: 2/6/23 (Monday) and 2/7/23 (Tuesday) as their attended PD Day. Both of these days were classroom days. No documentation, notes, or supplemental information were found supporting an approved absence for the regular school days.
- One of the reimbursement forms was signed in both the “Committee Approved” and the “Pay Authorization” sections, but the “Amount” section was left blank.
- One of the forms had different amounts between the “Committee Approved” and the “Pay Authorization” sections:



Some findings related to the “301 Performance Pay” and “TDRA” were:

“301 DAC” tab: (2021-2022 SY) Contained an average of 2,713 employees encompassing the three individually disbursed Pay for Performance” stipends throughout the school year. A sample of 92 employees was randomly selected.

No supporting information for Professional Learning Community (PLC) hours were provided by the auditee.

One of the listed employees was not found in the “2021-2022 SY 301 PLC Verification -1st 301 Payment Upload”

“301 DAC” tab: (2022-2023 SY) Contained an average of 2,715 employees who were issued two individual Pay for Performance stipends throughout the school year. A sample of 64 employees was randomly selected.

- First Payment: 64 of the randomly selected employees were from 27 different sites. The “2022-2023 301 Pay for Performance PLC Verification” form were reviewed, and 11 sites entered the word “verified” but did not enter the total PLC hours for the employees.
- Second Payment: One of the employees was entered in two different lists: The “Distinguished” with \$500.00 entered, and in the “Developing” with \$250.00 entered.

Under the “Description” for the “PD -National Board” there were 49 listed employees for 2021-2022 and 50 employees listed in the 2022-2023 SY. However, in the SharePoint folders, each of the 2021-2022 and 2022-2023 “National Board Stipends” contained a total of five employee contacts “2022-2023 CSP Contracts”.

“TDRA” tab: (2022-2023 SY):

Contained a total of 2,723 employees, a random sample of 32 employees was selected.

The 32 randomly selected employees were cross referenced and compared against four different and related worksheets from the auditee.

Some of the observations included:

- Seven employees were not included in the “One time Payment List 11.22.21”.
- Five employees were not included in the “Recipients as for 11.22.21”.
- One employee listed in the original was found in the “TDRA One Time Pay Additions 12.7.2021”.
- One employee was listed in the original data, but not included in four analyzed worksheets.

Recommendation:

1. Ensure accurate information, and compliance with policies, processes, and procedures. Collaborate with other sites and/or departments as needed.
2. Establish a dedicated communication log for collaborating departments to maintain records of inquiries and/or lessons learned about the stipend process and reimbursements. This could be in the form of a dedicated and shared document, SharePoint folder, etc.
3. Generate a checklist to minimize oversights and ensure all pertinent tasks have been performed and verified.
4. Develop a document to record conducted analysis and spot checks for the initial, middle, and final stipend distributions and/or reimbursements.
5. Establish a formal review process for payment calculations.
6. Designate eligible staff member(s) to independently verify the accuracy of payment calculations before they are finalized.

4. SUPPORTING DOCUMENTATION:

Condition: Provided documentation did not properly substantiate the issued stipends and/or reimbursements in the provided data.

Criteria: The approved “301 Pay for Performance Plan” for (2022-2023 SY) and (2021-2022 SY) have similar content; therefore, the “301 Pay for Performance Plan” for (2022-2023 SY) will be referenced and used as the main criteria. Any variations will be identified as needed.

The “301 Pay for Performance Plan” for 2022-2023 SY Governing Board Approved on 6/21/22, states:

I. Implementation Plan

A. Fifteen percent of the total classroom site fund will fund the Plan. Major components include (see Pay for Performance Plan for details):

1. A \$3,000 stipend (prorated per FTE) for each National Board Certified (NBPTS) teacher is paid in a lump sum at the end of the school year.
2. A \$700 stipend for one elected school council facilitator at each site is paid in a lump sum at the end of the school year. (See plan for detailed explanation...

“301 Pay for Performance Plan” (2022-2023 SY)

- C. **Formula to determine amount for 301 eligible 1.0 FTE**
 Expected 301 Revenue from the State (Based on student count of 48,435) \$35,503,050

Pay for Performance Plan	
FY21 Projected Ending Balance 6/30/21	\$200,000
FY22 Projected Allocation	\$5,325,458
FY 22 Projected Interest	\$8,000
Balance	\$5,533,458
Minus 20% Benefits (divide total by 1.20)	\$922,243
Working balance	\$4,611,214
Minus School Council Facilitators 89 x \$700	\$62,300
Minus 63 NBCT x \$3000	\$189,000
Balance	\$4,359,914
# 301 eligible FTE	2975
Amount per eligible 301 1.0 FTE	\$1,500*
Two-third Amount of the Eligible 1.0 FTE (1 st payment)	\$1,000
One-third Amount of the Eligible 1.0 FTE (2 nd Payment)	\$500
Potential third-payment (based on evaluation classification)	See 1D below

*700 that was previously allocated to Performance Pay, has been moved to supplemental base pay for all TDR A employees.

- D. If the remaining balance from the 15% revenue allocation and the distribution of the first and second Plan payments exceed \$200,000, then remaining monies will be distributed no later than September based on a pro rata basis using each participant’s **2021-2022** teacher evaluation classification.

Image from: “301 Pay for Performance Plan” (2021-2022 SY)¹²

- C. **Formula to determine amount for 301 eligible 1.0 FTE**
 Expected 301 Revenue from the State (Based on student count of 48,301) \$34,197,762

Pay for Performance Plan	
FY22 Projected Ending Balance 6/30/22	\$200,000
FY23 Projected Allocation	\$5,129,664
FY 23 Projected Interest	\$6,000
Balance	\$5,335,664
Minus 20% Benefits (divide total by 1.20)	\$889,277
Working balance	\$4,446,387
Minus School Council Facilitators 89 x \$700	\$62,300
Minus 63 NBCT x \$3000	\$189,000
Balance	\$4,195,087
# 301 eligible FTE	2,850
Amount per eligible 301 1.0 FTE	\$1,450
Two-third Amount of the Eligible 1.0 FTE (1 st payment)	\$950
One-third Amount of the Eligible 1.0 FTE (2 nd Payment)	\$500
Potential third-payment (based on evaluation classification)	See 1D below

- D. If the remaining balance from the 15% revenue allocation and the distribution of the first and second Plan payments exceed \$200,000, then remaining monies will be distributed no later than September based on a pro rata basis using each participant’s **2022-2023** teacher evaluation classification.

II. Eligibility

1. Eligible TUSD staff members include all staff members who meet all of the criteria listed below:
 - a. Staff member must be paid on a TUSD certified salary schedule TDR-A for the year the plan is in place (a “leased employee” is not eligible, per statute).
 - b. Contract time will include any time during with a teacher performed their duties pursuant to a letter of intent to hire or contract if that teacher is subsequently assigned to a position eligible for 301 Pay for Performance....

Note: These criteria (a- e) applies only to staff on the certified TDR A salary schedule, Counselors, Head Athletic Trainers (if teaching a class) and Master Teachers. Criteria (a-e) above exclude child find staff..

