

Preparing for your KSDE Audit

An overview of the Audit Engagement Letter and documentation to prepare for your KSDE audit

Prepared by the KSDE Fiscal Audit Team
October 2017

Laurel Murdie
Director, Fiscal Auditing
Kansas State Department of Education

Fiscal Auditing website: <http://ksde.org/Default.aspx?tabid=319>

Introduction

Note: Any changes to this document for the 2017-18 school year are shown in **yellow**.

A couple weeks before your annual KSDE Audit, Fiscal Auditing staff will send an audit engagement letter detailing when the audit will be conducted and the auditor assigned. See pages 7-9 [Attachment 1] for an example of what that letter looks like.

How to prepare for KSDE audit: In the next section of this document, we include each item listed in the example Audit Engagement Letter, along with some tips for how to prepare the documentation needed for the annual KSDE Audit.

The e-Audit Initiative: In 2015, KSDE Fiscal Auditing introduced the e-Audit Initiative.

For more about the initiative, see the document: “**KSDE e-Audits Initiative**” on the KSDE Fiscal Auditing Website: <http://ksde.org/Default.aspx?tabid=319>

One of the most useful features of the e-Audits Initiative is the Auditor File Exchange. This web application allows districts to upload files for KSDE auditors. Much of the information needed for your KSDE audit can be generated from your student information system, so we encourage you to provide the data electronically. If you provide electronic information through the Auditor File Exchange, KSDE auditors can review the data *before* arriving at your district.

The Auditor File Exchange can be accessed at: <https://svapp15586.ksde.org/authentication/login.aspx>.

If uploading data to the Auditor File Exchange is too cumbersome or if you have any questions or concerns, please contact Fiscal Auditing at 785-296-4976 so that we can discuss alternate means of providing data electronically to us. Our audit staff will be happy to assist you.

*****New this year***** Along with standard individual document types, .zip files can now be uploaded to the auditor file exchange. You can also still select multiple individual files within a folder and upload those in one step.

Finally, keep in mind that when gathering data from third parties (such as private schools) you will need to take steps to ensure that the data are collected in a secure manner and in accordance with federal and state laws, and local policies.

How to Prepare for Current Year Enrollment (2017-18) and Attendance records to be audited:

Student Count Day is **Wednesday**, September 20, 20**17**. We will be auditing the current year's weighted enrollment generated on September 20 from data submitted to KIDS.

Items to be audited for current year enrollment include:

1. **Enrollment and attendance records of all children counted by your district on September 20. Auditors will verify your headcount and your student FTE. Please provide the following:**
 - a. **Daily attendance records from the beginning of school through October 4.** This is a list of all students and their attendance through October 4. Each school district has different student information systems, and each system produces different reports. Please see the table below, showing reports for the five most commonly used student information systems, to help you identify and prepare attendance reports that are helpful to the auditor. Again, Fiscal Auditing will work with the information your student information system provides.

To confirm your reported FTE, or to aid in the calculations of student minutes, see the electronic calculator – **Combined Bell Schedule, Daily and CTE Minutes Calculator**, on the fiscal auditing webpage at: <http://ksde.org/Default.aspx?tabid=319>.

In considering which report(s) to provide, remember that for middle schools and high schools, period attendance is needed by the auditors.

Providing Enrollment and Attendance Records – Reports to generate – listed by local student information system		
	Preferred	Acceptable
<i>PowerSchool</i>	Monthly Attendance Report	Absentee Report
<i>GoEdustar</i>	Attendance Report	
<i>Skyward</i>	Absence Occurrence Report	Daily Attendance Report
<i>Infinite Campus</i>	Student Period Attendance Detail	Period Detail Batch Report
<i>Synergy</i>	Elem – ATD402 Middle/High – ATP401 Gain Loss – ATD412	

Table 1: These reports can be provided in either Excel or PDF format. Providing the preferred report will assist the auditor in conducting a more efficient audit.

- b. **Entry/Withdrawal list through October 4.** Provide a list of students who have entered the district or have withdrawn from the district (including the date), from the beginning of the school year through October 4.
- c. **September 20 class schedules for high school and middle school students.** This is a copy of the class schedule for high schools and middle schools (or junior highs).
- d. **Attendance records for non-public students enrolled and attending part-time in your district.** If this includes an extensive amount data on paper, you may want to provide this to the auditor when they arrive onsite. If you provide the data electronically, please provide copies of attendance records and other relevant data in support of the claim.
- e. **IEPs and attendance records for Special Education pre-school students and Special Education kindergarten and non-public Special Education students will be reviewed.** If this includes an extensive

