



PERFORMANCE AUDIT REPORT

Verifying School District Enrollments

**A Report to the Legislative Post Audit Committee
By the Legislative Division of Post Audit
State of Kansas
September 1983**

Legislative Post Audit Committee

Legislative Division of Post Audit

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Audits are performed at the direction of the Legislative Post Audit Committee. Legisla-

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OBTAINING AUDIT INFORMATION

This audit was conducted by two members of the Division's staff: Barb Hinton, senior auditor, and Allan Foster, auditor. Ms. Hinton was the project leader. If you need any additional information about the audit findings, please contact Ms. Hinton at the Division's offices.

VERIFYING SCHOOL DISTRICT ENROLLMENTS

On September 15 each year, school districts count the number of students enrolled in their schools. This number is used as a major component of the formula to distribute State equalization aid. In the 1983-1984 school year, this aid will come to more than \$375 million.

Because enrollment figures have an important effect on the distribution of State aid, the Legislative Post Audit Committee requested a review of how these figures are arrived at and how accurate they are. At its meeting on November 3, 1983, the Committee directed the Legislative Division of Post Audit to review the September 15 enrollments in two of the four largest districts in the State, Shawnee Mission and Kansas City.

The Department of Education has primary responsibility for verifying districts' enrollment figures. School superintendents are required to submit the Superintendent's Organizational Report to the Department of Education by October 1. This report is a compilation of the September 15 enrollment counts for all schools in the district and represents the official enrollment count for the year. In order to meet the October 1 deadline, principals are usually required to submit their count a few days after September 15.

Each year, auditors from the Department of Education examine school enrollment and attendance records to verify the districts' reported enrollment figures. Because large school districts face a sometimes complex task in properly accounting for all students and determining which ones are eligible for the enrollment count, mistakes on the reports submitted by the districts can occur. The Department's auditors commonly disallow 40 to 100 full-time equivalent students in large districts. Some of the more common reasons are part-time students counted as full-time, duplicate counting or miscounting of special education students, and students' failure to meet attendance requirements. According to an Attorney General's interpretation, students not in attendance on September 15 must have been in attendance at least one-tenth of a day before September 15 and one-tenth of a day between September 16 and October 2, to be included in the count.

Enrollment figures for the 1983-1984 school year in both the Shawnee Mission and Kansas City school districts have already been audited by the Department of Education. For the 1983-1984 school year, Shawnee Mission submitted a full-time equivalent enrollment count of 29,676.8. The Department's auditors disallowed a total of 114.7 students, bringing the district's official enrollment total to 29,562.1. Kansas City's enrollment claim of 22,317.7 was adjusted downward by 37.7 students by the Department's auditors, bringing its official enrollment count to 22,280. A five-year summary of the two districts' enrollment claims and the Department's exceptions is listed in Appendix A.

Legislative Post Audit's review made no attempt to duplicate enrollment audits conducted by the Department of Education. In each district, Legislative

Post Audit chose three schools for an in-depth review--one each at the elementary, junior high, and high school level. At each school, the review focused primarily on enrollment and attendance records for students who enrolled late or who dropped soon after September 15. To verify the accuracy of administrative records, teacher rosters and class schedules were reviewed for these students. In addition, the auditors examined samples of students to determine if they were still properly enrolled, inspected student schedules for legitimacy, and checked students' part-time or full-time status.

The results of the auditors' review are discussed in the sections that follow. In general, no problems were observed at any of the three Shawnee Mission schools reviewed. However, significant problems were noted in the Kansas City school district, particularly at the high school level.

**Shawnee Mission's Enrollment and Attendance Records Provided
Adequate Documentation to Support Its Enrollment Count**

The auditors reviewed three schools in the Shawnee Mission district: Highland Elementary School, Meadowbrook Junior High School, and Shawnee Mission North High School. The auditors paid particular attention to student movement in and out of school in the period immediately before and after September 15. As the following table shows, these schools had few students adding or dropping around that date.