2. Stipend Amounts

The amount of the stipend paid to an employee will be determined by their contract terms FTE as of November 1, 2022 and pro-rata, accordingly. These stipends will be applied to the Site Based Goals portion of the 301 Pay for Performance Goals. All other stipends are described in Section III.

III. Pay for Performance Plan

A. School Council Facilitators

1. Each school will be allocated one school council facilitator positions. The Facilitator shall be elected by the school council from among its membership by the end of the first quarter. The Facilitator shall:
 - a. Preside at school council meetings and activities, minimally once a quarter.
 - b. Be the spokesperson of the school council at all appropriate functions.
 - c. Develop school council meeting agendas in collaboration with the principal.
 - d. Be responsible for the maintenance of school council records (e.g., agendas, minutes, school policy decisions);
 - e. Turn in a minimum of 1 agenda / minutes per quarter (a total of 4/year)
 - f. Work with the Principal in the planning of Wednesday staff development sessions, coordinating school committees, implementing school and District goals, analyzing data, and monitoring student achievement results.
2. Compensation for school council facilitation will be given only as follows: Any employee that fulfills the facilitator position as provided in II(A)(1) and is assigned to the TDR A certified salary schedule for greater than 90 student contact days of the SY 20212022, shall receive a \$700 stipend provided they remain eligible to participate in the 301 Pay for Performance Plan as provided in section II of the Plan.

B. National Board Certification

1. Any employee who earns a certificate from the National Board for Professional Teaching Standards (NBPTS) and is assigned to the TDR A certificate salary schedule for greater than 90 student contract days of the SY 2022-2023, shall receive a \$3,000 stipend (prorated per FTE) each year provided they remain eligible to participate in the 301 Pay for Performance Plan as provided in section II of this Plan for the life of the certificate.

C. Wednesday Site Staff Development Assurances

1. Activities will keep within 7.5- hour workday. See Articles 9 and 19 of the current Consensus Agreement for clarification.
2. The purpose of Wednesday site staff development includes designing, developing and achieving site goals and/or supporting performance goals

IV. Development and Implementation of the Site Plan...

2. Teacher Evaluation Classification

The teacher evaluation classification component will be based on the 2022-2023 teacher evaluation...The stipend allocation is based on the following classifications:

Ineffective	\$0
Developing	.5 times X
Effective	.75 times X
Highly Effective	1 times X

FY 23:

Ineffective (46 points or fewer)	\$0
Developing (47 – 60 points)	\$250.00
Effective (61-78 points)	\$375.00
Highly Effective (79-100 points)	\$500

C. Pay for Performance Stipend Payout Timelines

1. School Council Facilitators will be paid by the end of May 2023. Facilitators must have performed these responsibilities for greater than 90 student contact days to be paid this stipend. No partial payments will be made.
2. National Board Certified Teachers will be paid by May 2023. These teachers must have taught in our District for greater than 90 student contact days to be paid this stipend. No partial payments will be made.
3. Wednesday staff development payment is embedded in the TDR-A salary schedule (See individual teacher contracts.)
4. Site Based Goals will be paid in two parts. The PLC portion of the work will be paid in May 2023. The teacher evaluation classification portion will be paid by the end of June 2023. Eligible staff in 2022-2023 who separate from the District before the payout in May of 2022-2023 school year, and must meet the criteria set forth II, Eligibility, will be paid the stipend, regardless of separation.”¹³

“2022-2023 SY PROFESSIONAL DEVELOPMENT FOR COMPENSATION/REIMBURSEMENT FORM” (Image below)¹⁴, states the same as its equivalent document for (2021/2022 SY). Additional sections of the paragraph were highlighted and underlined by the auditor.

This form is used to request compensation/reimbursement for expenditures related to Professional Development. Please allow at least thirty days for processing. **SAVE all payment receipts for conferences, workshops and/or seminars and undergraduate/graduate level courses to include in submittals for costs.** Attach copies of these receipts for each activity you submit for Professional Development. **Please submit one form per course, workshop, conference, certification exam, etc. Forms and documentation should be submitted to Employee Relations at ER@tUSD1.org, or via fax at 225-6635, via interoffice courier or in person.**

What Professional Development activities are eligible?

Professional Development Activity	Documentation Required
1. TUSD sponsored professional learning opportunities advertised on the Professional Learning Portal at: http://tucson.truenorthlogic.com	Employee will submit a copy of the User Transcript or Certificate available on the Professional Learning Portal. <ul style="list-style-type: none"> To view and print a copy of your transcript or certificate: On the portal Homepage, click on My Transcript or click on the Transcript tab. Scroll down to the applicable course and click on the appropriate course under Certificate # to print.
2. College credit courses taken from an accredited institution receiving a passing grade of C or better. <ul style="list-style-type: none"> Degree program Courses that have direct applicability to the employee's position or to enhance career opportunities within the district. Submittals for courses with more than 3 credits, shall be prorated and paid at the per credit hour rate up to 3 credit hours. 	Employee will submit the following: <ul style="list-style-type: none"> A copy of their student transcripts with the school logo showing a passing grade of C or better. A detailed receipt of payment for tuition will need to be included indicating payment via check, credit card, or student loans.
3. Conferences and workshops designed for professional development: <ul style="list-style-type: none"> Ex.) Taking a class with another school district, university, or other organization. 	Employee will submit: <ul style="list-style-type: none"> A certificate of attendance or written statement from the sponsoring organization indicating dates of participation and number of CEUs or clock hours earned. Agenda. When applicable, a copy of receipt of payment.
4. National Association of Educational Office Professionals (NAEOP) Professional Standards Certification: <ul style="list-style-type: none"> Associate Professional Advanced I Advanced II Advanced III Certified Educational Office Employee (CEOE) 	Employee will submit: <ul style="list-style-type: none"> TUSD Pre-Approval form prior to start date Copy of program certificate Copy of receipt of payment
5. Professional Certification Exams relating to their current or a future position in the District.	Employee will submit: <ul style="list-style-type: none"> Copy of certificate or proof of passing certification exam Copy of receipt of payment

“TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FROM TEA CONSENSUS EMPLOYEES 2022/2023 SY”¹⁵

Effect: Supporting Documentation: Collecting and maintaining supporting documents is essential to achieve this objective. It involves reviewing the documentation practices related to the stipend calculation process, ensuring that there are proper records to support decisions and actions taken. Supporting documents include receipts for PDs, criteria used for stipend calculations, communications with employees, approvals, and any other relevant documentation. Adequate documentation provides an audit trail for verification, facilitates clear communication, assists dispute resolutions, and analysis for process improvement.

Inadequate documentation creates an ineffective and inefficient process, makes it challenging to address employee disputes or claims related to stipend calculations.

From the data provided by the auditee:

“21-22” tab:

- Under the “Description” column, 38 employees, 8 of which were duplicated, creating a total of 46 entries, were categorized as “Paid-Seat Time”. Random sample size = five employee PD reimbursement request forms.

OBSERVATIONS

- One of the five employees had forms with changes made in the “Committee Approved” section of the reimbursement forms. No initials were made next to the changes nor was there a written explanation.

