

February 08, 2022

# Fiscal Year 2023: Killeen ISD Internal Audit Cost Proposal

---



## Submitted By:

Gibson Consulting Group, Inc.  
1801 South Mopac Expressway, Suite 270  
Austin, Texas 78746  
+512.328.0884  
[www.gibsonconsult.com](http://www.gibsonconsult.com)

February 08, 2022

Board of Trustees  
Killeen Independent School District  
200 N. WS Young Drive  
Killeen, Texas 76543

Dear Members of the Killeen Independent School District School Board:

At the Audit Committee's request, Gibson Consulting Group, Inc. (Gibson) is presenting this cost proposal to conduct one re-audit and one new audit for the Killeen Independent School District (Killeen ISD) in fiscal year (FY) 2023. This letter outlines our understanding of the scope of work, our approach, and the time and fee estimates for this audit work. Gibson's work on these projects falls under the terms of our master internal audit contract with the District.

## Re-Audit

### *Special Education Re-Audit*

Gibson performed an internal audit of KISD's Special Education program in 2016 and performed a follow-up audit in 2017. This area has not undergone internal audit activities in nearly five years.

Gibson understands that the Board is requesting an independent and comprehensive audit of the Special Education Department and 504/Dyslexia programs, which are under the direction of the Chief Learning Officers of Elementary and Secondary Schools. The primary objective of this audit is to identify areas of strength as well as opportunities for improving program efficiency and effectiveness in order to improve outcomes for students receiving special education or dyslexia services. This audit will focus on how KISD can more effectively organize its structures, systems, and processes to better support the delivery of high-quality instruction and services to students with disabilities or dyslexia.

### **Program Organization, Staffing, and Management**

The primary objective of these analytical tasks is to evaluate the central office support organization structure, sufficiency of school-based positions, management practices, staff professional development, and recruitment and retention practices.

#### *Department Organizational Structure*

A central office that is organized efficiently and effectively plays an essential role in supporting improvement at the school level. For this reason, Gibson will assess KISD's organizational structure with respect to:

- The strategic alignment of the Special Education Department and 504/Dyslexia Program within the District's overall organizational structure;
- The logical alignment of organizational units and/or functions within the Special Education Department;

- The number of individuals reporting to a supervisor (i.e., span of control) are optimal given the nature and complexity of the work being overseen;
- Job descriptions are current and reflect the appropriate requirements, duties, and responsibilities to meet the objectives of the Department; and,
- Central-office staffing levels are sufficient and efficient given the nature of the work to be performed and current workloads.

### ***School-Based Staffing Allocations***

Our assessment of KISD's special education staffing levels will include an analysis of both District-level and campus-based practices, such as:

- The sufficiency of overall staffing levels, evidenced by a review of special education student-teacher ratios over time and relative to benchmark districts; special education teacher-paraprofessional ratios over time and relative to benchmark districts; and special education teacher-paraprofessional ratios by instructional arrangement.
- The selective placement of specialized programs on campuses throughout the District and the extent to which KISD is able to balance the desire to have students educated on their home campus with the demand for efficiencies in staffing and transportation services. We will also examine how KISD ensures that the needs of students with disabilities are included in the planning and implementation of new programs and services.
- The current process used by management to determine the total number of special education teachers and paraprofessionals (and other positions) to be allocated to each campus, and the extent to which allocations are driven by individual student needs. Gibson will also review the Department's process for monitoring enrollment fluctuations and making any mid-year staffing adjustments.
- The instructional service delivery models (e.g., inclusion with in-class supports, co-teach, resource room/pull-out) employed at each campus and the extent to which innovative scheduling and staffing practices are used to deliver special education services efficiently and effectively.

### ***Program Management and Oversight***

Effective management and oversight of KISD's special education and 504/Dyslexia programs and services are critical to ensuring that the District's limited resources are used strategically and in ways that will improve outcomes for students with disabilities. With this in mind, Gibson will:

- Assess management's reporting and accountability systems and practices with respect to monitoring performance indicators and program compliance;
- Evaluate at a high-level whether or not the District's information systems support efficient operations and meet management's information and reporting needs; and,

- Review financial management practices, including Medicaid reimbursements, Maintenance of Effort (MOE) calculations, and General Fund contributions.

