



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

November 16, 2017

Governing Board
Prescott Unified School District No. 1
146 South Granite Street
Prescott, AZ 86303

Members of the Board:

We previously notified you that the District had not complied with the *Uniform System of Financial Records* (USFR) based on our review of the District's fiscal year 2013 financial audit reports and the USFR Compliance Questionnaire prepared by an independent certified public accounting firm. We subsequently reviewed the District's fiscal years 2014 through 2016 financial audit reports and USFR Compliance Questionnaires and determined the District was still in noncompliance with the USFR.

We performed a status review as of October 4, 2017, to determine if the District had made improvements to substantially comply with the USFR. Based on our review of the District's records and procedures, and interviews with district personnel, we determined that the District substantially complied with the policies and procedures described in the USFR. Any remaining deficiencies have been discussed with district management.

Thank you for the assistance and cooperation that your administrators and staff provided during our status review. If you have questions concerning this matter, please call Megan Smith, Accounting Services Manager, or me at (602) 553-0333.

Sincerely,

Laura J.P. Miller, CPA
Accounting Services Director

cc: Mr. Joe Howard, Superintendent
Mr. Brian Moore, Chief Financial Officer
Prescott Unified School District No. 1
The Honorable Tim Carter, Yavapai County School Superintendent
Ms. Shari Zara, Deputy Superintendent Operations
Ms. Christy Ellison, Deputy Associate Superintendent, Grants Management
Arizona Department of Education