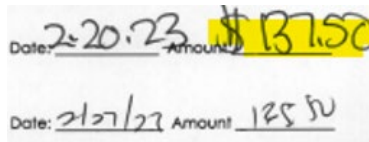


- One of the five submitted receipts stated 1.25 hours (which translates to 1 hour and 15 minutes), was paid at 1 hour and 30 minutes.

“22-23” tab:

Under the “Description” column contained 126 employees, 109 “Certified” and 17 “Classified”. Random sample = six employees from the 109 “Certified”, and 2 employees from the 17 “Classified”.

- One of the two forms had different written amounts from the “Committee Approval” and the “Pay Authorization”.



- One of the five submitted receipts stated 1.25 hours (which translates to 1 hour and 15 minutes), was paid at 1 hour and 30 minutes.

“301 DAC” tab: (2022-2023)

- Three out of five certificated in the SharePoint folder were compared against the employees listed in the provided data, under the “Designated” column for “Site Council Facilitators”, “PD National Board”, and “Site National Board Trainer”.
- No copies of the of Candidate Support Cadre (CSP) for two of the National Board-Certified employees for (21/22 and 22/23) stipends.

“TDRA” tab:

- Many of the PLCs did not contain the required agenda, minutes, nor were they noted the adjourned hours of the meeting.
- Many of the PLC forms stated “verified” on filed forms in the ER’s SharePoint folder and did not contain the number of hours that were “verified”, nor were there any notes indicating the minimum 6 PLC required hours were verified by the processing department.

Different worksheets with unidentifiable titles, SY reference, empty columns, discrepancies between data, such as unidentified FTE vs PTE.

- PLC stipends issued without adequate supporting documentation.
- Disbursements made for the same employee on a sum of several PD requests forms, from multiple submitted forms, without grouping or identifying them.

Recommendation:

- 1- Ensure that all data is correct, complete, and accurate prior to disbursement of any funds.
- 2- Ensure that eligibility is based on specified criteria.
- 3- Accurate maintenance and approval of documentation to support decisions related to stipend calculations, and communication with employees, and collaborators.

5. PROCESSES, PROCEDURES, AND INTERNAL CONTROLS:

CONDITION: Inconsistencies were found in the performance of the current processes, procedures, and internal controls.

Criteria: The United States General Accounting Office (GOA), “Standards for Internal Controls in the Federal Government defines internal control as the plan of organization and methods and procedures adopted by management to ensure resource use is consistent with laws, regulations, and policies; that resources are safeguarded against waste, loss, and misuse; and that reliable information is obtained, maintained, and fairly disclosed in reports.” Internal control is synonymous with management control in that the broad objectives of internal control cover all aspects of agency operations. Although ultimate responsibility for internal controls rests with management, all employees have a role in the effective operation of internal controls established by management...”¹⁶.

IIA Standard 2210.A3 – “Adequate criteria are needed to evaluate governance, risk management, and controls. Internal auditors must ascertain the extent to which management and/or the board has established adequate criteria to determine whether objectives and goals have been accomplished. If adequate, internal auditors must use such criteria in their evaluation...”¹⁷

“**301 Pay for Performance Plan**” 2021-2022 SY. Submitted by: 301 District & TEA Join Task Force - TUSD Governing Board Approved: September 9, 2021, states:

“II. Eligibility

1. Eligible TUSD staff members include all staff members who meet all of the criteria listed below:
 - a. Staff member must be paid on a TUSD certified salary schedule TDR-A for the year the plan is in place (a “leased employee” is not eligible, per statute).¹⁸

EFFECT: The current processes and procedures were found to be convoluted, redundant, highly manual, and contained limited internal controls.

Ineffective and/or lack of proper processes, procedures, and internal controls hinders the district’s ability to perform effectively, it prevents the department and the district from relying on collected data and make informed improvements to the exiting practices.

Two different Standard Operating Procedures (SOP’s), (included below) and a Draft for the “2021-2022 TDRA One Time Payment in two installments” were reviewed.

None contained sufficient detail to determine their effectiveness or efficiency. However, based on the analyzed data and noted observations, it is determined that the department’s processes lack consistency, procedures are not being implemented to ensure meeting minimum requirements, and sites have minimal incentive to follow set requirements based on nominal accountability and repercussions.

FIRST SOP:

“EMPLOYEE RELATIONS:

STANDARD Operating Procedures -STIPENDS-

Purpose: The purpose of this document is to provide a set of standard operating procedures for the Stipend process assigned to the Employee Relations Department.

Scope: These procedures apply to Individuals identified as being eligible to receive a stipend.

I. Introduction

This document outlines the standard operating procedures (SOP) for the stipend process of the Employee Relations Department and Tucson Unified School District (TUSD)...

IV. Stipend Procedures

1. Create a position request ePAR for the supplement stipend position in the HRIS.
2. Work with Finance and Human Resources to obtain lists of eligible employees.
3. Submit a current employee assignment ePAR in the HRIS to place individuals approved to receive stipend into the supplemental position.
 - Employee Relations is often the DAC chosen to hold the budget account for various stipends but collaborates with multiple departments to obtain criteria and budget amount.

VI. Reference:

- N/A This SOP is subject to review and update as needed to ensure that it is current and in line with district policies and regulations. (Dated Adopted: June 23, 2023. Revised: June 27, 2023.)¹⁹

SECOND SOP:

Employee Relations:

“Standard operating procedures and/or activities performed by Employee Relations to verify/authenticate the eligibility of the issued stipends.

- Meet with Finance, Payroll, Human Resources, Benefits to discuss eligibility requirements, timelines/deadline for payout, discuss contingency plans for one-off lack of eligibility criteria, assignment of tasks/responsibility.
- Ensure that if applicable (as is the case for the 301 stipends) that any required documents are provided by the sites/Administrator whereas it pertains to the eligibility of stipends
- Gather the required data, whether that be from Infinite Visions, or the documents provided by sites/Administrators
- Sort data based on eligibility that is outlined by approved plan or project
 - o This generally is an Excel spreadsheet, and we remove individuals who do not fit the criteria
 - o Retention stipend data is provided by Finance for us to review and approve
 - They are sorting their data for eligibility, and we review for accuracy
- Stipends are paid out
- Employee Relations handles customer service inquiries regarding individuals why may have been excluded from the payout
 - o Determine if they should have been eligible and there was a clerical error or if they fall into a category of an exception

* Employee Relations is generally asked to submit the position request for the stipends that fall under their DAC, however, as far as data integrity and collection, that is often provided by Finance, Human Resources, or Technology Services.”²⁰

Employee Relations Department: **“2021-2022 TDRA One Time Payment in 2 installments”**
(DRAFT) – document below included in the provided SharePoint folder. ²¹

TUCSON UNIFIED
 SCHOOL DISTRICT

DRAFT

2021-2022 TDRA One Time Payment in 2 installments

Deadline	Item	Responsible Person(s)	Status
October			
1	Email to ER for criteria for payment	Finance	
18	Pull list of eligible employees from TDRA for 1 st payment	Finance	
25	Send spreadsheet of eligible employees to HR, ER and PR	Finance	
29	Reviewed spreadsheet returned to Finance w/comments	HR, ER, PR	
November			
17	1st payment upload file to HR, ER and PR	Finance	
22	payment upload file COB to PR	HR	
December			
3	1 st installment of TDRA One Time Payment (PR#11)	Payroll	
May			
2	Pull list of eligible employees from TDRA for 2 nd payment	Finance	
5	Send spreadsheet of eligible employees to HR, ER and PR	Finance	
11	Reviewed spreadsheet returned to Finance w/comments	HR, ER, PR	
20	2 nd payment upload file to HR	Finance	
25	2 nd payment upload file to PR	HR	
June			
3	2 nd installment of TDRA One Time Payment (PR#24)	Payroll	
	1. Who will compile the list of folks left off the 1 st payment (if any)?		
	2. Who will submit pay change epars to correct payments from #1 or #2?		

