



Wickenburg Unified School District
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February 17, 2010

State of Arizona
Office of the Auditor General
C/O Debbie Davenport, Auditor General
2910 North 44th Street, Suite 410
Phoenix, Arizona 85018

Ms. Davenport:

The Wickenburg Unified School District #9 (WUSD) respectfully submits its response to the performance audit conducted by the Auditor General for fiscal year 2008. The report includes a number of recommendations in the areas of administration, student transportation, plant operation and maintenance, Proposition 301 monies and classroom dollars. These recommendations have already, and will continue to, improve our district's processes and procedures.

WUSD would like to thank the Auditor General staff that was assigned to our District regarding their professionalism while interacting with our various staff members. These individuals were sensitive to the District's added time needed for completion of this audit and were diligent in answering all of the district's questions.

On the following pages, WUSD has responded to each recommendation in the report, stating whether or not we agree or disagree with the finding, as well as providing a response to how the District plans to move forward in the areas reviewed.

WUSD strives to provide a top quality education to its students in an effective and efficient manner. We are proud of the academic programs highlighted and will continue to work toward creating excellent schools where there is a laser like focus on quality instruction and moving each student to the next academic level.

Sincerely,

Howard C. Carlson, Ed. D.
Superintendent
Wickenburg Unified School District

Administrative Recommendations:

1. The District should evaluate whether it can reduce its number of administrative positions to produce cost savings.
 - a. The District agrees with this recommendation and will evaluate administrative staffing levels and explore cost cutting measures for next fiscal year.

2. The District should continue working with the Arizona State Retirement System to determine what actions need to be taken regarding the Webb Center employees it allowed to participate in the retirement system.
 - a. The District concurs with this recommendation. The District requested and received a comprehensive audit of our employee retirement practices from the Arizona State Retirement System in January 2010. As a result of their findings, we are ending Webb Center employee participation in the Arizona State Retirement System.

3. The District should ensure that it provides employee benefits, including Arizona State Retirement System membership, only to qualified district employees.
 - a. The District concurs with this recommendation and is working with the Wickenburg Foundation for the Performing Arts, current Webb Center employees, and members of the community to restructure our operating agreement for next fiscal year. It is anticipated that this will resolve concerns and issues raised by the Auditor General and the Arizona State Retirement System.

4. The District should implement controls to safeguard its computerized accounting system, student information system, and network.

The district agrees with this recommendation and will implement and improve control over all of our computerized systems.

 - a. The District is currently reviewing security access levels to our accounting, student information system, and network to ensure access is appropriate.
 - b. The District has added a door lock and secured the window to thwart unauthorized access. Due to existing and projected funding shortfalls, alarms and fire suppression systems are not planned at this time. In the event that the legislature provides additional funds for non-classroom expenditures, the District will reevaluate the situation.
 - c. The District is in the process of hiring an outside consultant to provide guidance in drafting and implementation of a comprehensive IT plan, including but not limited to, security, data privacy, and disaster recovery policies and procedures.

5. The District should discontinue any performance pay for administrative staff unless it clearly identifies, in contracts or other written agreements, any performance pay goals and the criteria that will be used to evaluate the achievement of those goals. Further, the potential amount of related performance pay should be documented in writing and agreed to prior to the services being performed.

- a. The District concurs with this recommendation and is preparing contract addendums for FY09-10 for administrative staff that clearly identifies potential performance amounts and the goals and the criteria that will be used to evaluate the achievement of those goals.

Student Transportation:

1. The District should ensure that it conducts and documents bus preventative maintenance as specified in the Minimum Standards.

- a. The District agrees with the recommendation and is preparing a comprehensive preventative maintenance schedule for all District vehicles, including the minimum standards for buses.

2. The District should ensure that it conducts and documents random drug testing as specified in the Minimum Standards.

- a. The District agrees with the recommendation and has contracted with a laboratory to conduct random drug testing selection and lab work in accordance with the Minimum Standards. In addition, our Transportation Director has become certified to conduct alcohol testing as directed by the random selection process.

3. The District should ensure that it accurately reports the number of riders transported for funding purposes.

- a. The District concurs with the recommendation and will review all transportation reports for accuracy before submission to the Arizona Department of Education.

4. To aid in evaluating the efficiency of its transportation program, the District should develop and monitor performance measures, such as cost per mile and cost per rider.

- a. The District concurs with this recommendation and will establish and track performance measures as recommended.

Plant Operation and Maintenance:

The District should continue taking steps to ensure that it has sufficient monies to continue operating Festival Foothills Elementary School. If donations are no longer available and the number of students enrolled cannot generate sufficient revenues, the District should consider closing the school and busing the students to one of its other schools or explore other options for ensuring that these students have access to public education services.

- a. The District agrees that it must continue its efforts to generate sufficient revenues to operate Festival Foothills Elementary School. The District is committed to keeping Festival Foothills Elementary School open and viable. The southern portion of our district is expected to recover first from the current economic downturn when compared to the northern portion of the district. Busing students in grades K-8 to the schools within the Town of Wickenburg would not be in the best interest of our children. Wickenburg Unified School District recently negotiated an additional two year agreement with the Pulte Homes to cover anticipated funding shortfalls for fiscal years 2011 and 2012 and the District is in negotiations to lease some of the unused building space at Festival. The District administration and Governing Board will continue to discuss and evaluate student counts, classroom capacities and staffing, school by school operating costs, and educational programs by campus and make decisions based upon sound business and educational practices.

Proposition 301 monies:

The District should ensure that salary increases paid from Proposition 301 monies are provided only to eligible employees.

- a. The District agrees with this finding. The District has not paid Proposition 301 monies to the three ineligible TOSA's (teachers on special assignment) during fiscal year 2010.

Classroom dollars:

1. The district should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.
 - a. The District concurs with this recommendation. One of the benefits of a Performance Audit is the education that comes from the process. Subsequent to the field audit work we recoded payroll positions and expenditures to reflect the proper account numbers for fiscal year 2010.
2. The District should closely analyze its spending in noninstructional areas, especially administration, to determine if savings can be achieved and whether some of these monies can be redirected to the classroom.
 - a. The District agrees that student education dollars are paramount and that efficiency and cost controls are critical. Wickenburg Unified will continue to look for ways to improve our percentage of classroom dollars.

3. The District should ensure that Extracurricular Activity Fees Tax Credit monies are spent in accordance with statute.

a. The District agrees and has improved internal controls over Tax Credit expenditures by educating secretaries and administrators on allowable expenditures and assigning additional duties to a District Office staff member to review all expenditures for compliance with purchasing policies and procedures.