High School Student Schedule														
Neill Sinclair Grade - 11														
Period	Course	Teacher	Room	Sem										
1	Geometry	Shane	215	S1										
1	Geometry	Shane	215	S2										
2	Broadcast & Media Production	Brennan	148	S1										
2	Broadcast & Media Production	Brennan	148	S2										
3	ESA Science	Abercrombie	Fitch	01	EnglTechWinS1	Erin Andrews	01	1						
3	ESA Science	Abercrombie	Fitch	02	ESL Speech I	Sydney Smith	02	2						
4	US History	Abercrombie	Fitch	03	Intro to Manuf	Norman Mailer	03	1						
4	US History	Abercrombie	Fitch	04	Wrt Training S1	Michael Jackson	04	2						
5	Junior English	Abercrombie	Fitch	05D	Algebra II S1	Gita Patel	05D	1						
5	Junior English	Abercrombie	Fitch	06D	Art I S1	Lisa Peebles	06D	2						
6	Wellness and	Abercrombie	Fitch	07	Health	Annette Funicello	07	1						
6	Impact Math	Abercrombie	Fitch	08	Tech Phys I S1	Mark Anthony	08	2						
7	Physical Fit	Abercrombie	Fitch	09	Mentoring	Uri Geller	09	12						
7	Physical Fit	Abercrombie	Fitch	12	ESL Advocate	Sydney Smith	12	12						
7	Recreational	Abercrombie	Fitch	11	MigrantAdvocate	Karen Long	12	12						
S	Seminar	Acevedo	Makayla	01	ESLListCompPLS1	Judy Duncan	01	1						
S	Seminar	Acevedo	Makayla	02	ESL SurSk PL S1	Annette Funicello	02	2						
S	Seminar	Acevedo	Makayla	03	E BasMathExt LS1	Annette Funicello	03	1						
S	Seminar	Acevedo	Makayla	04	E BasMathExt LS1	Annette Funicello	04	2						
S	Seminar	Acevedo	Makayla	05B	Walk Life S1	Brian Griffen	05B	1						
S	Seminar	Acevedo	Makayla	06B	ESL/MigTutorial	Rachel Ray	06B	2						
S	Seminar	Acevedo	Makayla	07	ESLReadSk PL S1	Heather Ostermiller	07	1						
S	Seminar	Acevedo	Makayla	08	ESLWrtSk PL S1	Juan Villalobos	08	2						
S	Seminar	Acevedo	Makayla	09	FreshmanSuccess	Judy Duncan	09	12						
S	Seminar	Acevedo	Makayla	12	ESL Advocate	Juan Villalobos	12	12						

Image 1 Regardless if it's an Excel Spreadsheet or a PDF file, use a method that is system-generated (as opposed to scanning a printed document), for both convenience and time savings (for both district staff and auditors).

amount data on paper, you may want to provide this to the auditor when they arrive onsite. If you provide the data electronically, please provide copies of service logs, attendance records and other relevant data in support of the claim.

- f. **Eligibility documentation for 4-year-old at-risk students, if applicable.** The criteria used to identify 4 year old at-risk students is the same, regardless of the funding source (whether it is state funds or Temporary Assistance to Needy Families, TANF). Those criteria include: Poverty (free lunch, *not reduced*), single parent family, a referral from the Department for Children and Families (DCF), teen parent, parent without a high school diploma, migrant status, limited English proficiency, developmentally or academically delayed (but not special education). If the documentation related to 4 year old at-risk includes an extensive amount data on paper, you may want to provide this to the auditor when they arrive onsite. If you provide the data electronically, please provide copies of applications and other relevant data in support of the claim.
- g. **Minutes of students attending alternative and/or virtual schools.** Provide the online logs, offline time, and sign in/sign out logs for virtual students, and sign in/sign out logs or other attendance documentation in support of the minutes claimed for alternative student

2. **Attendance records for students in Juvenile Detention Centers and Psychiatric Residential Treatment Facilities in your district.** Provide attendance logs for the prior year April (2016-17), current year September and November counts, if applicable.