### ***District Policies and Administrative Guidelines***

As part of our audit, Gibson will conduct a thorough review of the District's policy manual, standard operating procedures, special education handbook, and any other relevant documents or policies to ensure that they are current, address all relevant federal and state regulations, and are accessible to central office staff, school administrators and staff, and parents/guardians (as appropriate). Through our analysis of program data, interviews and focus groups with District employees, as well as our classroom observations, Gibson will assess the consistency and fidelity with which the District's policies and procedures are communicated and implemented.

### ***Professional Development and Instructional Supports***

One of the most powerful ways to raise student achievement is through professional learning. Current research shows that ongoing, collaborative, and primarily job-embedded professional learning for administrators and teachers leads to an increase in student academic and behavioral outcomes. As such, our audit will examine:

- KISD's model for providing professional development and job-embedded supports to campus administrators and teachers (both general education and special education).
- Opportunities KISD's general education and special education teachers have to engage in continuous professional learning on topics such as inclusive education; evidence-based reading, writing, and math; social emotional learning (SEL); and, behavior intervention strategies.
- Frequency with which general education and special education teachers collaborate in professional learning communities (PLCs).
- Professional development offerings for special education paraprofessionals and other special education service providers.
- Teacher's perceptions of the overall quality and effectiveness of KISD's professional development program (evidenced through feedback provided in focus groups and survey data)

### ***Student Identification, Evaluation, and Placement***

The primary objective of these analytical tasks is to analyze pre-referral and referral practices and their impact on the special education program enrollment.

### ***Multi-Tiered System of Supports (MTSS)***

The foundation of an effective special education delivery system is highly effective instruction and behavioral supports in the general education classroom. The MTSS is a data-informed decision-making framework for establishing the academic, behavioral, and social-emotional supports needed for a school to be an effective learning environment for all students. Implementing the MTSS requires the use of evidence-based, system-wide practices with fidelity to provide a quick response to academic, behavioral, and social

and emotional needs. The practices should be progress-monitored frequently to enable educators to make sound, data-based instructional decisions for students. The effectiveness of a district's MTSS strongly influences referral rates to special education for students with suspected learning disabilities and behavioral challenges.

As part of this analysis, Gibson will examine the degree to which:

- Clearly defined expectations for teaching and learning are communicated to all instructional staff across KISD campuses.
- Standardized and structured systems are implemented across the District for early identification and remediation of academic and/or behavioral difficulties in individual students.
- Universal screening is used to identify or predict students who may be at risk for poor learning outcomes.
- Procedures for providing academic and behavior support are aligned with federal and state legal frameworks.
- Multiple, research-based interventions are utilized by all teachers to address learning and/or behavioral challenges that may adversely affect student success.
- Clearly established processes are developed and used at all campuses to provide tiered and research-based interventions when students demonstrate academic and/or behavioral challenges.
- Flexible access to supports is made available for all KISD students who need this level of support to determine if academic and/or behavioral support is necessary prior to making a referral for special education services.
- Responsive access to specially designed instruction is made available to students with low incidence disabilities who are new to KISD for whom the entire RTI process would not be appropriate to meet their needs.
- The central office monitors the fidelity of implementation of the MTSS framework and effectiveness of interventions at campuses, and provides necessary support and guidance to those campuses that need it.

### ***Student Identification and Placement***

Our analysis in this area will include an assessment of the District's Child Find activities, full individual and initial evaluation (FIE) procedures and instruments, reevaluations, and data demonstrating compliance with the IDEA procedural timelines. Gibson will also analyze changes in the percentages of students by primary disability and placement setting across campuses – over time, and relative to benchmark districts, regional, and state averages. We will also examine disproportionality rates and risk ratios for subgroup populations of students, and seek to identify root causes for where they do occur.

Regarding placement, the IDEA legal mandate of Least Restrictive Environment (LRE) requires that students with disabilities receive their education in the regular education classroom environment to the maximum extent appropriate, or to the extent that such placement is not appropriate, in an environment with the least amount of segregation from the students' nondisabled peers. Our analysis in this area will include a review of the percentage of students with disabilities in KISD by instructional arrangement – over time, and relative to benchmark districts, regional, and state averages. This analysis will also include a review of the District's instructional service delivery models to ensure that all students with disabilities have access to a full continuum of high-quality programs and services that meet their individual needs in the LRE.

