

The August 2018 San Fernando Elementary School District performance audit found that the District's operations were reasonably efficient overall for its small size, but the District needs to strengthen some management, accounting, computer, and transportation controls. The District's status in implementing the recommendations is as follows:

Status of 8 recommendations

Implemented: 7

Not implemented: 1

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 from the August 2018 report.

Finding 1: District needs to strengthen management, accounting, and computer controls

1. The District should establish a written agreement with the Pima County School Superintendent's Office that outlines each entity's responsibilities for managing district operations.

Implemented at 24 months

2. The District should develop and implement procedures to help ensure that terminated employees have their access to the District's information technology systems promptly removed.

Implemented at 24 months

3. The District should back up its financial information in its accounting system to a secure location.

Implemented at 24 months

4. The District should ensure that it requires an independent review and approval for all its purchases prior to the purchases being made and document that all goods and services have been received and billings are accurate prior to payment.

Implemented at 6 months

5. The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.

Implemented at 6 months

6. The District should implement stronger password requirements for its student information system related to password length, complexity, and expiration.

Implemented at 12 months

7. The District should limit users' access in its accounting system to only those accounting system functions necessary to perform their job duties, including transferring the business office employees' administrator-level access to someone outside of the business office.

Not implemented—Our review of the District's 14 accounting system users' access in August 2020 found that 5 users had more access than they needed to perform their job responsibilities. Further, 1 of the 5 was a business

office employee who had administrator-level access to the accounting system, which was not appropriate for the employee's position, as indicated in the August 2018 performance audit report. The District should implement this recommendation because granting business office employees such broad access, especially full-system access, exposes the District to a greater risk of errors and fraud, such as processing false invoices or adding and paying nonexistent vendors or employees.

Other Findings: District lacked procedures to ensure bus drivers met certification requirements

1. The District should develop and implement procedures to ensure that bus drivers meet certification requirements and maintain documentation indicating those requirements have been met in accordance with the State's Minimum Standards.

Implemented at 24 months