A summary of some general observations:

- Different forms missing pertinent information (i.e., hours) are being accepted and processed as complete and sufficient to issue disbursements of applicable funds.
- Issuance of stipends are being granted without adequate substantiation of required documents (i.e., meeting agendas, minutes, etc.).
- Disbursement of stipends were made to employees who were not listed in either the eligible list or the ineligible list.
- One employee was listed in both the “Distinguished” and “Developing” categories in the same document, under different tabs.
- No criterion was provided for TDRA, nor found in the auditees SharePoint website.
 - There were 2,723 employees listed in the “TDRA” tab for “2021-2022 SY”. The average payment was \$994.09. Under the “Job Title” there were entries for “Leased”, “Coach-Asst Football”, “Curator Assistant”, “Dean of Students”, “Temp-Teachers”, “Sub-Teachers”, etc. Without a criterion, limited analysis was performed.
 - Most employees listed received \$1,000 or less. Ten employees received stipends greater than \$1,000.

Recommendation:

1. Evaluate the current processes and procedures to determine what tasks can be automated to minimize manual processes.
Consider:
 - a. Online application portal, automated calculation tools, and a centralized database for managing requests and approvals.
2. Enhance the existing SOP's by developing a comprehensive internal control framework, specifically tailored to the payments of stipends and disbursement processes.
3. Strengthen internal controls and compliance by:
 - a. Developing a framework that clearly outlines segregation of duties, approval hierarchy, documentation requirements, and reconciliation procedures.
 - b. Ensure processes align with and adhere to with criteria, consensus agreements, etc.
 - c. Verify eligibility for stipends and reimbursements is consistent and unbiased.
4. Perform regular reviews and monitoring for continuous improvement of the effectiveness of the overall stipend and reimbursement processes, procedures, and internal control framework minimize deviations and ensure ongoing compliance.
5. Ensure accuracy of disbursements, including validity and reliability of documents and content prior to issuing disbursements.
6. Reviewing processes, procedures, and internal controls of other districts and/or contact the AZ Department of Education regarding processes and procedures related to these funds.

CONCLUSION

This audit was based on the information provided by the Employee Relations department, 301 Pay for Performance Plans approved by the Governing Board for School Years 2021/2022 and 2022/2023, District Policy GCO, and Arizona Revised Statute §15-977.

The Employee Relations department, in collaboration with Human Resources, Finance, and school sites, process a significant amount of data from various sources throughout the school year to determine which employees are eligible for these stipends and PD reimbursements.

The current processes and procedures were found to be convoluted, requiring time and effort to perform redundant tasks that are highly manual, subject to human error, and result in multiple inaccuracies.

The purpose of the audit was to provide a reasonable assessment of the stipends and reimbursement distribution process.

Audit observations were communicated, at various levels of detail, to the Employee Relations Director during the exit meeting. Ms. Meza and staff are commended for their dedication, commitment, and efforts in navigating the multiple phases of the disbursement process.

ACKNOWLEDGMENT

The Office of Internal Audit expresses its appreciation to the Employee Relations Department for their assistance during this audit.

The Final Internal Audit Report No. 001-SY 2023-2024 was provided to the Governing Board on September 22, 2023.

<u>Martha Smith</u>	<u>9/06/23</u>
Martha Smith	Date
Internal Auditor	

Preliminary Report Distributed

Governing Board:

Dr. Ravi Shah, President
Val Romero, Clerk
Natalie Luna Rose, Member
Sadie Shaw, Member
Jennifer Eckstrom, Member

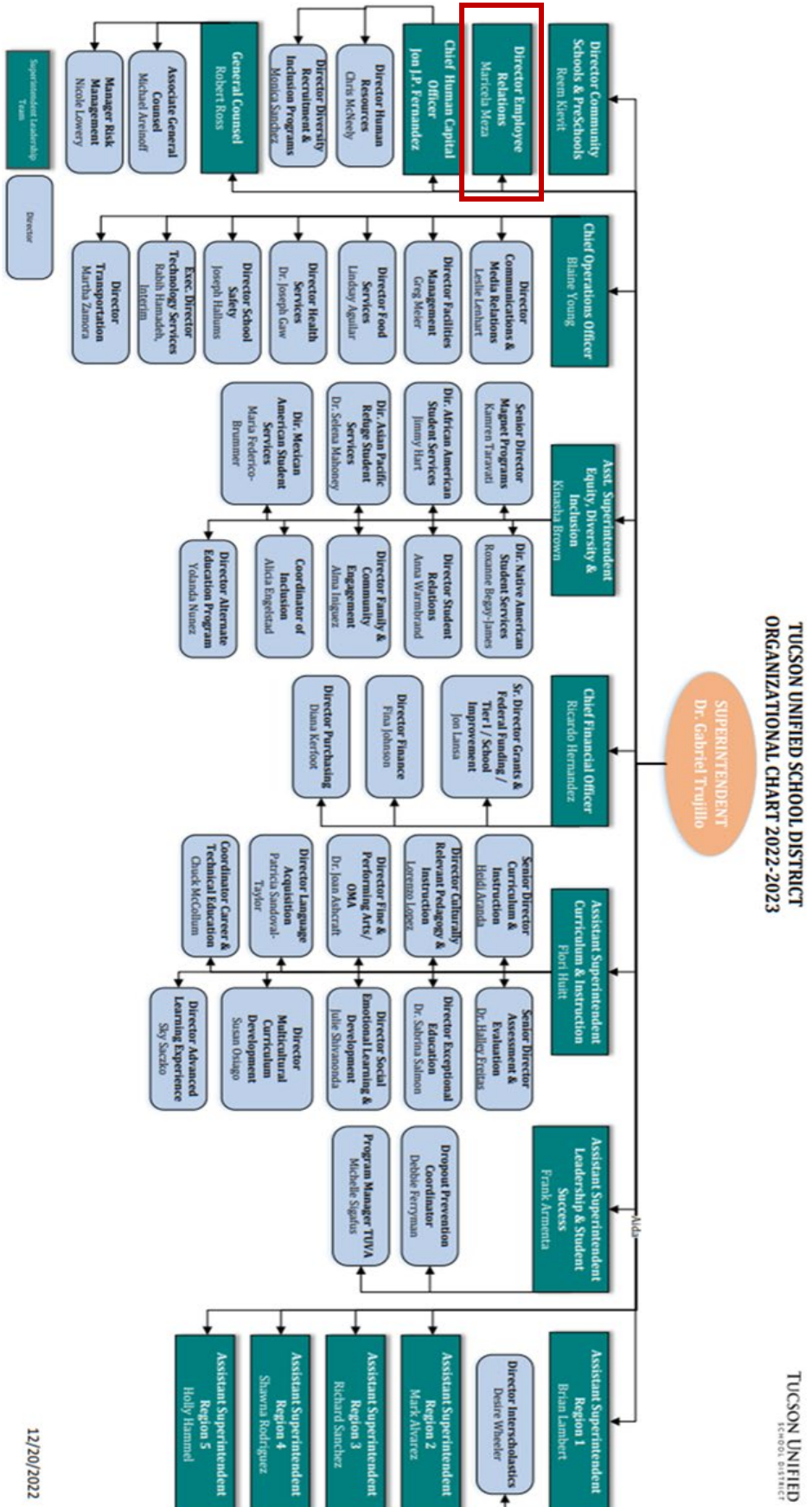
Superintendent and Management:

