



Arlington School District No. 47

Board of Trustees

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September 10, 2018

Ms. Lindsey Perry, Auditor General

2910 N 44th Street, Suite 410

Phoenix, Arizona 85018

Dear Ms. Perry,

The Arlington Elementary School District respectfully submits its response to the preliminary draft performance audit report.

The findings and recommendations provided to the District will help improve its operations and procedures. The district is committed to continuous improvement and the recommendations will help ensure the district continues to improve.

The Arlington Elementary School District would like to express its appreciation for the professionalism displayed by Mike Quinlan and his colleagues throughout the auditing process.

Sincerely,

Chad Turner, Superintendent

Finding 1: District needs to strengthen accounting and computer controls

District Response: AESD does agree with the findings

Recommendation 1: The District should include only those payments that meet the definition of “compensation” as outlined in A.R.S. §38-711(7) when it calculates ASRS contributions to ensure that the District and its employees pay only the required contributions.

District Response: AESD will implement the recommendation

Recommendation 2: The District should work with the ASRS to correct errors in past contribution payments.

District Response: AESD will implement the recommendation

Recommendation 3: The District should classify all expenditures in accordance with the Uniform Chart of Accounts for school districts.

District Response: AESD will implement the recommendation

Recommendation 4: The District should monitor the cost savings from recent preschool and daycare program changes and continue evaluating and implementing options to minimize any future financial losses, including the possibility of increasing the fees charged.

District Response: AESD will implement the recommendation

Recommendation 5: The District should implement and enforce stronger password requirements for its computer network and accounting and student information systems.

District Response: AESD will implement the recommendation

Recommendation 6: The District should limit users’ access in the accounting system to only those accounting system functions needed to perform their job duties, including transferring the business office employee’s administrator-level access to someone outside the business office.

District Response: AESD will not implement the recommendation. AESD has a small administrative staff that has many duties that crossover and require access. AESD will however, make the yearly auditors aware of this potential problem and have them spend extra time monitoring this area yearly

Recommendation 7: The District should review and reduce the number of users with administrator-level access to its student information system.

District Response: AESD will implement the recommendation

Finding 2: District should improve controls over transportation program

District Response: AESD agrees with the finding and recommendations

Recommendation 1: The District should ensure that bus preventative maintenance is conducted in a systematic and timely manner and documented in accordance with its policy and the State's Minimum Standards.

District Response: AESD will implement the recommendation

Recommendation 2: The District should develop and implement the use of checklists to document that its buses receive required preventative maintenance and pre-trip inspections as specified in the State's Minimum Standards.

District Response: AESD will implement the recommendation

Recommendation 3: The District should accurately calculate and report to the Arizona Department of Education the actual number of riders transported for state funding purposes.

District Response: AESD will implement the recommendation