

Audit Procedure 411
SCFF Control Environment
Supplemental Resource

March 2020 Draft

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BASE ALLOCATION METRIC OF FTES

Audit Step – Desk Procedures

For the base allocation metric of FTES, determine whether the district has developed desk procedures that document data flow and steps taken to complete attendance accounting tasks relative to MIS and CCFS-320 reporting.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.09 Management develops and maintains documentation of its internal control system.

Green Book Principle 12 – Implement Control Activities

12.02 Management documents in policies the internal control responsibilities of the organization.

12.03 Those in key roles for the unit may further define policies through day-to-day procedures...Procedures may include the timing of when a control activity occurs and any follow-up corrective actions to be performed by competent personnel if deficiencies are identified. Management communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities.

Suggested Examples of Evidence

Documented procedures outlining data flow and tasks including:

- Desk manual/procedures
- Office Manuals
- Memo to staff

Suggested Interview Questions

Does the district have documented desk procedures?

Where are the desk procedures located?

Do staff regularly use the desk procedures?

Suggested Interviewees

Chief Business Officer, Chief Instructional Officer, IT management and staff, attendance accounting staff, other affected district staff

Audit Step – Schedule of Attendance Accounting Procedures

For the base allocation metric of FTES, determine whether the district has established a schedule to complete procedures for attendance accounting.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.09 Management develops and maintains documentation of its internal control system.

Green Book Principle 12 – Implement Control Activities

12.02 Management documents in policies the internal control responsibilities of the organization.

12.03 Those in key roles for the unit may further define policies through day-to-day procedures...Procedures may include the timing of when a control activity occurs and any follow-up corrective actions to be performed by competent personnel if deficiencies are identified. Management communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities.

Suggested Examples of Evidence

Documented schedule for attendance accounting including:

- Desk manual/procedures
- Office Manuals
- Memo to staff

Suggested Interview Questions

Is there a schedule to complete procedures?

How is the schedule communicated to staff?

Does anyone check that scheduled milestones are completed?

Suggested Interviewees

Chief Business Officer, Chief Instructional Officer, IT management and staff, attendance accounting staff, other affected district staff

Audit Step – Review and Update of Procedures

For the base allocation metric of FTES, determine whether the district reviews the procedures regularly and updates as needed.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.09 Management develops and maintains documentation of its internal control system.

Green Book Principle 12 – Implement Control Activities

12.05 Management periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity's objectives

or addressing related risks. If there is a significant change in an entity's process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately....

Suggested Examples of Evidence

Version date or document date shows that recent updates have been made to:

- Desk manual/procedures
- Office Manuals
- Memo to staff

Suggested Interview Questions

Are procedures reviewed and updated regularly?

Who is responsible for ensuring procedures are reviewed and updated regularly?

How are updates documented and communicated?

Suggested Interviewees

Chief Business Officer, Chief Instructional Officer, IT management and staff, attendance accounting staff, other affected district staff

SUPPLEMENTAL ALLOCATION METRICS

Audit Step – Desk Procedures

For the supplemental allocation metrics, determine whether the district has developed desk procedures that document the data flow and steps taken to complete reporting of financial aid data for MIS reporting.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.09 Management develops and maintains documentation of its internal control system.

Green Book Principle 12 – Implement Control Activities

12.02 Management documents in policies the internal control responsibilities of the organization.

12.03 Those in key roles for the unit may further define policies through day-to-day procedures...Procedures may include the timing of when a control activity occurs and any follow-up corrective actions to be performed by competent personnel if deficiencies are identified. Management communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities.

Suggested Examples of Evidence

Documented procedures outlining data flow and tasks including:

- Desk manual/procedures
- Office Manuals
- Memo to staff

Suggested Interview Questions

Does the district have documented desk procedures for steps to complete reporting of financial aid data?

Where are the desk procedures located?

Do staff regularly use the desk procedures?

Suggested Interviewees

Chief Business Officer, IT management and staff, financial aid staff, other affected district staff

Audit Step – Data Stewards/Review

For the supplemental allocation metrics, determine whether the district has identified data stewards responsible for pre- and post-MIS submission reviews.