Dr. Gabriel Trujillo, Superintendent
Robert Ross, General Counsel
Ms. Meza, Director of Employee Relations

Audit Committee Chair, Co-Chair, and Members:

•Mr. Wiegandt, Chair; •Dr. Kelly, Co-Chair, •Ms. Perin, • Mr. Cavanaugh, •Mr. Oberg, • Mr. Blackshire

FIGURE 1



REFERENCES

1. **Policy Code A: Foundation and Basic Commitments:** “The Districts’ mission, in partnership with parents and the greater community, is to assure each pre-K through 12th grade student receives an engaging, rigorous and comprehensive education. The District is committed to inclusion and non-discrimination in all District activities.” <http://govboard.tusd1.org/Policies-and-Regulations/Policy-Code-A>. (Retrieved: 7/8/23)
2. **Employee Relations Department –Webpage-** “Who We Are. We are here to support the needs of The District and our employees. Our goal is to serve as liaisons for all in a fair, efficient, and timely manner. Because we know the field of education is ever-changing and fast paced, we are here to promote you're future success and growth. Please do not hesitate to contact us should the need arise.

Department Mission Statement

To establish a productive working environment with individuals from many diverse backgrounds while providing the best possible education and services for our children to enrich our community.”

<http://www.tusd1.org/Departments/Employee-Relations>. (Retrieved: 7/18/23)

3. **Institute of Internal Auditors (IIA) – Implementation Standard 2310-** “The reliability of the audit information depends on the use of appropriate engagement techniques. Some techniques take longer or require more resources than others, but may be worth the investment because they enable a higher level of assurance. In general, simple manual audit procedures include: • Inspecting physical evidence, such as the physical property of the area under review. • Examining documentation from either the audit client or outside sources. Gathering testimonial evidence through interviews, surveys, or risk and control self-assessments. • Conducting a walk-through to observe a process in action. • Examining data that is continuously monitored via technology.” <https://na.theiia.org/standards-guidance/Member%20Documents/IG2310-2016-12.pdf>. (Retrieved: 7.22.23)
4. **IIA -** “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 then 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.” MATEJ DRAŠČEK, CIA, CRMA, IRENA OGRAJENŠEK, PH.D. IIA , Magazine “*Audit Sampling*”, APR 11, 2022. <https://internalauditor.theiia.org/en/articles/2022/april/audit-sampling/> (Retrieved on 8/18/23).
5. **“TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FOR TEA CONSENSUS EMPLOYEES 2022/2023 SY” AND 2021/2021, state,**

“WHAT IS THE PROFESSIONAL DEVELOPMENT PROGRAM? When TUSD employees participate in activities designed for Professional Development that enhances performance of their current job duties or prepares employees for other TUSD job opportunities in service of the District, their efforts will be supported by offering them compensation.

There are two options available for participation: Compensation for time spent at a training (seat time) or reimbursement of money spent (costs) on training or coursework. The amount is not to exceed \$500 per current school year (includes course work from July 1st through June 30th).

When can I submit documents for compensation/reimbursement? Professional development documentation may be submitted in any increment, on a quarterly basis or submitted upon completion. It is the employee’s responsibility to submit appropriate documentation to the Employee Relations Department. The submission deadline for documentation to support reimbursements is listed below:

- PD activity completed between July 1 and June 30, must be submitted to Employee Relations no later than the first week of July in the new fiscal year. NO reimbursements will be processed after the July deadline.

What are my options for receiving compensation/reimbursement? Upon completion of Professional Development (PD) activities, employees can submit for reimbursement of costs or for compensation of seat time. Whether submitting for costs or seat time, a Professional Development Request for Compensation Form (PD1001) must be completed along with supporting documents for the activity as described on page 2 under eligible activities. Employees will receive compensation for seat time or costs incurred (not to exceed \$500 per current school year) as outlined below:

1. Reimbursement of costs-shall mean payment for money spent by an employee on PD activity as provided on page 2 of the criteria (taxable subject to the extent of IRS guidelines).
 - a. Registration costs for a workshop or conference. Employees must provide a detailed receipt of payment from the organization in which professional development activity is attended.
 - b. Requests for reimbursement of tuition costs must include transcripts from college or university indicating a passing grade of C or better and a detailed receipt of payment for tuition indicating payment via check, credit card, or student loans.
2. Compensation for seat time-shall mean hours spent participating in PD activity (considered taxable income). Rate of pay for Seat Time shall be paid at \$25/hour of PD activity.
 - a. Training cannot be a TUSD paid training (i.e. purchased by P.O., mandatory paid training, or reimbursed by TUSD in any way).

What are the criteria for Professional Development? All workshops, conferences, course work, etc., must have been completed during the current school year July 1st - June 30th to be considered for approval. PD activities deemed as personal health improvement and not related to one's professional work will not be accepted for compensation. Employees may accumulate up to a max of three (3) college credits for activities that are TUSD approved.

Professional Development...

"Employees must:

- Perform activities outside of contract time. If Professional Development activities occurred during regular contract time, employee is responsible for taking a personal day to receive credit. Verification of that absence including signature of site administrator must be submitted in addition to other required documentation.
 - Not have been personally reimbursed or compensated in any form by TUSD (e.g., registration fees, release time, tuition reimbursement, TUSD or outside grants).
 - May not exceed \$500 of PD activity per current school year (course work from July 1st through June 30th).
 - Complete a Professional Development Request for Compensation Form (PD1001), provide supporting documentation and detailed receipts if applicable..."
 - Complete a Professional Development Request for Compensation Form (PD1001), provide supporting documentation and detailed receipts if applicable."
<https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved on 8/28/23).
6. GOA – “Assessing Data Reliability -Assessment of data reliability depends on audit purpose –Pg. 9- which states, “Assessments of reliability are made in the broader context of the audit’s purpose and

the risk associated with using insufficiently reliable data. Auditors determine whether data are fit for use given the audit’s objectives and any expected findings and conclusions. A data reliability determination does not involve attesting to the overall reliability of the data or database. The audit team is only determining the reliability of the specific data needed to support the findings, conclusions, or recommendations in the context of the audit objectives.” <https://www.gao.gov/assets/gao-20-283g.pdf> (Retrieved: 8/25/10/23).