## **Program Design and Service Delivery**

The primary objective of these analytical tasks is to analyze the District's continuum of services and the degree to which the implementation of programs and services at schools aligns with evidence-based practices and the fidelity with which they are being implemented.

### ***Continuum of Services***

The IEP team determines the special education services a student will receive, which includes the location where those services will be delivered (i.e., placement). When making placement decisions, the IEP team must consider the LRE. According to the IDEA, LRE means that, to the maximum extent appropriate, children with disabilities (including children in public or private institutions or other care facilities) are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only when the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily. Each school district must provide a wide variety, or continuum, of alternative placements so that each child with a disability will have an appropriate individualized education program. The continuum of placements must also:

- Provide for supplementary services, such as a resource room or services or itinerant instruction, provided with general education classes;
- Include integrated service delivery, which occurs when some or all goals of the student's IEP are met in general education classes with similar-age children;
- Be based on the individual needs of the student, not a single model used for a specific population or category of children with disabilities;
- Be documented by the identification of each alternative considered and the reasons for the placement chosen; and,
- Provide for a program, if appropriate, with similar-age children.

Gibson's analysis will examine trends in the percentages of special education students across the continuum of placement settings as well as the equity of access to a full continuum of services.

### ***Instructional Service Delivery***

School visits and classroom observations are an important component of our audit as they enable us to observe first-hand the delivery of instruction to students with disabilities. We believe classroom observations provide some of the most valuable data in assessing the fidelity with which special education programs and services are implemented. For example, while we almost always observe pockets of high-quality instruction taking place in classrooms across school systems everywhere, we more often than not find that inclusion classrooms are comprised of a high percentage of high need students, whole group instruction tends to be the most frequently observed model of instruction, and access to instructional technology to differentiate instruction is inconsistent and sometimes inequitable. Moreover, many school systems choose to invest in a co-teach model of instruction but the support systems and structures are often not in place to ensure that this model is effectively implemented. For example, general education and special education teachers may not have time to collaboratively plan lessons each week. As part of this assessment, Gibson will examine whether or not a Districtwide strategy exists that sets expectations and provides support to ensure that all instructional models are well-implemented.

### ***Procedural Safeguards and Due Process***

Procedural safeguards are the formal requirements of the IDEA that are “designed to afford parents or guardians of children with disabilities meaningful involvement in the educational placement of their children.” The procedural safeguards help ensure the proper education of students with disabilities by affording parents the right to participate in their children’s educational programming decisions. As part of our evaluation, Gibson will review the Department’s standard operating procedures related to these guaranteed safeguards to assess whether or not current practices pose a compliance risk. Gibson will also examine the number of mediations and due process hearings over the past five years, as these are indicators of effective or ineffective practices related to the identification, evaluation, placement, or provision of FAPE to students with disabilities.

## **New Audits**

### ***Student Services***

For the purposes of this audit, the Board defines student services to include discipline management, guidance and counseling, and attendance and truancy.

### ***Student Discipline Management***

Discipline management counseling falls under the Executive Director of Student Services. This audit will analyze the documents and key data points in the discipline management processes, and map processes that guide these activities. The audit will seek to determine that student discipline and programs comply with Board legal and local policies, and that they are effective in achieving student discipline objectives. We will also evaluate the degree to which adequate information is collected on student discipline to evaluate equity, implementation fidelity, and performance.

In addition to accessing applicable information system information, Gibson will select samples of student discipline (referral) files for testing to ensure that required procedures were followed and that file documentation is complete.

Gibson will examine the degree to which:

- The Student Handbook and Code of Conduct is up-to-date, available in multiple languages, and includes all pertinent information.
- Student discipline protocols in the handbook are consistently applied across schools.
- The District's rates of in-school and out-of-school suspensions, discretionary alternative education placements (DAEP), and expulsions have changed over time.
- The District's rates of in-school and out-of-school suspensions, DAEP, and expulsions compare to benchmark districts.
- Students with disabilities, African-American students, or other minority students are over-represented in school disciplinary referrals or discretionary placements.
- The District ensures equity in the application of discipline policies and procedures.
- The percentage of disciplinary placements are appealed, successfully or unsuccessfully, and how is this information used to influence the disciplinary referral process.
- The District ensures the fidelity of implementation of the District's Student Code of Conduct and discipline referral processes.
- Information systems are used to support the tracking of discipline information at KISD.
- Performance measures and objectives are used to evaluate and drive the success of the discipline management programs.

