

Blue Ridge Unified School District

CONCLUSION: In fiscal year 2015, Blue Ridge Unified School District's student achievement was higher than peer districts', and the District operated efficiently overall. Blue Ridge USD's administrative cost per pupil, plant operations cost per square foot, and food service cost per meal were all lower than peer districts' averages. However, the District's transportation program's efficiency could not be measured because the District lacked sufficient records supporting the number of miles driven and riders transported on its buses, and it also did not follow its own bus preventative maintenance schedule. Additionally, the District should strengthen its purchasing, computer, and building access controls.

Higher student achievement and efficient operations overall

Student achievement higher than peer districts'—In fiscal year 2015, Blue Ridge USD's student scores were higher than peer districts' averages for math and English language arts and slightly higher for science. The District's 84 percent graduation rate was similar to the peer districts' 82 percent average and slightly higher than the State's 78 percent average.

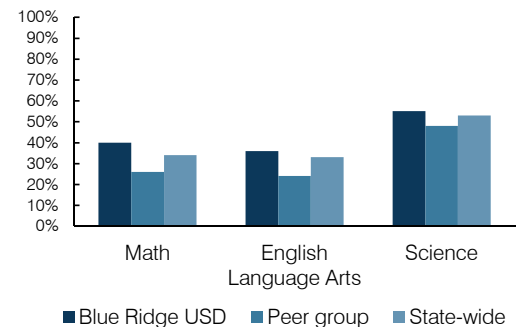
Efficient operations overall—In fiscal year 2015, Blue Ridge USD operated efficiently overall with costs that were lower than peer districts' averages. The District's administrative cost per pupil was slightly lower primarily because it spent less on purchased professional services, such as the use of consultants, accountants, and legal services. Blue Ridge USD's plant operations cost per square foot was lower because it incurred lower salary and benefits costs, and its food service program operated efficiently. However, the District's transportation program's efficiency could not be measured because it lacked sufficient records supporting the number of miles driven and riders transported on its buses.

District should strengthen purchasing, computer, and building access controls

Some purchases lacked proper approval—The District did not always require proper approval prior to purchases being made. We reviewed 30 fiscal year 2015 accounts payable transactions and found that 4 transactions were for purchases made without prior approval. Requiring prior approval helps ensure that expenditures are appropriate and properly supported.

District had inadequate computer controls—The District lacked adequate controls over its computer network and accounting system. More specifically, the District did not have strong password requirements for its computer network and accounting system. Further, we reviewed the District's fiscal year 2015 user access report for 10 of the 24 employees with access to its accounting system and found that 5 employees had more access to the accounting system than they needed to perform their job duties. Additionally, one was a business office employee who had full access to the accounting system, giving this employee the ability to perform all accounting system functions without an independent review and approval. Finally, the District had an information technology contingency plan, but it was missing some key

Percentage of students who met or exceeded state standards
 Fiscal year 2015



Comparison of per pupil expenditures by operational area
 Fiscal year 2015

	Blue Ridge USD	Peer group average
Administration	\$992	\$1,075
Plant operations	974	1,203
Food service	302	428
Transportation	429	498

components such as information regarding the recovery of critical systems, testing the plan, or contact information for staff with responsibilities during system or equipment failure or interruption.

District had poor controls over building access—The District needs to strengthen controls over building keys because it did not maintain a complete and up-to-date log showing keys made and distributed to employees, and the District did not have a formal process in place to determine the access level given to employees. In addition, employees receiving keys were not required to sign a user agreement outlining the rules and policies they must follow regarding the appropriate use of district keys.

Recommendations

The District should:

- Implement proper purchasing controls.
- Implement proper controls over its computer network and accounting system.
- Strengthen controls over its process for distributing and tracking building keys.

District should improve controls over transportation program

School districts receive state transportation funding based on a formula that uses primarily the number of route miles traveled and secondarily the number of eligible students transported. For fiscal year 2015, the District's records showing the miles driven and riders transported were disorganized and appeared incomplete, and district officials could not explain how the records were summarized to report the District's miles and riders to the Arizona Department of Education. As a result, we were not able to determine whether the District accurately reported its mileage and riders and consequently were not able to determine whether the District was funded appropriately for transportation. Additionally, districts must demonstrate that their school buses receive systematic preventative maintenance, including periodic oil changes, tire and brake inspections, and inspections of safety signals and emergency exits. However, Blue Ridge USD did not always conduct preventative maintenance activities on its buses in a systematic and timely manner. For example, 7 of the 9 buses we reviewed did not have preventative maintenance performed in accordance with the District's 5,000-mile preventative maintenance schedule.

Recommendations

The District should:

- Accurately calculate and report the actual miles driven and eligible students transported for state transportation funding purposes and ensure it maintains documentation to support the numbers reported.
- Ensure that bus preventative maintenance is conducted in a systematic and timely manner.