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EXECUTIVE

EXECUTIVE SUMMARY

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

The CSPP department includes two Infant and Early Learning Centers (IELCs). Preschools are offered at fifty-eight (58) sites, which include nine (9) Pima Early Education Program Scholarships (PEEPS), six (6) tuition-based programs, and 48 Title 1/inclusive programs. Before and After-school programs are offered and available at 20 schools. The CSPP serves a total of 4,413 children and is supported by a total of 281 staff members. Its operations are overseen and managed by one Director.

The purpose of auditing the general CSPP department was to provide District management with reasonable assurance of the department's compliance with required district policies and regulations. The objectives of the audit were to review selected processes, procedures, practices, and controls. The audit was conducted in accordance with the standards of the International Standards for the Professional Practice of Internal Auditing (ISPPA) issued by the Institute of Internal Auditors (IIA). The audit was conducted in accordance with the standards of the International Standards for the Professional Practice of Internal Auditing (ISPPA) issued by the Institute of Internal Auditors (IIA). The audit was conducted in accordance with the standards of the International Standards for the Professional Practice of Internal Auditing (ISPPA) issued by the Institute of Internal Auditors (IIA).

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

BACKGROUND

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

The District's mission, as stated in its Strategic Plan: "Our community prepares all students to

CSPP

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

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

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

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

CAUSE Manipulation of Quality First Scholarship applications.

RECOMMENDATIONS Adhere to applicable policies, procedures, and requirements.

3. BUILDING SECURITY

CONDITION One building has had several break-ins and trespassers

CRITERIA Policy Code: EB Environmental and Safety Program states: "The Superintendent or designee will establish procedures to protect the safety of all students, employees, visitors, and others present on school property or at school-spemto, vabooEva 0 Tc1.5 (-)-1.9 (e813d9 -0 0 9 137.82 233.

RECOMMENDATION

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

5. NO CLASSROOM KEYS

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

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

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

CAUSE Not adhering to district policies/procedures.

RECOMMENDATION

Implement and follow the applicable Accounting Procedures in USFR

8. INVENTORY OF ASSETS

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

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

The acquisition threshold for capitalizing items and entering them on the general fixed assets listing shall be five thousand dollars (\$5,000) or greater. Items having an acquisition cost equal to and greater than one thousand dollars (\$1,000) but less than five thousand dollars (\$5,000) shall be placed on the stewardship listing. General fixed assets and stewardship items shall be inventoried as specified by the USFR⁹."

Regulation Code: DIDR-: Asset Management- delineates the following:

"Receiving and Tagging Capital Assets

A purchase order for taggable capital equipment will have a note to sites upon receipt to send all partial copies or completed original purchase order

5. Verify that all items with an existing Property Control Number also have an Asset Number as a crossreference...

Stewardship Listing:

The purpose of the Stewardship Listing is to enhance accountability of safeguarding District property and to maintain a listing of specific items with a value of \$1,000.00 to \$5,000.00. Equipment listed in this dollar range may require maintenance or may be identified as commonly pilfered. Asset Management will maintain Stewardship Listings for the following categories above \$1,000.00 in value; technology equipment with a value of \$200.00 and above will also be added to the stewardship listing. The property will remain the responsibility of the Site or Department Administrator. The Stewardship Listing will be provided to the Site or Department Administrator upon request²⁰

The Director, and four of the five Program Coordinators interviewed during this audit verbally stated they do not tag assets or maintain inventory records. One Program Coordinator provided an inventory list including a total of 2 assets. The list was compared to the corresponding inventory records provided by the Asset Management department.

Out of the 186 assets in the Asset Management, none matched the 2 assets listed in the provided records from the IELC.