7. **“TUCSON UNIFIED SCHOOL DISTRICT 2022-2023 CONSENSUS AGREEMENT”** (IMAGE OF “TABLE). Pages: 2 and 41. <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved: 8/28/23).
8. **“2022-2023 TEA WHITE COLLAR AND FOOD SERVICES AGREEMENT”**, Governing Board Approved 7.26.2022 - Professional Development “ARTICLE SIXTEEN PROFESSIONAL DEVELOPMENT
 - 16-1 The Professional Development fund is suspended.
TUSD shall allocate the remaining balance from the 2015-2016 Professional Development Fund to continue to be available for reimbursement or compensation for ESPs for the 2016-2017 contract year only.
 - 16-2 ESPs will be reimbursed or compensated under the guidelines established by the Joint TUSD/TEA Professional Development Committee.
 - 16-3 The reimbursement amount will not exceed \$500 per current school year (which includes course work from July 1st through June 30th).
 - 16-4 TUSD and TEA shall jointly publish all criteria and procedures established by the joint TUSD/TEA Professional Development Committee.
 - 16-5 TEA and TUSD shall collaboratively develop a program of professional development designed to provide ESPs with the skill and knowledge that would enhance their opportunities for career advancement in TUSD. This program shall be available to ESPs for the 2019-20 School Year, or sooner.”
(Article 16, pg. 28 of the agreement). <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us> (Retrieved 8.27.23).
9. **Uniform System of Financial Records (USFR)**—Introductions: Accounting Procedures, reads “An effective accounting system can also 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.”.” <https://www.azauditor.gov/sites/default/files/USFR10721.pdf>. (Retrieved: 8/25/23).
10. **GAO 8.122** “Abuse is behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances, but excludes fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.” <https://www.gao.gov/assets/gao-18-568g.pdf>. (Retrieved: 8/25/23)
11. **“TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FOR TEA CONSENSUS EMPLOYEES 2022/2023 SY”** AND 2021/2021, *loc.cit.* 5. <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved on 8/28/23). (Retrieved: 8/28/23).

12. Image from: “301 Pay for Performance Plan” (21-22).

C. **Formula to determine amount for 301 eligible 1.0 FTE**

Expected 301 Revenue from the State (Based on student count of 48,435) \$35,503,050

Pay for Performance Plan

FY21 Projected Ending Balance 6/30/21	\$200,000
FY22 Projected Allocation	\$5,325,458
FY 22 Projected Interest	\$8,000
Balance	\$5,533,458
Minus 20% Benefits (divide total by 1.20)	\$922,243
Working balance	\$4,611,214
Minus School Council Facilitators 89 x \$700	\$62,300
Minus 63 NBCT x \$3000	\$189,000
Balance	\$4,359,914
# 301 eligible FTE	2975
Amount per eligible 301 1.0 FTE	\$1,500*
Two-third Amount of the Eligible 1.0 FTE (1 st payment)	\$1,000
One-third Amount of the Eligible 1.0 FTE (2 nd Payment)	\$500
Potential third-payment (based on evaluation classification)	See 1D below

*700 that was previously allocated to Performance Pay, has been moved to supplemental base pay for all TDR A employees.

- D. If the remaining balance from the 15% revenue allocation and the distribution of the first and second Plan payments exceed \$200,000, then remaining monies will be distributed no later than September based on a pro rata basis using each participant’s **2021-2022** teacher evaluation classification.

“301 Pay for Performance Plan” (21-22), page 7.

https://tusd1.sharepoint.com/:w:/r/sites/ERInternalAudit/_layouts/15/Doc.aspx?sourcedoc=%7B030https://tusd1.sharepoint.com/:w:/r/sites/ERInternalAudit/_layouts/15/Doc.aspx?sourcedoc=%7B0303D0E8-191C-475B-BA7E-09D594C7ECF0%7D&file=TDRA%20One%20Time%20Pay%20in%20Two%20Installments.doc&action=default&mobileredirect=true
(Retrieved: 8/29/23).

13. “301 Pay for Performance Plan” for 2022-2023 SY. Governing Board Approved on 6/21/22.

I. Implementation Plan

A. Fifteen percent of the total classroom site fund will fund the Plan. Major components include (see Pay for Performance Plan for details):

1. A \$3,000 stipend (prorated per FTE) for each National Board Certified (NBPTS) teacher is paid in a lump sum at the end of the school year.
2. A \$700 stipend for one elected school council facilitator at each site is paid in a lump sum at the end of the school year. (See plan for detailed explanation.

In accordance with Consensus Article 29-12, “all Propositions 301/Classroom Site Fund increase anticipated by this provision are contingent upon receipt of funding or legislative authorization to spend. Any increase realized during the term of this agreement may be decreased for subsequent years if the level of funding received by the district or if expenditures authorized by the legislature for these components of Proposition 301/Classroom Site Fund are not maintained or are decreased, or if the MBU does not qualify or successfully participate in a plan implementing the component.”

“301 Pay for Performance Plan”(22-23 SY)

C. Formula to determine amount for 301 eligible 1.0 FTE

Expected 301 Revenue from the State (Based on student count of 48,301) \$34,197,762

Pay for Performance Plan	
FY22 Projected Ending Balance 6/30/22	\$200,000
FY23 Projected Allocation	\$5,129,664
FY 23 Projected Interest	\$6,000
Balance	\$5,335,664
Minus 20% Benefits (divide total by 1.20)	\$889,277
Working balance	\$4,446,387
Minus School Council Facilitators 89 x \$700	\$62,300
Minus 63 NBCT x \$3000	\$189,000
Balance	\$4,195,087
# 301 eligible FTE	2,850
Amount per eligible 301 1.0 FTE	\$1,450
Two-third Amount of the Eligible 1.0 FTE (1 st payment)	\$950
One-third Amount of the Eligible 1.0 FTE (2 nd Payment)	\$500
Potential third-payment (based on evaluation classification)	See 1D below

D. If the remaining balance from the 15% revenue allocation and the distribution of the first and second Plan payments exceed \$200,000, then remaining monies will be distributed no later than September based on a pro rata basis using each participant’s **2022-2023** teacher evaluation classification.

II. Eligibility

1. Eligible TUSD staff members include all staff members who meet all of the criteria listed below:
 - a. Staff member must be paid on a TUSD certified salary schedule TDR-A for the year the plan is in place (a “leased employee” is not eligible, per statute).
 - b. Contract time will include any time during with a teacher performed their duties pursuant to a letter of intent to hire or contract if that teacher is subsequently assigned to a position eligible for 301 Pay for Performance....

Note: These criteria (a- e) applies only to staff on the certified TDR A salary schedule, Counselors, Head Athletic Trainers (if teaching a class) and Master Teachers. Criteria (a-e) above exclude child find staff...