Suggested Criteria

Title 5 section 58311 (5) – Each district's organizational structure will incorporate a clear delineation of fiscal responsibilities and establish staff accountability.

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.01 Management develops an organizational structure with an understanding of the overall responsibilities, and assigns these responsibilities to discrete units to enable the organization to operate in an efficient and effective manner, comply with applicable laws and regulations, and reliably report quality information.

3.06 To achieve the entity's objectives, management assigns responsibility and delegates authority to key roles throughout the entity...

Suggested Examples of Evidence

Data stewards may be identified in:

- Expectation Memo
- Duty Statement
- Chart of Responsibilities
- Policies
- Office Manuals
- Memo to staff

Suggested Interview Questions

Who is responsible for pre- and post-MIS submission reviews?

How are responsible staff identified and how is this documented?

Suggested Interviewees

Chief Business Officer, IT management and staff, financial aid staff, other affected district staff

SUCCESS ALLOCATION METRICS

Audit Step – Expectation of Shared Ownership

For the student success allocation metrics, determine whether the district has established the expectation for shared ownership of data management responsibilities at the executive level and communicated this expectation to all colleges and departments.

Suggested Criteria

Title 5 section 58311 (5) – Each district's organizational structure will incorporate a clear delineation of fiscal responsibilities and establish staff accountability.

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Green Book Principle 14 – Communicate Internally

14.01 Management should internally communicate the necessary quality information to achieve the entity's objectives.

14.02 Management communicates quality information throughout the entity using established reporting lines. Quality information is communicated down, across, up, and around reporting lines to all levels of the entity.

14.03 Management communicates quality information down and across reporting lines to enable personnel to perform key roles in achieving objectives, addressing risks, and supporting the internal control system. In these communications, management assigns the internal control responsibilities for key roles.

Suggested Examples of Evidence

Expectations can be documented through:

- Expectation Memo
- Duty Statement

Expectation can be communicated through:

- Email
- Office wide memo
- Documented policies/procedures
- PowerPoint slides via staff meeting

- Meeting minutes

Suggested Interview Questions

Are there established expectations for shared ownership of data management responsibilities at the executive level?

Where is this documented?

How was this expectation communicated to all the colleges and departments?

Suggested Interviewees

Chief Business Officer, IT management and staff, Chief Instructional Officer, Chief Student Services Officer, Academic Senate, other affected district staff

Audit Step – Roles and Responsibilities

For the student success allocation metrics, determine whether the district has developed a matrix of roles and responsibilities for MIS tasks, including the designation of staff members who are trained to complete MIS responsibilities as backup.

Suggested Criteria

Title 5 section 58311 (5) – Each district's organizational structure will incorporate a clear delineation of fiscal responsibilities and establish staff accountability.

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.01 Management develops an organizational structure with an understanding of the overall responsibilities, and assigns these responsibilities to discrete units to enable the organization to operate in an efficient and effective manner, comply with applicable laws and regulations, and reliably report quality information.

3.06 To achieve the entity's objectives, management assigns responsibility and delegates authority to key roles throughout the entity...

Suggested Examples of Evidence

Roles and Responsibilities can be documented through:

- Chart of Responsibilities
- Organization Chart
- Duty Statement
- Desk procedures
- Office Manuals

Suggested Interview Questions

Are there documented roles and responsibilities for MIS tasks?

Do staff know where to find the documented roles and responsibilities for MIS tasks?

Suggested Interviewees

Chief Business Officer, IT management and staff, Chief Instructional Officer, Chief Student Services Officer, other affected district staff

Audit Step – Training

For the student success allocation metrics, determine whether the district has provided appropriate training and professional development opportunities to those involved with reporting data, including training on reviewing data for accuracy.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 4 – Demonstrate Commitment to Competence

4.01 Management should demonstrate a commitment to recruit, develop, and retain competent individuals.

4.05 Management recruits, develops, and retains competent personnel to achieve the entity’s objectives. Management ...enables individuals to develop competencies appropriate for key roles, reinforces standards of conduct, and tailors training based on the needs of the role.

