

LAS AMERICAS ASPIRA ACADEMY

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING
AGREED-UPON PROCEDURES**

**STUDENT ACCOUNTING AND ENROLLMENT AS
OF SEPTEMBER 30, 2011**

Report Issued: March 13, 2012

B E L F I N T

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Independent Accountants' Report on Applying Agreed-Upon Procedures

The Honorable Lillian M. Lowery, Ed.D.
Secretary, Department of Education
Townsend Building, Suite 2
401 Federal Street
Dover, DE 19901

Ms. Margie Lopez Waite
Head of School
Las Americas Aspira Academy
326 Ruthar Drive
Newark, DE 19711

Dear Secretary Lowery and Ms. Waite:

We have performed the procedures enumerated below, which were agreed to by the Department of Education (DOE) and Las Americas Aspira Academy (School) solely to assist you, the specified parties, in evaluating the compliance and effectiveness of the School's internal control over compliance with *Delaware Administrative Code*, Title 14, Subsections 525, 701, and 925. Procedures were performed for student accounting and enrollment as of September 30, 2011. Management is responsible for the School's internal control over compliance with the requirements related to the above areas.

This agreed-upon procedures attestation engagement was performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States and the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

STUDENT ENROLLMENT

Agreed-Upon Procedure Number 1: Determine if the School's policies and procedures for preparing, reviewing and reporting the September 30 student count are adequate.

Criteria

The State of Delaware *Budget and Accounting Policy Manual* states, "Department or agency heads are responsible for establishing and maintaining an effective system of internal control." Further, the manual states, "A well-designed system of controls must include written policies and procedures to ensure that each control objective is met." State of Delaware regulations provide guidance on processes it considers necessary for adequate written internal controls over

Agreed-Upon Procedure Number 1-continued:

Criteria-continued

preparing, reviewing and reporting the September 30 student count. Additional guidance is outlined in the DOE's *Instructions for Unit Count Reporting in eSchoolPlus* dated July 2011, and the *2011 Summary of Delaware Code and Department of Education Regulations for Student Accounting for the September 30th Enrollment and Unit Computation*.

Condition

We obtained the School's written policies and procedures regarding the September 30 student count. Our review determined that the necessary processes identified by the State of Delaware are included in the District's written policies and procedures.

DOE's *Instructions for Unit Count Reporting in eSchoolPlus* requires each building administrator within a Charter School to generate, print, verify, sign and maintain in their September 30 audit file a Full Student Attendance Register Report. Our procedures determined that the School's building administrator failed to sign their school's Full Student Attendance Register Report.

Cause

Oversight regarding DOE's requirement to have a building administrator sign their School's Full Student Register Report resulted in the above condition.

Effect

The School did not maintain an audit file meeting DOE requirements.

Recommendation: It is our recommendation the School implement a process to ensure the compliance with DOE's requirements for signing their School's Full Student Attendance Register Report.

School Response: The School is in agreement with the above recommendation and will implement a process to prevent future errors caused by oversight.

Agreed-Upon Procedure Number 2: Determine if the School properly reported enrollment figures to the DOE. Calculate the dollar impact of disallowed students, if applicable.

Criteria

Delaware Administrative Code, Title 14, Chapter 700, Subsection 701 entitled "Unit Count" mandates each school to assemble a comprehensive enrollment file that contains all necessary support materials to substantiate the enrollments reported. For students not in attendance at school during the last 10 school

Agreed-Upon Procedure Number 2-continued:

Criteria-continued

days of September during which students are required to be in attendance, specific information shall be on file to substantiate their inclusion in the enrollment count.

Condition

We obtained documentation from the School including attendance registers and other support to determine if students were properly included in or excluded from enrollment figures reported to the DOE. Our procedures determined the School improperly reported to the DOE one kindergarten student who withdrew prior to the September 30 student count. The School discovered their error prior to us performing our procedures.

Cause

The School's failure to generate, print and verify their Full Student Attendance Register Report contributed to the improper reporting of September 30 enrollment figures to the DOE.

Effect

The School reported one ineligible student to the DOE. As a result, the School incorrectly received .06 units, equivalent to \$6,452 in State funding and a total of \$1,223 in local funding from the Capital School District. On December 9, 2011, the School reimbursed \$795 to the Capital School District.

Recommendation: It is our recommendation the School repays the State of Delaware and the Capital School District \$6,452 and \$428, respectively. It is further our recommendation the School develop a procedure to ensure the generation, printing and verification of their School's Full Student Attendance Register Report to reduce the risk of future noncompliance.

School Response: The School is processing full payment to the State and Capital School District.

Agreed-Upon Procedure Number 3: Select ten percent (10%) or a minimum of five "Individualized Education Program" (IEP) files at the School to verify that each file contains the required documentation in accordance with the DOE's Special Education Regulations 922-929. Calculate the dollar impact of disallowed students, if applicable.

Criteria

Delaware Administrative Code, Title 14, Chapter 900, Subsection 925 entitled "Children with Disabilities Subpart D, Evaluations, Eligibility Determination, Individualized Education Programs"

Agreed-Upon Procedure Number 3-continued:

Condition

The School reported no students requiring an IEP file in their September 30, 2011 student count; therefore, these procedures were not applicable.

Agreed-Upon Procedure Number 4: Select ten percent (10%) or a minimum of five students enrolled in the Cooperative Education and Diversified Education Programs and confirm that the students' files contain the required documentation in accordance with the DOE's Administrative Directives. Calculate the dollar impact of disallowed students, if applicable.

Criteria

Delaware Administrative Code, Title 14, Chapter 500, Subsection 525 entitled "Requirements for Career and Technical Education Programs"

Condition

The School did not provide Cooperative Education or Diversified Education Programs during the September 30 student count; therefore, these procedures were not applicable.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on compliance with specified laws. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the DOE and the School and should not be used by those who have not agreed to the procedures and have not taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record, and its distribution is not limited. This report, as required by statute, was provided to the Office of Auditor of Accounts, Office of the Governor, Office of the Controller General, Office of the Attorney General, Office of Management and Budget, the Department of Finance, and the Office of the State Treasurer.

Belfint, Lyons & Shuman, P.A.

January 27, 2012
Wilmington, Delaware

Distribution of Report

Copies of this report have been distributed to the following public officials:

Executive Branch

The Honorable Jack A. Markell, Governor, State of Delaware
The Honorable Thomas J. Cook, Secretary, Department of Finance
The Honorable Ann S. Visalli, Director, Office of Management and Budget
Mr. Kristopher Knight, Director, Division of Accounting, Department of Finance
The Honorable Lillian Lowery, Ed.D., Secretary, Department of Education
Ms. Karen Field Rogers, Associate Secretary, Financial Reform and Resource Management, Department of Education
Mr. Robert Czeizinger, Director, Technology Resources and Data Development, Department of Education
Ms. Emily Falcon, Director, Financial Reform and Resource Management, Department of Education

Legislative Branch

The Honorable Russell T. Larson, Controller General, Office of the Controller General

Other Elective Offices

The Honorable R. Thomas Wagner, Jr., State Auditor, Office of Auditor of Accounts
The Honorable Joseph R. Biden, III, Attorney General, Office of the Attorney General
The Honorable Chipman Flowers, Jr., Esq., Treasurer, Office of the State Treasurer

Other

Mr. Greg Panchisin, Business Manager, Las Americas Aspira Academy
Ms. Margie Lopez Waite, Head of School, Las Americas Aspira Academy

This report can be accessed online through the Auditor of Accounts (AOA) website at <http://auditor.delaware.gov>.