2. Stipend Amounts

The amount of the stipend paid to an employee will be determined by their contract terms FTE as of November 1, 2022 and pro-rata, accordingly. These stipends will be applied to the Site Based Goals portion of the 301 Pay for Performance Goals. All other stipends are described in Section III.

III. Pay for Performance Plan

A. School Council Facilitators

1. Each school will be allocated one school council facilitator positions. The Facilitator shall be elected by the school council from among its membership by the end of the first quarter. The Facilitator shall:
 - a. Preside at school council meetings and activities, minimally once a quarter.
 - b. Be the spokesperson of the school council at all appropriate functions.
 - c. Develop school council meeting agendas in collaboration with the principal.
 - d. Be responsible for the maintenance of school council records (e.g., agendas, minutes, school policy decisions);
 - e. Turn in a minimum of 1 agenda / minutes per quarter (a total of 4/year)
 - f. Work with the Principal in the planning of Wednesday staff development sessions, coordinating school committees, implementing school and District goals, analyzing data, and monitoring student achievement results.

2. Compensation for school council facilitation will be given only as follows: Any employee that fulfills the facilitator position as provided in II(A)(1) and is assigned to the TDR A certified salary schedule for greater than 90 student contact days of the SY 20212022, shall receive a \$700 stipend provided they remain eligible to participate in the 301 Pay for Performance Plan as provided in section II of the Plan.

B. National Board Certification

1. Any employee who earns a certificate from the National Board for Professional Teaching Standards (NBPTS) and is assigned to the TDR A certificate salary schedule for greater than 90 student contract days of the SY 2022-2023, shall receive a \$3,000 stipend (prorated per FTE) each year provided they remain eligible to participate in the 301 Pay for Performance Plan as provided in section II of this Plan for the life of the certificate.

C. Wednesday Site Staff Development Assurances

1. Activities will keep within 7.5- hour workday. See Articles 9 and 19 of the current Consensus Agreement for clarification.
2. The purpose of Wednesday site staff development includes designing, developing and achieving site goals and/or supporting performance goals...

IV. Development and Implementation of the Site Plan...

2. Teacher Evaluation Classification

The teacher evaluation classification component will be based on the 2022-2023 teacher evaluation...The stipend allocation is based on the following classifications:

Ineffective	\$0
Developing	.5 times X
Effective	.75 times X
Highly Effective	1 times X

FY 23:

Ineffective (46 points or fewer)	\$0
Developing (47 – 60 points)	\$250.00
Effective (61-78 points)	\$375.00
Highly Effective (79-100 points)	\$500

C. Pay for Performance Stipend Payout Timelines

1. School Council Facilitators will be paid by the end of May 2023. Facilitators must have performed these responsibilities for greater than 90 student contact days to be paid this stipend. No partial payments will be made.
2. National Board Certified Teachers will be paid by May 2023. These teachers must have taught in our District for greater than 90 student contact days to be paid this stipend. No partial payments will be made.
3. Wednesday staff development payment is embedded in the TDR-A salary schedule (See individual teacher contracts.)
4. Site Based Goals will be paid in two parts. The PLC portion of the work will be paid in May 2023. The teacher evaluation classification portion will be paid by the end of June 2023. Eligible staff in 2022-2023 who separate from the District before the payout in May of 2022-2023 school year, and must meet the criteria set forth II, Eligibility, will be paid the stipend, regardless of separation.” “301 Pay for Performance” (2021-2023).<https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved: 8/29/23).

14. **“2022-2023 SY PROFESSIONAL DEVELOPMENT FOR COMPENSATION/REIMBURSEMENT FORM”** (Image of main paragraph on top of the form). Copied from and employee’s submitted form. (Retrieved: 8/29/23).
15. **Image:** “Tucson Unified School District Professional Development Program from TEA Consensus Employees 2022/2023 SY” (pg. 2)”. [PDF File viewer | Microsoft Teams](#). (Received: 7/17/23)
16. **IMAGE:** “TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FROM TEA CONSENSUS EMPLOYEES 2022/2023 SY” PD Form. <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved: 8/29/23).
17. **United States Government Accountability Office (GAO)** -Standards for Internal Controls in the Federal Government defines internal control as “the plan of organization and methods and procedures adopted by management to ensure resource use is consistent with laws, regulations, and policies; that resources are safeguarded against waste, loss, and misuse; and that reliable information is obtained, maintained, and fairly disclosed in reports.” Internal control is synonymous with management control in that the broad objectives of internal control cover all aspects of agency operations. Although ultimate responsibility for internal controls rests with management, all employees have a role in the effective operation of internal controls established by management. Effective internal control provides reasonable, not absolute, assurance that an agency’s activities are being accomplished in accordance with its control objectives.” GAO. <https://www.gao.gov/assets/t-aimd-98-125.pdf>. (Retrieved: 8/2/23).
18. **IIA Standard 2210.A3** – “Adequate criteria are needed to evaluate governance, risk management, and controls. Internal auditors must ascertain the extent to which management and/or the board has established adequate criteria to determine whether objectives and goals have been accomplished. If adequate, internal auditors must use such criteria in their evaluation. If inadequate, internal auditors must identify appropriate evaluation criteria through discussion with management and/or the board.

Interpretation: Type of criteria may include • Internal (e.g., policies and procedures of the organization). • External (e.g., laws and regulations imposed by statutory bodies). • Leading practices (e.g., industry and professional guidance).” <https://na.theiia.org/standards-guidance/Member%20Documents/IG2310-2016-12.pdf>. (Retrieved: 8/2/23).
19. **“301 Pay for Performance Plan”** (2021-2022 SY). Submitted by: 301 District & TEA Join Task Force - TUSD Governing Board Approved: September 9, 2021.
II. Eligibility
 1. Eligible TUSD staff members include all staff members who meet all of the criteria listed below:
 - a. Staff member must be paid on a TUSD certified salary schedule TDR-A for the year the plan is in place (a “leased employee” is not eligible, per statute).” Plan (2021-2022), page 4. - <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved: 8/28/23).
20. **Employee Relations:** Standard Operating Procedures -Document provided by auditee on 7/21/23.
21. **EMPLOYEE RELATIONS -STANDARD OPERATING PROCEDURES (SOP)** -“Standard operating procedures and/or activities performed by Employee Relations to verify/authenticate the eligibility of the issued

This form is used to request compensation/reimbursement for expenditures related to Professional Development. Please allow at least thirty days for processing. **SAVE all payment receipts for conferences, workshops and/or seminars and undergraduate/graduate level courses to include in submittals for costs.** Attach copies of these receipts for each activity you submit for Professional Development. **Please submit one form per course, workshop, conference, certification exam, etc. Forms and documentation should be submitted to Employee Relations at ER@tusd1.org, or via fax at 225-6635, via interoffice courier or in person.**

stipends.” <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us>. (Retrieved: 8/25/23).