3. **The auditor will verify documentation related to the following weightings, if applicable:**

- a. **At-risk weighting:** Please provide supporting documentation for any student claimed as eligible to receive free meals in the national school lunch program. Also, provide a list of students whose lunch status changed due to the verification process. Finally, remember that students 20 years and older as well as part-time students grades 1 to 12 and non-graded students are not counted for at-risk funding.
- b. **Bilingual weighting:** Please provide a list of bilingual students, including those receiving services and those identified but not receiving services. For each student identified as bilingual (include any students coded as a "1, 2, 3, 5 or 6" in KIDS data field D39) provide documentation of the home language survey, test results. For students coded as a "2" or "3" in KIDS data field D39, list each provider and the contact minutes provided to those students. Next, provide a list of bilingual certified teachers. For those teachers on a "Plan of Study" toward achieving bilingual certification, provide documentation of annual progress made toward completed certification as well as documentation that they have not exceeded the five-year limitation.
- c. **Career technical education weighting (formerly known as vocational weighting):** Please provide a roster of each class approved for extra (.5) funding by the Career and Technical Education (CTE) team under the Pathways Process. Each roster should include the names of all students enrolled in the class on count day, the Pathways approved course code (all 16 characters), the name of the teacher, the class period scheduled and the bell schedule. If your building has a seminar period, please provide a list of teachers or students who do not have full access to the seminar period. (For example, limited access because of club meetings, scheduled out of the building, teacher another class etc...)
- d. **Transportation weighting:** Please provide a list of road closings that would have affected distance from a student's home to school on count day. Also, provide a list of students for whom transportation is paid with special education funds (include students receiving special education services whose transportation from home to school and/or school to home is funded by special education funds).

- e. **New facilities weighting:** If your district qualifies for new facilities funding, please provide documentation showing the district has the required 25% Local Option Budget (LOB) and that bond election was held prior to July 1, 2015 (certification from the county election commissioner). Also provide: rosters, teacher schedules and the district's computation for each new classroom. For a sample electronic calculator, see – **New Facilities Worksheet**, on the KSDE Fiscal Auditing webpage at: <http://ksde.org/Default.aspx?tabid=319>.

How to Prepare for Prior Year (2016-17) records to be audited:

The auditor will verify the following expenditures and programs for the prior year (2016-17).

4. Transportation expenditures reported on Table XI of the Annual Statistical Report (18E).

Provide a copy of the fund accounting report and any supporting documentation to verify expenditures.

A		B		C	
Cycle: FY13-14; Begin Date: 7/1/2013; End Date: 6/30/2014; Account Type: Expenditure; Subtotal Elements: Fund; Filter: ((Fund) = '34')					
Account Code		Description		Actual (YTD)	
34-1000-111-9900		Instr Full-Time Cert Sal Voc Ed		\$ 430,792.26	
34-1000-114-9900		Instr Cert Unused SL Voc Ed		\$ 2,661.10	
34-1000-115-1110		Instruction- Sub Salary for Certified Staff ARCHITECTURE & CONSTRUCTION		\$ 416.50	
34-1000-115-1120		Certified Sub Salary Visual Arts		\$ 283.50	
34-1000-213-9900		Instr Empl Hlth Ins Ben Cash Voc Ed		\$ 27,483.12	
34-1000-221-1110					
34-1000-221-1120					
34-1000-221-9900					
34-1000-250-9900					
34-1000-321-1110					
34-1000-321-1120					
34-1000-329-1110					
34-1000-329-1120					
34-1000-569-9900					
34-1000-589-1110					
34-1000-589-1120					
34-1000-589-9900					
34-1000-619-1110					
34-1000-619-1120					
34-1000-644-1120					
34-1000-644-9900					
34-1000-739-1110					
34-1000-739-1120					
34-1000-739-9900					
34-2213-250-9900		Instr Unemp Comp C P		\$ 8.70	
34-8000-000-0000		Vocational Education		\$ 275.00	
Subtotal of Element: Fund: 34 - Vocational Education				\$ 585,827.33	

ALL Data		Expense Budget Report				Arranged by:	
Date Range: YTD thru 06/30/2014						Account Number	
Account	Description	Budget	Expenditures	Payables & Encumbrances	Unencumbered Balance	Percent Remaining	
00	REVOLVING FUND						
00-00-2300-520-00	Insurance Health & Life Reimb	0.00	0.00	0.00	0.00	0.00	
00-00-2300-580-00	Travel	0.00	0.00	0.00	0.00	0.00	
00-00-2300-610-00	Supplies	0.00	0.00	0.00	0.00	0.00	
00-00-2300-640-00	Books	0.00	0.00	0.00	0.00	0.00	
00-00-2300-710-00	Grounds Repair	0.00	0.00	0.00	0.00	0.00	
00-00-2300-720-00	Building Repair	0.00	0.00	0.00	0.00	0.00	
00-00-2300-730-00	Equipment	0.00	0.00	0.00	0.00	0.00	
00-00-2300-890-00	Misc Reimbursable	0.00	0.00	0.00	0.00	0.00	
00	Current Year Account Totals:	0.00	0.00	0.00	0.00	0.00	
00-X0-8000-000	Prior Year Encumber/payable	0.00	0.00	0.00	0.00	0.00	
00	Prior Year Account Totals:	0.00	0.00	0.00	0.00	0.00	
00	FUND Totals:	0.00	0.00	0.00	0.00	0.00	

Image 2 Whether you provide an excel spreadsheet with fund accounting reports on different tabs, or a .pdf file for each fund (inset), both are acceptable methods for providing data for auditors to review.

