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September 18, 2023

Lindsey A. Perry
Arizona Auditor General
2910 N 44th St, Ste 410
Phoenix, AZ 85018

Dear Lindsey:

Please accept our district's response to the performance audit that has recently been completed. Both Christine Haidet and Beth Medley have been very cordial to work with and we are appreciative of the recommendations for improvements they have shared with us.

We look forward to working with your staff in the future and are equally looking forward to implementing additional changes. Should you have any further questions, please let us know.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Weber', is written over a light blue horizontal line.

Matthew G. Weber
NAVIT CTED Superintendent

Finding 1: District's lack of key outcome data prevents it from demonstrating how the nearly \$4.4 million it spent on programs in fiscal year 2021 effectively prepared students for high-need occupations.

Recommendation 1: The District should develop and implement consistent data collection protocols for all CTE programs to demonstrate compliance with statutory and ADE requirements and recommended practices. This includes collecting and validating complete data, such as data related to student certifications earned and post-graduate jobs obtained, as well as developing a process to track all outcome data.

District Response: The finding of the Auditor General is agreed to, and the audit recommendation will be implemented.

Response explanation: Navit has already hired a Data Coordinator who has been tasked with tracking student completion rates, industry credential attainment, and placement.

Recommendation 2: The District should analyze all CTE program outcome data to evaluate the effectiveness of its CTE programs in preparing students for high-need occupations and to support the investment of any public monies.

District Response: The finding of the Auditor General is agreed to, and the audit recommendation will be implemented.

Response explanation: As part of our annual evaluation process, we will review Central and Satellite student data as related to industry credentials and placement.

Finding 2: District accumulated almost \$10 million in fund balances by end of fiscal year 2021 but did not have policy regarding amount to be maintained in its general fund or its intended purpose.

Recommendation 3: The District should implement GFOA's best practices recommendations and develop and implement a formal fund balance policy for its general fund regarding the level and purpose of those monies, including considering the financial resources available in other funds when assessing the adequacy of the unrestricted fund balance in the general fund.

District Response: The finding of the Auditor General is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will create a policy that will govern fund balances relative to GFOA's best practices recommendations.

Recommendation 4: The District should develop and implement a plan to spend on its CTE programs any unrestricted fund balance in its general fund that is greater than the level it has adopted in its formal fund balance policy, which may include spending to improve its key student outcomes.

District Response: The finding of the Auditor General is agreed to, and the audit recommendation will be implemented.

Response explanation: District will develop and implement a plan to spend unrestricted funds on CTE programs in accordance with new fund balance policy.