

SECTION 2 – DESK AUDITS

A desk audit must be done for ALL DISTRICTS AND FOR EVERY COUNT PERIOD. Utilization of the audit program will provide standardization and allow the auditor to perform the necessary procedures in a more effective and efficient manner. It is recommended that the desk audit be completed prior to beginning the field audit. The primary objective of the desk audit is to verify that the district's pupil membership counts are supported by building or program alpha lists and are mathematically accurate.

Document the independence of the auditor (see Appendix A). The auditor should not have a conflict of interest in regard to the school district, building or program to be audited. Such conflicts could include:

- The auditor was formerly employed by the school district, building, or program to be audited (within the preceding two years).
- The auditor has relatives currently employed by the school district, building or program.
- The auditor has a personal or financial interest (e.g., service or employment contract) with the school district.

With respect to the ISD's Special Education program, the auditor must be organizationally independent and objective.

Practical Note: *In instances when the auditor is found to have a conflict of interest, the ISD superintendent should be informed and measures should be taken to minimize, if unable to completely eliminate, the conflict of interest. This could be addressed by reassigning the audit to another auditor (if applicable), additional supervisory review of audit work papers, or acquiring the services of an outside auditor who is independent (e.g., from another ISD).*

Required Documentation:

The reports listed below must be submitted to the ISD by the deadline established in the State School Aid Act.

1. SRSD Unaudited FTE Summary Report (DS-4061) (listing FTEs by grade and totals for the district). This report is generated through the error check program for the Single-Record Student Database (SRSD).
2. Alphabetical list of membership by building or program for K-12, alternative, and special education center programs. This must be printed from the SRSD. Each alpha list must contain, at a minimum, the following information:
 - Pupil's legal name
 - Pupil's street address, city, state, and zip code
 - District pupil identification number (could be different than the SRSD UIC)
 - Date of birth
 - Residency status (resident or nonresident)
 - Name or school code of resident district for nonresident pupils

- Name and school code of educating district for resident pupils educated for some or all of the day in a district other than the district of residence
- Pupil grade level or program classification
- Total FTE for each pupil, including the breakdown between general education and special education, if applicable. FTE may be rounded to the nearest tenth or hundredth, at the district's discretion, provided there is consistency throughout the district.
- FTE total for the building/program – general education, special education, and grand total FTE

Note: The building/program alpha list must be signed by the building principal.

The following information may be included on the alpha list or on separate lists:

- Indication of which non-conventional categories apply to each pupil.
- Indication of which pupils are absent in any class on the count day and return date within the 10/30-day period.

3. Consortium agreements

Minimum Desk Audit Procedures

1. Review the alphabetical lists of membership to verify the following:
 - a. The list contains all of the required information.
 - b. All age requirements have been met. SRSD Field 9 should calculate it.
 - (1) Pupils must have attained the age of five as of December 1 of the school year.
 - (2) All pupils, except special education pupils, but including alternative education pupils, must not have attained the age of 20 as of September 1 of the school year.
 - (3) Pupils enrolled and receiving instruction in a special education program approved by the Department must not have attained the age of 26 by September 1 of the school year.
 - (4) Pupils enrolled in alternative education programs operated through adult education must have attained the age of 16 as of September 1 if they are educated with participants.
 - c. The building FTE totals on the alphabetical lists of membership match the totals on the SRSD Unaudited Summary FTE Report (DS-4061).
 - d. Pupils who are absent on the count days are identified on the alphabetical lists or on separate lists.
 - e. Pupils in non-conventional categories are identified on the alphabetical lists or on separate lists.
 - f. The alphabetical lists of membership are signed by an authorized representative.
 - g. That each pupil's FTE did not exceed 1.00.
2. Perform the following procedures for duplicates disclosed in the Duplicate UIC Auditor View:
 - a. Send a communication to the LEA or PSA regarding the need to resolve the duplicates that are reported on the Duplicate UIC Auditor View. Attach the printout for that district.

- b. Attempt to resolve any students that the LEA could not resolve.
 - c. Adjust the FTE in the districts within your ISD as needed.
 - d. Inform the districts of the adjustments.
 - e. Communicate UIC Resolution to other ISDs.
3. Review the Special Education Worksheets A and B to verify that:
 - a. No required information has been omitted;
 - (1) Teacher codes have been included.
 - (2) Associated regular education FTE amounts, if any, have been reported in the proper column.
 - (3) The resident districts have been identified for pupils being educated outside of their district of residence.
 - b. FTE totals have been correctly computed.
 - c. Each pupil's FTE did not exceed 1.00.
 - d. All pupils listed on the worksheets have been identified on the alphabetical lists of membership.
 4. Verify the accuracy of FTEs reported in the Additional Information on K-12 Pupils.
 - a. The "Alternative Education FTE (age 16-19)" line should be compared with the Alternative Education amount above in the "K-12 Pupil Membership FTE in General Education." If there is a difference, the auditors should ask what program were the pupils counted in.
 - b. The Special Education and General Education FTE (Section 24) line should be verified.
 - c. The "New grade levels for 2004-2005 that have never been offered previously," is only for newer PSAs, but should be verified.
 5. Verify the Residency-Related Information sections of the DS-4061 report.
 6. During the September count audit, review the district's calendar to determine that the days and hours scheduled meet minimum requirements (can be done as part of the field audit).
 7. If the district operated as a school of choice:
 - (a) Verify that the district had a signed cooperative agreement for all Section 105c Special Education pupils.
 - (b) Require the district to certify that it either complied or didn't comply with school of choice provisions in the State School Aid Act.
 8. From the population of pupils enrolled in a district other than the pupil's district of residence, under Section 91 or 91(a), review each sampled membership to verify that the pupil was counted by the educating district.
 9. Evaluate the results of the desk audit and determine if changes need to be made to the district's risk assessment.