<u>School</u>	<u>Students Added Between September 5 and September 15</u>	<u>Students Dropped Between September 10 and October 15</u>	<u>Total</u>
Highland Elementary School	4	3	7
Meadowbrook Junior High School	4	5	9
Shawnee Mission North High School	<u>4</u>	<u>21</u>	<u>25</u>
TOTAL	12	29	41

Each school has slightly different methods for keeping track of student adds, drops, absences, and enrollment counts. Nonetheless, the records in each school generally provided good documentation to support the enrollment claims, and the records could be easily audited and verified.

The auditors compared these administrative records for each of the students who dropped or added with individual teacher attendance rosters. Information from each record examined was crosschecked with as many other records as possible to confirm the accuracy of the administrative records. No significant discrepancies between records were noted during this comparison. The auditors also performed a number of other tests and checks to see if students at these schools had been improperly included as part of the September 15 count. These tests included checking attendance patterns, part-time or full-

time status, and the like. Again, no problems were found that had not already been found by the Department of Education's auditors.

Under the Kansas School District Equalization Act, when a large school district's enrollment drops by more than four percent, the effect on State aid is considerably greater than if enrollment drops by less than four percent. In the past several years, Shawnee Mission's enrollment declines have consistently been around four percent, generally remaining somewhat greater than that amount. Concern has been expressed that hovering around the four percent mark gives a district an incentive to overstate its enrollment.

Legislative Post Audit's review of the 1983-1984 enrollment figures revealed no indication that enrollments had been deliberately or systematically misrepresented or overstated. A few years earlier, the Department of Education's review did result in the district's crossing over the four percent line. For the 1980-1981 school year, Shawnee Mission's initial enrollment count represented a decline of 3.96 percent, while the Department's audited count represented a drop of 4.11 percent. However, the Department historically has disallowed an average of 70 students per year in the district, and there was nothing unusual about the number of disallowances that year. The auditors concluded that the district's records and the Department of Education's review were accurate and thorough enough to make such overstatements unlikely.

**Kansas City's Enrollment and Attendance Records Are Not
Accurate and Thorough Enough to Support Its Enrollment Count**

The auditors reviewed three schools' records in the Kansas City district: Frances Willard Elementary School, Central Middle School, and Wyandotte High School. Unlike the Shawnee Mission district, there was considerable student movement in and out of these schools around September 15. As the following table shows, a total of 357 students added or dropped from the three Kansas City schools during the time reviewed by the auditors, compared with a total of 41 students in the three Shawnee Mission schools.

<u>School</u>	<u>Students Added Between September 5 and September 15</u>	<u>Students Dropped Between September 10 and October 15</u>	<u>Total</u>
Frances Willard Elementary School	10	6	16
Central Middle School	42	38	80
Wyandotte High School	<u>119</u>	<u>142</u>	<u>261</u>
TOTAL	171	186	357

In addition to the large number of students adding and dropping around September 15, the junior high and high school also had high absenteeism rates, particularly in the first few weeks of school. Unlike Shawnee Mission, Kansas

City does not have a fully computerized enrollment system, which means that schools' counts of students enrolled as of September 15 must be tabulated by hand. These factors mean that keeping enrollment records in Kansas City is likely to be more time-consuming than in Shawnee Mission. However, the complexity of the task does not negate the importance of doing it correctly.

Legislative Post Audit reviewed the administrative enrollment and attendance records and teacher attendance rosters for all students who dropped and added at the elementary and middle school, and for 97 of the 261 students who dropped and added at the high school. While the records at the elementary school were found to be very complete and accurate, the two other schools had significant record-keeping problems. This was particularly true at the high school. These problems made the accuracy of the September 15 count highly questionable. The main problems the auditors found were as follows:

Wyandotte High School did not make a person-by-person list of students who were claimed for the September 15 enrollment count. Five of the six schools reviewed by the auditors made such a list, but none was made at Wyandotte High School. Wyandotte uses a computer list of pre-enrolled students which is updated throughout the year with any changes. To make the September 15 count, the school manually counts the number of names in the roster on that day. Problems arise with this method, however, in trying to determine if specific students were counted. For instance, if a student drops on September 14 but the roster is not updated until September 16 there is no way to determine whether the student was counted or not. Without a headcount listing by name, a school's enrollment claim is virtually unauditible, especially in a limited amount of time.