## Guidance and Counseling

Guidance and Counseling is led by Elementary/Secondary Directors, under the Assistant Superintendent of Learning Services. The District applies the Texas Model for Comprehensive Counseling (TMCC), which addresses the academic, career, and social-emotional needs of all KISD students.

The audit of guidance counseling will evaluate the compliance of KISD counseling practices and evaluate its efficiency and effectiveness in meeting student needs and District objectives. The audit will also compare KISD practices to the TMCC model as well as other best practices. The audit will examine:

- The implementation fidelity of guidance curriculum.
- The application of a guidance counselor staffing formula that addresses the unique student needs of the campus.
- The District use of any itinerant positions for counseling.
- The percentage of time guidance counselors spend with students.



- The accuracy of the guidance counseling job description as it relates to actual duties and responsibilities.
- The alignment of guidance counseling job descriptions with best practice.
- The use of information systems to support the tracking and analysis of guidance counseling information and results.
- The performance measures and objectives used to evaluate and drive the success of the guidance counseling program.
- The evaluation of effectiveness of the guidance counseling program at the elementary, middle, and high school levels.
- The District's engagement of students or parents to provide input on the effectiveness of guidance counseling programs.
- The use of input on program effectiveness to modify programs or services.
- The support provided by high school counselors regarding the transition of students from one school level to the next and to the post-secondary phase.
- The role of the central office in supporting school guidance counselors and school principals on school guidance counseling needs.

### **Attendance and Truancy**

The Director of Student Hearings, with the support of Attendance Officers, is responsible for the implementation of policies and programs related to student attendance and truancy. The Director of Student Hearings reports directly to the Executive Director of Student Services.

The audit of attendance and truancy will evaluate the compliance of KISD truancy practices and evaluate the implementation of attendance improvement initiatives. The audit will examine:

- The methods employed by the Student Hearings Department to monitor attendance to ensure that schools are compliant with attendance policies.
- The use of management reports to identify and act on potential compliance exceptions.
- The identification and supporting of students at risk of dropping out.
- The frequency of qualitative and quantitative data collection and analysis to assess the effectiveness of the District's truancy diversion program (TDP) and drop-out prevention and recovery programs.

## Audit Task Structure

Below, we have included a brief description of our audit approach, so that Killeen ISD has an understanding of the general process we will take when conducting the above re-audit and new audit.

### ***Task 1: Planning***

For each audit, we will conduct a project orientation meeting with applicable Killeen ISD leadership over each area to discuss the scope and objectives of the audit and to finalize the schedule.

We will provide a data request to the District for each audit and will use the project orientation meeting to answer any questions regarding the request. Some of this information may be available through the District's website, the Texas Education agency website, or another third-party source. We expect that it will take up to two weeks for Killeen ISD to provide all of the requested data for each audit. We will begin analyzing data as it becomes available in order to prepare for the site work. The data requested will include read-only access to relevant information systems. We will use this access to analyze the entire population of data that is subject to audit and to make selections for testing. We may request additional data for each test item selected.

### ***Task 2: Fieldwork***

The purpose of the fieldwork is to fully understand the processes applied by District staff within the audited areas. During this task, we will conduct interviews with staff, visit schools to meet with administrators and support staff involved in the audit areas, and perform classroom observations. During the site visit, we may identify additional data requests and may need Killeen ISD staff for follow-up questions.

### ***Task 3: Testing and Analysis***

Gibson's testing strategy will contain two main elements: data analysis and sample testing of individual transactions and process controls. Data analysis encompasses a review of an entire population of transactional data for detecting any abnormalities that will indicate non-compliance with policies and procedures, lack of controls, and inefficiencies in processes.

Sample transaction testing will focus on a subset of the transactional data population. During testing, Gibson will corroborate each aspect of the transaction selected through the review of all documentation retained for the transaction. We will base the selection of samples for testing on experienced auditor judgment, the volume of transactions, and on information obtained during fieldwork.

