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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

August 4, 2015

The Honorable Judy Burges, Chair
Joint Legislative Audit Committee

The Honorable John Allen, Vice Chair
Joint Legislative Audit Committee

Dear Senator Burges and Representative Allen:

Our Office has recently completed a 24-month followup of the Pomerene Elementary School District's implementation status for the 5 audit recommendations presented in the performance audit report released in May 2013. As the enclosed grid indicates:

- 4 recommendations have been implemented, and
- 1 recommendation is in the process of being implemented.

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our follow-up work on the District's efforts to implement the recommendations resulting from the May 2013 performance audit.

Sincerely,

Ross Ehrick, CPA
Director, Division of School Audits

RE:bh
Enclosure

cc: Mr. Shad Housley, Superintendent
Governing Board
Pomerene Elementary School District

POMERENE ELEMENTARY SCHOOL DISTRICT

Auditor General Performance Audit Report Issued May 2013

24-Month Follow-Up Report

Recommendation	Status/Additional Explanation
FINDING 1: Management has been effective at controlling costs	
No recommendations	
FINDING 2: District needs to strengthen its accounting and computer controls	
1. As recommended by the <i>Uniform System of Financial Records for Arizona School Districts</i> , the District should prepare and retain in employee personnel files a current personnel/payroll action form or contract for each employee to document employment terms.	Implemented at 6 months
2. The District should ensure that all purchases have prior approval.	Implemented at 6 months
3. The District should limit employees' access to the accounting system so that one employee cannot complete transactions without an independent review.	Implementation in process The District has made substantial progress in limiting employee access to its accounting system, but auditors identified one employee who continued to have more access to one part of the accounting system than needed to perform their work. District officials stated that they are continuing to review employee access and are evaluating additional review procedures.
4. The District should establish a written agreement with the Cochise County School Superintendent's Office that outlines each party's responsibilities for its accounting system.	Implemented at 24 months
5. The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.	Implemented at 12 months