

LIMITED-SCOPE AUDIT PROPOSAL

Reviewing the Louisburg School District's Expenditures

SOURCE

This audit proposal was requested by Representative Samantha Poetter Parshall.

BACKGROUND

School districts must spend their state and local funding in accordance with state law. For some funding types, state law is very specific about how districts may spend their funds. For example, districts may only spend their at-risk funds on programs the Kansas Board of Education has approved. Conversely, the law can also be very broad. For example, districts may spend low enrollment funding in any way the local school board deems appropriate. In the 2023 school year, the Louisburg school district received about \$24 million and spent about \$22 million in state and local funding.

Legislators have expressed concerns about whether the district is spending its funding in accordance with state law.

AUDIT OBJECTIVES AND TENTATIVE METHODOLOGY

The audit objective listed below is the question we would answer through our audit work. The steps listed for the objective convey the type of work we would do. These may change as we learn more about the audit issues.

Objective 1: Did the Louisburg school district spend select state and local funding in accordance with state law in the most recent school year? Our tentative methodology would include the following:

- Work with KSDE and the Office of the Revisor to identify and understand the major state laws districts must follow when spending their state and local funding. Choose a few funds to review based on the risk and significance of the statutory requirements associated with the funds.
- Talk to school district officials and request their internal accounting records for the last school year to determine how they spent state and local funds in that year.
- For a few funds, determine whether it appears the district's spending aligned with the relevant state laws for those types of funds based on the accounting records.
- Talk with district officials about any spending that appears questionable.

ESTIMATED RESOURCES

We estimate this audit would require **100 staff hours** to complete.