### ***Task 4: Surveys***

For the Special Education Audit, Gibson proposes to administer a survey to all Department staff, campus administrators, teachers, and paraprofessionals, and who work with special education students, either directly or indirectly. As an option for consideration, Gibson also proposes to administer a survey to all parents of students with disabilities to measure their perceptions of the quality and responsiveness of services their children are receiving. Our team has extensive experience developing and administering both parent and staff surveys for school districts, and we will leverage this experience to conduct a robust survey process for KISD. Given our prior experience developing both parent and staff surveys specifically for other

special education reviews for other school systems (e.g., Clear Creek ISD, York County School Division) we have existing survey instruments that have been proven to provide both reliable and actionable information to district leadership. We will provide these survey instruments as a starting point, and make necessary modifications to meet the unique needs and context of KISD.

Gibson will administer surveys electronically using Qualtrics survey software, a user-friendly, electronic survey tool that offers Americans with Disabilities Act (ADA) compatible accessibility features (e.g., the platform is screen reader and large type ready). Our survey team will send personalized email invitations to each individual targeted for the survey. These emails will contain information about the survey, instructions for completion, and a timeline for completion (e.g., two weeks). The email will also contain a unique hyperlink that will direct the user to the survey; this will allow us to calculate response rates and follow-up with individuals who have not responded to the survey. Use of unique links also avoids the potential for recipients to complete the survey multiple times.

Once the survey is closed, Gibson will process all completed data and compile responses into an analytic dataset using Stata statistical software. Data is subjected to a rigorous quality control procedure to identify and exclude erroneous or exaggerated entries, or submissions with significant missing data. Our team will then analyze the data and generate tables with frequencies for each item and/or calculate descriptive statistics for each item. We will also create cross-tabulations to make comparisons across groups, such as by position type or school level.

Gibson makes every effort to facilitate high survey response rates. However, the results of the student and parent surveys should be interpreted with caution. Results are not intended to be statistically significant or even representative of the entire population of interest. The survey results are simply meant to show patterns in response to a variety of questions about the District's special education programs and services by those individuals that completed the survey.

### **Staff Survey**

The staff survey is designed to solicit feedback from staff regarding their perceptions and experiences related to the District's special education and 504/Dyslexia programming. Topics included on the staff survey are:

- Staff attitudes and beliefs towards the inclusion of students with disabilities;
- Pre-referral interventions to address academic and behavioral needs;
- Student identification and referral practices;
- IEP development and transition plans;
- IEP meetings;
- Inclusive practices for serving students with disabilities;
- Collaboration practices of general education and special education teachers;

- Staff knowledge, experience, and training related to students with disabilities;
- Professional development and training requirements for serving students with disabilities;
- Sufficiency of staff, resources, and central-office supports;
- Communications with parents/guardians of students with disabilities; and,
- Student behavior and disciplinary practices.

### **Parent Survey (Optional)**

One hallmark of a successful special education program is high parental satisfaction and a sense of partnership between school staff and parents. Another measure is a high degree of parental participation and engagement in the decisions affecting their children, and in the case of parents of students with disabilities, participation in IEP meetings and in school conferences. Through the parent survey effort, we will assess the degree to which parents feel 1) their feedback is solicited and considered when decisions are made that impact the education of their children; 2) welcomed and valued as partners in the instructional process; 3) District and campus staff are responsive to their concerns; and 4) consistent and reliable information is provided through a variety of sources. Parent surveys will be administered surveys in both Spanish and English.

### **Task 5: Reporting**

We will use the results of our process analysis, transaction testing, and data analytics to form the basis for possible audit findings and recommendations, recognizing Killeen ISD best practices in place as well as identifying opportunities for improvement. For each audit, we will develop a draft audit report that contains an executive summary, a description of the project objectives and scope, descriptions of Killeen ISD practices, and findings and recommendations to improve the procedures, controls, efficiency, and effectiveness of the audit areas.

We will submit each draft of the reports to Killeen ISD in order to ensure that there are no factual misrepresentations in them. Upon receiving a single, consolidated set of comments from the District, we will make appropriate modifications and present the results to the Board Audit Committee. We will also be available to make a presentation of the report to the Killeen ISD Board.

