

# **Congress Elementary School District No. 17**

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February 14, 2017

State of Arizona  
Office of the Auditor General  
2910 North 44<sup>th</sup> Street, Suite 410  
Phoenix, AZ 85018

Regarding: Congress Elementary School District Performance Audit

Dear Auditors,

Congress Elementary School District has received and reviewed the Preliminary Draft Performance Audit conducted for fiscal year 2014. Our district would like to extend our appreciation to your organization for its willingness to take the time necessary to clarify the items that required discussion.

Our district will implement the recommendations as outlined in this preliminary report dated February 2017. Our goal is to be in compliance with all legal requirements for school districts as well as implement best practices for organizations. Your audit, like other audits, will help us improve our effectiveness.

Included with this letter is the District's response to each finding and recommendation.

Sincerely,  
Dr. Stephanie Miller  
Superintendent

**Finding 1:** District should strengthen accounting and computer controls

District Response: District agrees with the finding that it needs to strengthen accounting and computer controls. The District will implement the Auditor General recommendations.

**Recommendation 1:** The District should ensure that additional duties and related payments are addressed in employment contracts or personnel/payroll action forms, approved in advance of the work being performed, and maintained in employee personnel files.

District Response: District agrees with Recommendation 1 and has implemented practices that ensure additional duties and related payments are addressed in employment contracts or personnel/payroll action forms, approved in advance of the work being performed, and maintained in employee personnel files.

**Recommendation 2:** The District should implement proper controls over its purchasing process to ensure proper separation of responsibilities or alternatively establish an appropriate review process as a compensating control.

District Response: District agrees with Recommendation 2 and will implement proper controls over its purchasing process to ensure proper separation of responsibilities and also will establish an appropriate review process as a compensating control.

**Recommendation 3:** The District should ensure that it requires an independent review and approval for all of its purchases prior to the purchases being made.

District Response: District agrees with Recommendation 3 and has implemented practices that require an independent review and approval of all of its purchases prior to the purchases being made.

**Recommendation 4:** The District should maintain supporting documentation for all credit card purchases and reconcile the supporting documentation to the credit card statements.

District Response: District agrees with Recommendation 4 and has implemented practices that ensure maintenance of supporting documentation for all credit card purchases and reconciliation of supporting documents to the credit card statements.

**Recommendation 5:** The District should implement and enforce stronger password requirements related to password expiration.

District Response: District agrees with Recommendation 5 and will implement and enforce stronger password requirements related to password expiration.

**Recommendation 6:** The District should limit employees' accounting system access to only the functions necessary to meet their job responsibilities to help ensure that no single employee can initiate and complete a transaction without an independent review.

District Response: District agrees with Recommendation 6 and will implement practices that limit employees' accounting system access to only the functions necessary to meet

their job responsibilities to help ensure that no single employee can initiate and complete a transaction without an independent review.

**Recommendation 7:** The District should eliminate unnecessary shared user accounts in its network and systems and properly control any remaining shared accounts, such as disabling them when not being used.

District Response: District agrees with Recommendation 7 and has eliminated unnecessary shared user accounts in its network and systems and is now properly controlling remaining shared accounts; which includes disabling nonused accounts.

**Recommendation 8:** The District should establish a written agreement with the Yavapai County School Superintendent's Office that outlines each party's responsibilities for the District's accounting system.

District Response: District agrees with Recommendation 8 and will establish a written agreement with the Yavapai County School Superintendent's Office that outlines each party's responsibilities for the District's accounting system.

**Recommendation 9:** The District should create a formal contingency plan and test it periodically to identify and remedy deficiencies.

District Response: District agrees with Recommendation 9 and will create a formal contingency plan and test it periodically to identify and remedy deficiencies.