Wyandotte High School's attendance records appeared to be very inaccurate. All schools in the Kansas City district prepare daily absentee lists and distribute them to teachers. Once these lists are made final, absences are recorded on computer-coded sheets known as "bubble" sheets. When a student is absent, the circle representing that date on the bubble sheet is blackened in. These sheets become the school's official absenteeism record. They can later be read by the district's computer for the official number of absences reported on the student's quarterly grade card.

The auditors found that the bubble sheets at Wyandotte High School were very inaccurate. For example, according to the bubble sheets only six of the 97 students in the sample were absent on September 15, while teacher rosters showed as many as 57 of these students as absent. (For nearly all of the 97, the auditors checked multiple rosters covering various times of the day.) Inaccuracies on this date have a marked effect on the enrollment count, because ordinarily the Department of Education's auditors automatically count all students marked present on September 15 without checking them further. Bubble sheets at Central Middle School also sometimes did not correspond to absences shown in teacher rosters, but the discrepancies there were less widespread.

Some records at the high school did seem to be well kept. The auditors reviewed a sample of student schedules looking for part-time students that might be incorrectly claimed as full time. These records seemed to be in good

order and no part-time students were discovered that had not already been listed by the Department auditors.

Wyandotte High School's records contained consistent patterns of erased absences. The auditors also noted that some of the blackened circles on the high school bubble sheets had been erased. These erasures were made for 51 students who had large blocks of otherwise consecutive absences around September 15. In most cases two to four days were erased between September 16 and 23. The auditors reviewed at least two teacher rosters for each student whose absenteeism record had been erased. This review showed that all but 6 of the 51 students were absent on the days erased. A review of all other bubble sheets showed that while many students were marked absent on different days in this time period, none of the others had erasures.

School officials indicated that absences may have been erased because of mistakes made in transferring information on student absenteeisms from the daily absentee lists to the bubble sheets. Kansas City schools do not receive the bubble sheets from the district's main office until late September or early October. Once they are received, school clerks and secretaries transfer the absenteeism records from daily lists to the bubble sheets. However, one would expect such mistakes to show up on records of students other than those who had large blocks of absences. This was not the case.

The auditors were told by the school officials that after this information is transferred to the bubble sheets, the daily absenteeism lists for that time period are destroyed. Therefore, because of the absence of supporting documentation the auditors could not directly verify the school's claim that the erasures were the result of transfer mistakes.

Taken by themselves, the erasures would have no effect on the number of students counted for State aid purposes. This is because the erasures were for days other than September 15. The reason for the erasures remains unclear. One possible explanation other than clerical error could be that the erasures were intended to divert the attention of the Department of Education's auditors away from students with large blocks of absences around September 15. As Legislative Post Audit found in its review of teacher rosters, many of these students were apparently not present on September 15, either. Regardless of the reason, the discrepancies between erasures and the teachers' records serve as a further indication of the inaccuracy of the school's enrollment records.

Poor records limit the Department of Education's ability to identify ineligible students. Because the high school's records are so incomplete and apparently inaccurate, many students who should have been disallowed because they were not in attendance between September 15 and October 2 were not discovered by the Department of Education. At Wyandotte High School, Legislative Post Audit found a total of 38 students in their sample who apparently should have been disallowed because they were not in attendance between September 15 and October 2. (Twenty of these students had erasures on their bubble sheets.) Most of these students dropped out of school sometime during that period or soon thereafter. One additional student should have been disallowed because he had enrolled September 12 but apparently did not start attending classes until September 16.

At Central Middle School, Legislative Post audit found seven additional students who apparently should have been disallowed. For three of those students, the add/drop records showed they were dropped from school before September 15. Three other students should have been disallowed because they were absent between September 15 and October 2. One of them was counted by two teachers, so was in fact a double mistake. The auditors also found, however, that the school had inadvertently omitted three students from the enrollment count it submitted to the superintendent's office. Thus, the net difference is four students who should have been removed from the school's count.