### **Budget Dashboard and Efficiency Dashboard**

Gibson will upload FY 2022 expenditure and staffing data, and prepare the budget dashboard for review by the Board and the Administration. Gibson will also continue services for the efficiency dashboard. Gibson will collect data, perform reasonableness testing on the performance measures, and upload the calculated measures to the efficiency dashboard for review by the Board and Administration.

As in prior years, Ali Taylan will lead the budget dashboard work and efficiency dashboard data collection, with Greg Gibson assisting in the reasonableness testing. This work is expected to commence September 01, 2022 and will be completed by August 31, 2023.

## Program Management

Gibson will help to guide the Board Audit Committee through each of the audits, assist in managing Board Audit Committee meetings, develop monthly program progress reports, and actively monitor recommendation implementation. This includes continued maintenance of the internal audit implementation dashboard. Program management services are provided at the internal audit program level, in addition to the project management tasks performed on each internal audit.

## Timing and Fee Estimates

We would expect to begin work in September 2022 and finish all audit projects by August 2023. Each audit would take approximately six to seven months to complete with potential timeline overlaps depending on the nature of the audit. Once the Killeen ISD Board Audit Committee engages this letter, Gibson will develop a schedule to complete all assigned audits by August 2023.

We have based the estimates of hours and fees for these projects on our understanding of the objectives of each audit and on our familiarity with the systems and processes in place at Killeen ISD as a result of our previous work with the District.

The table on the following page shows the estimated professional fees and expenses necessary to complete each audit. We have based our professional fees on an average hourly rate of consultants completing the work on each audit. Budgets listed for each project in the table are estimates only and may be moved between projects as needed. However, the total cost of all projects during the fiscal year will not exceed the budgeted amount. If, during the audit, unforeseen problems arise that require us to devote additional hours, we will work with Killeen ISD in order to supplement this engagement, as needed. No additional fees will be charged unless agreed to in writing in advance by the Board Audit Committee.

### *Estimated Project Budgets by Audit*

Area	Subcontractor Use	Estimated Budget
Special Education Audit (excluding Parent Survey)	Yes	\$122,244
Special Education Audit Parent Survey (optional)	No	\$17,400
Student Services Audit	No	\$90,971
Budget Dashboard/Efficiency Dashboard	No	\$28,630
Program Management Services	No	\$14,405
Total (including optional services)		\$273,650
Total (excluding optional services)		\$256,250

Internal audit services are provided by Gibson under a long-term agreement with the Texas Association of School Boards (TASB). Gibson is the designated service provider of internal audit services for TASB.

In accordance with our agreement with TASB, Gibson professional fees for internal audit services are discounted for TASB members by 10 percent.

The following summary table shows our discounted hourly rates for each project role participating in the audits for 2022-23.

Project Role	Hourly Rate
Director	\$225
Senior Auditor	\$200
Auditor	\$175
Professional Support	\$130
Subcontractors	At Cost

Professional fees and expenses will be billed in twelve equal amounts from September 30, 2022 through August 31, 2023. Payment of invoices is due within 30 days of your receipt. Payments will be made directly to Gibson.

We will continue to provide monthly progress reports and conduct periodic meetings with the Board Audit Committee.

\* \* \* \* \*

We look forward to working with you and the members of the School Board as your internal auditors and advisors in fiscal year 2023. Gibson will devote its best efforts to the work to be performed under this assignment, and any findings, recommendations, or other written materials will represent our best professional judgment based on the information made available to us.

If you have specific questions, or require additional information about our professional services, please contact me at (512) 328-0885. If you are in agreement with the terms of this letter proposal, please indicate your desired scope options below, sign in the space provided, and return this letter to us. Thank you again for your interest.

Sincerely,



Greg Gibson, President  
Gibson Consulting Group, Inc.

**Accepted:**

Killeen Independent School District

Option Description	Desired Option – Indicate with “X”	Total Cost
Special Education Audit		
Special Education Audit: Parent Survey <i>(Optional)</i>		
Student Services Audit		
Budget Dashboard/Efficiency Dashboard		
Program Management Services		
Total Costs for Selected Options		

---

 Signature

---

 Title

---

 Date