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

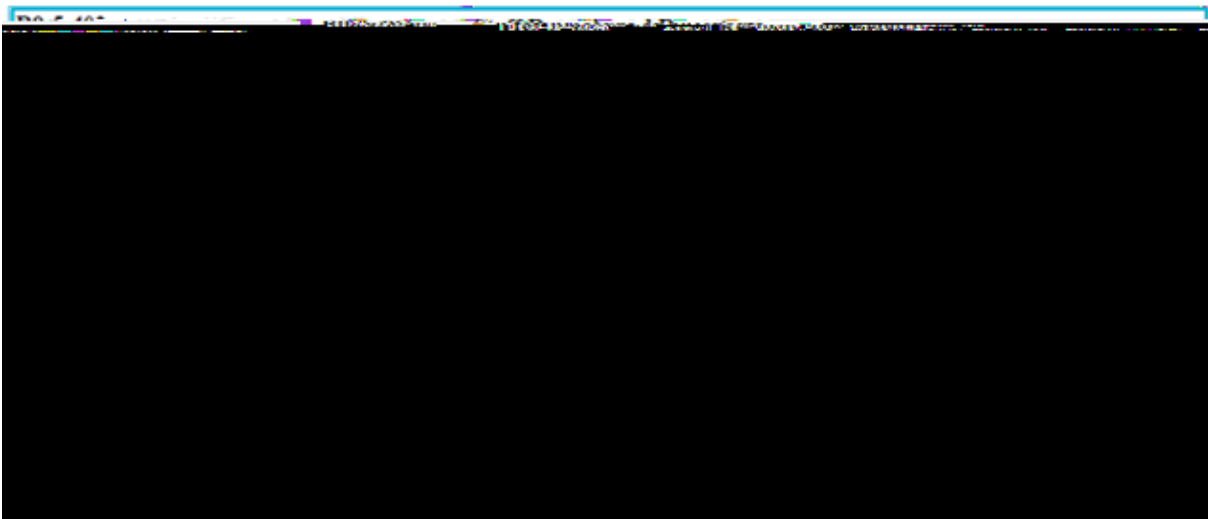
Unaware of the Policy Code: DID -Asset Management

RECOMMENDATION

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

9. EMPLOYEE FILES

Employee files lacked consistency of content between the two learning centers. Arizona Department of Health Services Bureau of Child Care Facilities Licensing Arizona Administrative Code and Arizona Revised Statutes for Child Care Facilities, 5-402 (image below)²¹



APPENDIX B

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

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16. USFR Receives, Step #1 (VIG-23):

- a. Inspects the goods for visible damage in the carrier's presence. Damaged goods should not be accepted.
- b. Determines the quantity received.
- c. Completes the receiving report, indicating the date received, quantity received, condition of goods, and signature of employee receiving the goods. If a copy of the purchase order is used as a receiving report, the quantity ordered should have been blocked out and the quantity received should be blocked next to the description of each item.
- d. Delivers goods to the requisitioner and obtains confirmation of delivery requiring the recipient to initial and date the receiving report.
- e. thet.- (r)4.7 Tw -4bd (6.5 (d (667c)0.8 (i)6.55.5 (d)6 (a)-s)-1.3 (6 (e)-2 ()0.5 (rr)4.7 (e)4 (c)0.9 (e)-2 (i)6.4 (v3y)4.

APPENDIX B

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

Inventory Procedures:

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

1. Check off items on the listing for physical verification. Items not accounted for or verified must be explained on the appropriate TUSD form (refer to E-1).
2. Correct the inventory listing as necessary for information, including but not limited to serial number, brand name, and project code location (refer to E-siT (li)92(99ru0pd6a (e)-2 ()6.0.5 (Tw 0.74n 0

22. **Governing Board Policy, Personnel Records and Files, Policy Code: GBJ** District will maintain a complete and current official personnel file for each District employee in the Human Resources Office of the District. Employees may obtain one copy of their personnel file at no cost. Employees may obtain a copy of their personnel file for a reasonable fee as set forth in Policy Regulation R. GBJ. Retrieved by OIA on 6/22/23 from <https://govboard.tusd1.org/PoliciesandRegulations/PolicyCodeGBJ>

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

- Notes on attendance or tardiness
- Complaints from customers and/or workers
- Awards or citations for excellent performance
- Documented conversations regarding performance

Retrieved by OIA on 6/22/23 from <https://govboard.tusd1.org/PoliciesandRegulations/PolicyCodeGBJ>

24. **Policy Code JH** Released Time for students Student travel is an important supplement to the instructional program. A District/Student activity (local a0.401 0b(pp)6.4 (e (C)6.7 (fT EMCn)8 (t)2.7 (c)0.9 (u)1 Tw -1o-70n)6 ()0.62.4 (e)1 (

GLOSSARY

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

FUND—A fiscal and accounting entity with a self-financing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are separated to carry on specific activities or attaining certain objectives in accordance with special regulations,

financial reporting framework, such as generally accepted accounting principles, represents one set of criteria.”
<https://www.gao.gov/assets/gao/gao21-368g.pdf>

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

Whether administering or purchasing from a cooperative purchasing agreement, districts are responsible for ensuring that procurements are done in accordance with School District Procurement Rules.” Defined by HG Legal Resources <https://www.hg.org/legal/articles/whatisdue-diligence/>

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 specifically defined.” <https://global.theiia.org>

Organizational Chart “Organizational charts are the presentation of reporting relationships and employee roles in an enterprise. A well-structured organizational structure would help improve productivity, but a poor organizational structure e ttionaoffimtnizaonal

Smith, Martha