In sum, Legislative Post Audit found a total of 43 students from the middle school and high school that apparently should have been disallowed. There may be more such students at these two schools. The Department of Education estimated that a decrease of 40 students in the Kansas City school district would lower State aid by approximately \$29,000.

A review of two additional high schools in Kansas City showed that record-keeping problems may exist in other schools as well. Because of the nature and extent of the record-keeping problems discovered at Wyandotte High School, the auditors also briefly examined enrollment and attendance records at F. L. Schlagle and Washington High Schools. Their review at these schools was not as extensive as it was at Wyandotte High School. It was intended primarily as a test of whether the problems at Wyandotte might be an isolated instance or an indication of more widespread problems.

Records at Schlagle High School were all well kept, and student enrollment and attendance could be readily verified and audited. However, problems were discovered with records at Washington High School. Like Wyandotte, Washington High School took its September 15 count from individual class schedules for all students enrolled at the time, but it did not make a list of the students it actually claimed. Without such a list, the school's enrollment claims are nearly impossible to audit.

The accuracy of Washington High School's bubble sheets and the records of student absences noted on them also appear to be questionable. For example, although the school's daily attendance lists for September 15 showed a total of 132 absences, only 81 absences were recorded on the bubble sheets for that day. School officials told the auditors that an informal list is made up of students who turned out not to be absent that day, so absences were not filled in for those students. These informal lists were not saved. As at Wyandotte, individual teacher attendance rosters would have to be examined to verify whether those students were absent or present that day. Because of time constraints, the auditors did not check teacher rosters at Washington. The auditors also noted that, although the daily attendance lists for other days around September 15 showed a number of absences, few absences were recorded on the bubble sheets during the first four to five weeks of school.

In short, Legislative Post Audit's findings indicate that the accuracy of the September 15 enrollment count in the Kansas City school district is highly questionable. The problems the auditors found may not be limited to just a few schools, and the 43 students that should have been disallowed represent errors

at only the three schools the auditors were able to examine in depth. It cannot be said that the inaccuracies, practices, and poor records represent a deliberate or systematic attempt to misrepresent or overstate enrollments. Because so little supporting documentation has been kept at some schools, it is virtually impossible to determine what was and was not done, let alone why. It is clear, however, that improvements are badly needed to ensure that enrollment figures are accurate and to remove any suspicion that they are being manipulated.

**The Department of Education Has Not Required Schools
to Maintain Records That Could Be Audited and
Used to Verify Student Eligibility**

When records are well maintained, as they were in four of the schools reviewed, the Department of Education auditors are able to conduct thorough and accurate reviews and to find any students who should be omitted from or added to the school's count. However, when the records are poor and when supporting documentation is incomplete or unavailable, verifying the accuracy of the count or eligibility of individual students becomes an extremely difficult task. As a result, the Department's auditors are less able to make any kind of review of the enrollment figures.

Time constraints add to this problem. Within the Department, eight auditors have the responsibility of auditing enrollment counts and verifying information for such programs as transportation, food service, and special education in every school district. In addition, they are responsible for annual audits of Washburn University, 19 community colleges, and 14 area vocational technical schools. Thus, in effect, districts that keep poor records are rewarded. Without reviewing teacher records in great detail, as Legislative Post Audit's auditors had to do, few exceptions can be discovered. At Wyandotte High School, for example, none of the 39 students mentioned above would have been disallowed if only the official attendance records were consulted.

Department officials indicated they did not feel they could tell schools how to keep their internal records. They said they have made suggestions to schools that keep poor records. They also indicated that they had informed Kansas City district officials of problems with inaccurate bubble sheets and late distribution of those sheets several times in the past. They thought that some attempt had been made to improve the system but that little success had been made.

Based on their review, Legislative Post Audit concluded that all schools should be required to maintain a system of records that has sufficient documentation to allow confirmation of enrollment claims. At present, school districts have little responsibility associated with the accuracy of the September 15 enrollment. They are required to make a count and report it to the Department of Education, which has the total responsibility for finding any errors and reconciling the count. Greater accountability should be required of school districts that keep poor records. The following recommendations are presented to improve this situation.