5. Indirect Costs expenditures reported on Table V of the Annual Statistical Report. Provide payroll and/or fund account reports in support of the amounts claimed.

6. Driver Education and/or Motorcycle Education competency records. If this includes an extensive amount data on paper, you may want to provide this to the auditor when they arrive onsite. If you provide the data electronically, please provide copies of tests, score sheets, and other relevant data in support of the claim.

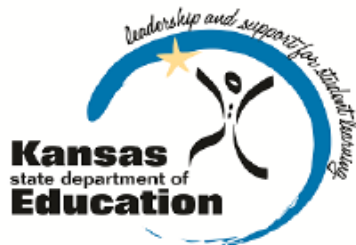
7. Special Education Pupil Transportation expenditures reported on Form 308. Provide a copy of the fund accounting report and any supporting documentation to verify expenditures.

8. State Categorical Aid for teachers, para-professionals and expenditures incurred and reported as costs for catastrophic special education individual student care, if these programs were not audited this past summer.

- Provide electronically (an MS Excel Spreadsheet or delimited file (.csv), generated from your payroll system, or from a separately maintained ledger, is preferred when applicable):
- Payroll records for certified staff in support of actual salary earned.
 - Total contracted salary data for certified staff.
 - Payroll records for classified staff in support of actual hours worked.
 - Roster of long-term substitutes and new hires, with the name of special education staff replaced. Also include names of active staff who have shared a position during the school year.
 - Paid invoices and service logs for staff contracted through third party providers. If this includes an extensive amount data on paper, you may want to provide this to the auditor when they arrive onsite.

11. **Deaf/Blind expenditures, if applicable.** Provide paid invoices and related supporting documentation. If this includes an extensive amount data on paper, you may want to provide this to the auditor when they arrive onsite.
12. **Parents As Teachers State Aid and the local 65% match expenditures.** Provide a copy of the fund accounting report and any supporting documentation to verify expenditures. Examples of fund accounting reports are shown in Image 2.
13. **Bond and Interest payments, including the principal and interest for general obligation bonds issued after July 1992 and after July 2015.** Provide a copy of the fund accounting report, a copy of the bond schedule and any additional supporting documentation to verify expenditures. Examples of fund accounting reports are shown in Image 2.
14. **Prior year 1,116 hour logs for every attendance center.** For a sample electronic calculator, visit the fiscal auditing webpage at: <http://ksde.org/Default.aspx?tabid=319>.
15. **School Nutrition Program (formerly we called this National School Lunch Program) will be reviewed IF your district has expended less than \$750,000 of federal funds from all federal revenue sources.** If this includes an extensive amount data on paper, you may want to provide this to the auditor when they arrive onsite.
16. **Expenditures will be examined for the After School Enhancement Programs.** Provide a copy of the fund accounting report and any supporting documentation to verify expenditures. Examples of fund accounting reports are shown in Image 2.
17. **Juvenile Detention Center and Psychiatric Residential Treatment Facilities instructional expenditures.** Provide a copy of the fund accounting report and any supporting documentation to verify expenditures. Examples of fund accounting reports are shown in Image 2.
18. **If district has claimed CTE Transportation funds, provide the route, mileage and type of bus used for this purpose.** Provide a worksheet detailing how the mileage was computed.
19. **If district received CTE Incentive funds (formerly known as Senate Bill 155), provide documentation of high school graduation and industry certification.** Both documents must be provided to guarantee funding.

The Audit Engagement Letter: An example audit engagement letter is shown on the next page as (Attachment 1)



Fiscal Auditing

Kansas Department of Education
Landon State Office Building
900 SW Jackson Street, Suite 252
Topeka, Ks 66612

(785) 296-4976
(785) 296-0232 fax

www.ksde.org

10/10/2017

Please share this letter with your staff.

The annual KSDE audit of your district will be conducted during the week of:

The auditor(s) assigned to your district will be: FALSE

Before our arrival, we encourage you to upload files to the Auditor File Exchange:

Here is the web address: <https://svapp15586.ksde.org/authentication/login.aspx>

If you have questions about how to upload files, please see the Auditor File Exchange User Guide on our website: <http://www.ksde.org/Agency/Fiscal-and-Administrative-Services/Fiscal-Auditing>
In addition, you can also call us with any questions you might have.