Suggested Examples of Evidence

Training could be documented through:

- HR Records
- Training attendance records
- Invoices for training events
- Calendar meetings
- Videos
- Materials/Slides from presentations

Suggested Interview Questions

How do staff learn to complete data management tasks?

What types of trainings are available?

Do you feel you've been provided adequate training to report this data?

Suggested Interviewees

Chief Business Officer, IT management and staff, Chief Instructional Officer, Chief Student Services Officer, other affected district staff

Audit Step – Metric Definitions

For the student success allocation metrics, determine whether the district uses the Chancellor's Office [Metric Definitions](#) to build staff understanding of what data goes into each report.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Green Book Principle 14 – Communicate Internally

14.01 Management should internally communicate the necessary quality information to achieve the entity's objectives.

Green Book Principle 11 – Design of the Entity's Information System

11.03 Management designs the entity's information system to obtain and process information to meet each operational process's information requirements and to respond to the entity's objectives and risks. An information system is the people, processes, data, and technology that management organizes to obtain, communicate, or dispose of information. An information system represents the life cycle of information used for entity's operation processes that enables the entity to obtain, store, and process quality information. An information system includes both manual and technology-enabled information processes...

11.04 Management designs the entity's information system and the use of information technology by considering the defined information requirements for each of the entity's operational processes...

Suggested Examples of Evidence

- Possession of the metric definitions (hard or electronic copy)
- Interview staff to determine if metric definitions are used.
- Training on metric definitions
- Emails/Memos disseminated to staff about metric definitions.

Suggested Interview Questions

How do staff know which data to include in MIS Success Metrics reports?

Suggested Interviewees

Chief Business Officer, IT management and staff, Chief Instructional Officer, Chief Student Services Officer, other affected district staff

Audit Step – Ongoing Monitoring of Data Quality

For the student success allocation metrics, determine whether the district performs ongoing monitoring of data quality.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.09 Management develops and maintains documentation of its internal control system.

Green Book Principle 12 – Implement Control Activities

12.05 Management periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity’s objectives or addressing related risks. If there is a significant change in an entity’s process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately....

Suggested Examples of Evidence

Responsibility for monitoring documented in:

- Expectation Memo
- Duty Statement
- Chart of Responsibility
- Procedures/Manuals

Evidence exists that data quality has been improved through:

- Meeting minutes
- Updates to processes
- Changes to pre and post submission data
- Changes to information systems

Suggested Interview Questions

What changes have been made in the last few years to ensure that data reported for the Success Allocation is accurate and complete?

Who is responsible for monitoring data quality?

Suggested Interviewees

Chief Business Officer, IT management and staff, Chief Instructional Officer, Chief Student Services Officer, other affected district staff

Audit Step – Post Submission Review

For the student success allocation metrics, determine whether the district schedules and conducts a post submission review and documents changes to improve the next submission.

Suggested Criteria

Title 5 section 58311 (2) – ...Management will ...implement and maintain effective internal controls...

Title 5 section 58311 (7) – Each district will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the governing board, staff, and students.

Title 5 section 58311 (9) – Each district will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

Green Book Principle 3 – Establish Structure, Responsibility, and Authority

3.09 Management develops and maintains documentation of its internal control system.

Green Book Principle 12 – Implement Control Activities

12.05 Management periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity’s objectives or addressing related risks. If there is a significant change in an entity’s process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately....

Suggested Examples of Evidence

- Calendar meetings
- Meeting minutes
- Updated process drafts

Evidence exists that data quality has been improved through:

- Updates to processes
- Changes to pre and post submission data
- Changes to information systems

Suggested Interview Questions

When do staff meet to review and update the data submission process?

What changes have been made to submission processes to ensure data is accurate and complete?

Suggested Interviewees

Chief Business Officer, IT management and staff, Chief Instructional Officer, Chief Student Services Officer, other affected district staff

ADDITIONAL RESOURCES

[FCMAT – CCCC Data Management Practices Review](#)

[US DOE Data Governance Checklist](#)

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