Recommendations

1. The Kansas City school district should keep a headcount listing by student of its September 15 count in each school and retain supporting documentation for all official attendance records.
2. The Department of Education should develop a system by which school districts can report students who should be deducted from their enrollments because of continuous absences between September 15 and October 2. At present, school districts are not required to report these changes even though the Attorney General has ruled that these students are not eligible to be included in the September 15 count.
3. The Department of Education should develop a set of guidelines for minimum record-keeping and backup documentation required to substantiate the September 15 enrollment count. These might include keeping a headcount list by student name, retaining daily absence lists for September 15 through October 2, and maintaining a record of all students adding and dropping.
4. The Department of Education should develop a procedure for occasionally spot checking official attendance records by comparing them with teacher attendance books.
5. The Department of Education should review the findings of this audit and conduct a more comprehensive review of the 1983-84 September 15 enrollment counts of the Kansas City middle schools and high schools, using teacher rosters to verify attendance.

APPENDIX A

Audit Exceptions By Type
Shawnee Mission School District

Reason for Adjustment	School Year				
	1983-1984	1982-1983	1981-1982	1980-1981	1979-1980
Part-time adjustment	3	-	10	4	29
Part-time counted as full	20	24	15	21	6
Ful-time counted as part	14	7	19	23	3
Miscount (omitted)	63	16	25	2	7
Miscount (overcount)	6	-	83	10	-
Special Education	7	21	13	10	5
Absent	4	4	5	13	1
Duplication	138	-	8	13	25
No Show	4	2	5	7	13
Dropped before 9-15	-	1	9	-	10
Enrolled after 9-15	1	-	-	2	3
Not enrolled	-	-	2	1	3
Claimed by another district	7	9	-	-	-
Under 5 years old	32	-	-	5	-
S.E. counted in grade	-	-	-	16	-
Counted as S.E. but is not	-	-	-	7	-
Computer error (listed as .9 FTE but should be 1.0)	-	-	-	-	233
FTE Errors (additions)	-	-	-	11.5	-
Total Adjustments	<u>299</u>	<u>84</u>	<u>194</u>	<u>145.5</u>	<u>338</u>
Headcount Difference	-125	-21	-101	-62	-60
FTE Difference	-114.7	-29.1	-108.9	-52.1	-49.6
Total FTE Claimed	29,676.8	30,304.0	31,741.9	33,122.6	34,537.6
Total FTE Allowed by Department	29,562.1	30,274.9	31,630.9	33,070.5	34,488.0
% Enrollment Drop Claimed	2.0%	4.2%	4.2%	3.96%	
% Enrollment Drop Established by Department	2.4%	4.3%	4.4%	4.11%	

**Audit Exceptions By Type
Kansas City School District**

<u>Reason for Adjustment</u>	<u>School Year</u>				
	<u>1983-1984</u>	<u>1982-1983</u>	<u>1981-1982</u>	<u>1980-1981</u>	<u>1979-1980</u>
Part-time adjustment	4	2	5		
Part-time counted as full-time	13		6	2	7
Full-time counted as part-time			5		
Miscount (omitted)	2		12		10
Miscount (overcount)			15	2	4
Special Education	23	22	38	11	17
Absent (at least 9/14-10/1)	9	23	11	11	
Duplicate count	1	2	1		
No show	2	2	2	5	4
Dropped before 9/15	1	1	4	1	
Enrolled after 9/15		1			
Claimed by another district		3	2	1	1
Resides in State Institution			1	4	13
SE Homebound (no teacher)			1		
Erroneously deducted a resident of a State Inst.	—	—	1	—	—
Total Adjustments	<u>55</u>	<u>56</u>	<u>104</u>	<u>37</u>	<u>56</u>
Headcount difference	-34	-54	-62	-35	-29
FTE difference	-37.7	-54.3	-58.6	-35.2	-31.9
Total FTE Claimed	22,317.7	22,796.4	22,969.6	23,425.6	24,259.4
Total FTE Allowed by Department	22,280.0	22,742.1	22,911.0	23,390.4	24,227.5
% Enrollment Drop Claimed	1.9%	.5%	1.8%	3.3%	
% Enrollment Drop Established by Department	2.0%	.7	2.1%	3.5%	