During the audit, our staff will verify the **current year's** enrollment data submitted to KIDS.
Items to be audited include the following:

1. Enrollment and attendance records of all children counted by your district on September 20.

Our staff will verify headcount and student FTE. Therefore, please provide the following:

- Daily attendance records from the beginning of school through October 4.
- Admission/Withdrawal list through October 4.
- September 20 class schedules for high school and middle school students.
- Attendance records for non-public students enrolled and attending part-time in your district.
- IEPs and attendance records for Special Education pre-school students and Special Education kindergarten and private/parochial Special Education students will be reviewed.
- Eligibility documentation for 4 year old at-risk students, if applicable.
- Headcount and FTE of students attending alternative and/or virtual schools.

2. Attendance records for students in Juvenile Detention Centers and Psychiatric Residential Treatment Facilities in your district for the prior year April, current year September and November counts, if applicable.

3. Our staff will also verify documentation related to the following weightings, if applicable:

- At-risk weighting
- Bilingual weighting
- Career technical education weighting (formerly known as vocational weighting)
- Transportation weighting
- New facilities weighting

Additional audit details continue on the following page.

Our staff will verify the following expenditures and programs for the **prior year**:

(Please provide copies of ledgers and other documents to support the costs claimed and submitted to KSDE. *If convenient, before our arrival, please upload this information to the Auditor File Exchange.*)

4. Transportation Expenditures reported on Table XI of the Annual Statistical Report (18E).
5. Indirect Costs Expenditures reported on Table V of the Annual Statistical Report.
6. Driver Education and/or Motorcycle Education competency records.
7. Special Education Pupil Transportation Expenditures reported on Form 308.
8. State Categorical Aid for teachers, para-professionals and expenditures incurred and reported as costs for catastrophic special education individual student care, if these programs were not audited this past summer.
 - a. Payroll records for certified staff in support of actual **salary** earned.
 - b. Total contracted salary data for certified staff.
 - c. Payroll records for classified staff in support of actual **hours** worked.
 - d. Roster of long-term substitutes and new hires, with the name of special education staff replaced. Also include names of active staff who have shared a position during the school year.
 - e. Paid invoices and service logs for staff contracted through third party providers.
 - f. Records documenting staff development requirements (in-service) for paraprofessionals.
 - g. Payroll records for all personnel in support of actual hours worked during the Extended School Year (ESY).
 - h. Please have a roster of Bi-Annual Certification (BAC-Sole source funding) for staff whose duties are 100% special education. For staff with duties less than 100% special education, provide a PAR (time and effort log).
 - i. Present a roster of students, from December 1 and May 1, for each early childhood special education teacher claimed. Identify IEP and non-IEP students.
 - j. Please make available documentation for all students claimed for Non-Public Equivalency.

Please be sure to provide a copy of the contract, license or professional certification for staff providing services. In addition, provide copies of service logs and paid invoices.
9. Enclosed is a blank copy of the School Bus Safety audit report that will be conducted by the auditor. Please read through these questions and have documentation available.
10. Also enclosed is a blank copy of the Special Expenditure Report that will be generated by the auditor. Please read through this form and be prepared to supply the information requested.
11. Deaf/Blind expenditures, if applicable.
12. Parents As Teachers State Aid and the local 65% match expenditures.
13. Bond and Interest payments, including the principal and interest for general obligation bonds issued after July 1992 and after July 2015.

Additional audit details continue on the following page.

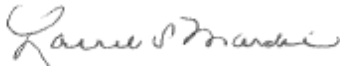
The Audit Engagement Letter (Attachment 1)

14. Prior year 1116 hour logs for every attendance center.
15. School Nutrition Program (National School Lunch) will be reviewed *if* your district has expended less than \$750,000 of federal funds from all federal revenue sources.
16. Expenditures will be examined for the After School Enhancement Programs.
17. Juvenile Detention Center and Psychiatric Residential Treatment Facilities instructional expenditures.
18. If the district claimed CTE Transportation funds, provide the route, mileage and type of bus used for this purpose.
19. If the district received CTE Incentive funds, provide documentation of high school graduation and industry certification.

If the date selected for the audit engagement conflicts with your schedule, please advise the Fiscal Auditing office. Your assigned auditor will be notified and will make arrangements to reschedule your audit.

Thank you for your cooperation in providing the documentation requested for the audit. If we can be of service to your district in any way, please let us know.

Sincerely,



Laurel Murdie
Director

Enclosures: School Bus Safety Report
 Special Expenditure Report