REFERENCES

22. **IMAGE:** "TUCSON UNIFIED SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT PROGRAM FROM TEA CONSENSUS EMPLOYEES 2022/2023 SY (pg. 2)". <https://documentcloud.adobe.com/spodintegration/index.html?locale=en-us> (Retrieved: 8.21.23)
23. **Employee Relations:** "2021-2022 TDRA One Time Payment in 2 installments" (DRAFT). Provided to OIA in SharePoint Folder on 8/19/23. TDRA One Time Pay in Two Installments.doc (sharepoint.com). (Retrieved: 8/19/23).

GLOSSARY

Added Duty: "Shall mean the responsibilities accepted by or assigned to an MBU that are in addition to the MBU's basic duties such as "loss of planning" or "lunch room duty." A complete list of possible added duty assignments can be found in Article 29. TUSD 2022-2023 Consensus Agreement.

American Institute of Certified Public Accountants (IACPA): "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/>

Assignment: "Shall mean:

A. The schools(s), subject(s) and/or grade level(s) assigned to a MBU.

B. For individuals assigned to a non-school site department, assignment shall mean the positions assigned to them within that department." TUSD 2022-2023 Consensus Agreement.

Arizona Auditor General (AZ Auditor): "The Arizona Auditor General serves as an independent source of impartial information concerning State and local governmental entities and provides specific recommendations to improve the operations of those entities" <https://www.azauditor.gov/office-overview>.

Bargaining Unit – "The term BARGAINING UNIT shall mean all regularly assigned part-time and full-time employees in a classification listed in Appendix I, excluding confidential, temporary, initial probationary employees, substitutes and other employees designated by the Board."

Definition: 1-3, pg. 4 - Employee Relations - WCFS Agreement 2022-2023 Governing Board Approved 7.26.2022.pdf - All Documents (sharepoint.com).

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

Cause: 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-18-568g.pdf>

Condition: Condition is a situation that exists. The condition is determined and documented during the audit. <https://www.gao.gov/assets/gao-18-568g.pdf>

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>

Contract Time – "The term CONTACT TIME shall mean any time during the school day during which a MBU is required to instruct/supervise (excluding supervision paid as extra duty) students." Definition: 1-9, pg. 4 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com).

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://csrc.nist.gov/glossary/term/continuity_of_operations_plan

Criteria: To develop 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. The term program includes processes, projects, studies, policies, operations, activities, entities, and functions. Criteria provide a context for evaluating evidence and understanding the findings, conclusions, and recommendations in the report. <https://www.gao.gov/assets/gao-18-568g.pdf>

Days - "The term DAYS shall mean working days. Working days are considered to be those exclusive of holidays and weekends. During the school year, working days shall mean teaching days plus duty days. During the summer,

working days will be those when the District’s Central Administrative Offices are open for business with the public.”
 Definition: 1-12, pg. 4 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com).

Effect 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-18-568g.pdf>

Findings: The elements needed for a finding are related to the objectives of the audit. Thus, a finding or set of findings is complete to the extent that the audit objectives are addressed and the report clearly relates those objectives to the elements of a finding. For example, an audit objective may be to determine the current status or condition of program operations or progress in implementing legislative requirements, and not the related cause or effect. In this situation, developing the condition would address the audit objective, and developing the other elements of a finding would not be necessary. <https://www.gao.gov/assets/gao-18-568g.pdf>

General Accepted Auditing Standards (GAAS): Are sets of standards against which the quality of audits are performed and may be judged. Several organizations have developed such sets of principles, which vary by territory. <https://www.aicpa.org/Research/Standards/AuditAttest/DownloadableDocuments/AU-00150.pdf>

Generally Accepted Government Auditing Standards (GAGAS): Also known as the Yellow Book, are the guidelines for audits created by the Comptroller General and the audit agency of the United States Congress, the Government Accountability Office. <https://www.gao.gov/yellowbook/overview>

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>

Members of the Bargaining Unit (MBU) - “The term MEMBERS OF THE BARGAINING UNIT (MBU) shall mean any or all full-time and part-time employees for whom the Association negotiates, including:”

1. Athletic Trainer, Head	Magnet Site Coordinator
Counselor	Nurse
Counselor, Career/Post-Secondary	Occupational Therapist
CTE Certified Cooperative Education Teacher	OMA Arts Integration Specialist
Curriculum Service Provider	Orientation and Mobility Specialist
Dean of Students	Physical Therapist
Diagnostician	Professional Development Academic Trainer
District Alternative Education Program Teacher (DAEP)	Project Coordinator for Grants
Educational Audiologist	Resource Teacher
Exceptional Education Adapted PE Teacher	Social Worker
Exceptional Education Teacher	Speech Clinician I
Exceptional Education Teacher Itinerant	Speech Clinician II
Exceptional Education Transition Coordinator	Student and Family Support Liaison
Hygienist	Teacher
In-School Intervention Teacher	Teacher – Fine Arts
Instructional Technology Integration Specialist	Teacher - GATE
Instructional Data Intervention Specialist	Teacher – GATE -Itinerant
Job Development Instructor	Teacher / Coach
Jr. ROTC Officer	Teacher Mentor
Language Acquisition Coach	Visual Arts Specialist
Library Media Specialist	

Definition: 1-24, pg. 4 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com)_ (Retrieved: 9/11/23).

Principal – “The term PRINCIPAL shall mean any building administrator or the administrator of any work location or functional division in the school district.” Definition: 1-29, pg. 6 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com).

Professional Development (PD) –“ The term PROFESSIONAL DEVELOPMENT shall mean the voluntary participation by MBUs in any approved activity (as defined in Article 19) and selected by the individual. Professional development shall count for the MBU’s professional development stipend/reimbursement and recertification.” Definition: 1-32, pg. 6 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com).

Staff Development – “The term STAFF DEVELOPMENT shall mean the participation by MBUs in in-service activities during normal work hours. Staff development hours shall count only for re-certification.” Definition: 1-41, pg. 7 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com).

School Council –“The term SCHOOL COUNCIL shall mean the body of stakeholder representatives which may include site administration, faculty and staff, parents/guardians of pupils who attend the school, community representatives, and/or students.” Definition: 1-38, pg. 6 - Employee Relations - TEA Consensus Agreement - 2023-2024.pdf - All Documents (sharepoint.com).

The Institute of Internal Auditors (IIA) – “Established in 1941, The Institute of Internal Auditors (IIA) is an international professional association with global headquarters in Altamonte Springs, Fla., USA. The IIA is the internal audit profession’s global voice, recognized authority, acknowledged leader, chief advocate, and principal educator.”<https://na.theiia.org/standards-guidance/Member%20Documents/PG-Business-Continuity-Management.pdf>

Tucson Education Association (TEA) -“We are Tucson Education Association, and we are #REDforED. We are the largest local in the Arizona Education Association (AEA), and are affiliated with the National Education Association (NEA). TEA - Tucson Education Association – Promoting Excellence in Education (wordpress.com).

United States Government Accountability Office (GAO) – “GAO, often called the "congressional watchdog," is an independent, non-partisan agency that works for Congress. GAO examines how taxpayer dollars are spent and provides Congress and federal agencies with objective, non-partisan, fact-based information to help the government save money and work more efficiently.” <https://www.gao.gov/about>