



MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

ARIZONA AUDITOR GENERAL
LINDSEY A. PERRY

JOSEPH D. MOORE
DEPUTY AUDITOR GENERAL

October 1, 2019

The Honorable Rick Gray, Chair
Joint Legislative Audit Committee

The Honorable Anthony T. Kern, Vice Chair
Joint Legislative Audit Committee

Dear Senator Gray and Representative Kern:

We recently completed a 24-month followup of Yuma Union High School District's implementation status for the 14 audit recommendations presented in the performance audit report released in June 2017. As the attached grid indicates:

- 13 recommendations have been implemented.
- 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 June 2017 performance audit.

Sincerely,
Vicki Hanson, Director
Division of School Audits

cc: Governing Board
Ms. Gina Thompson, Superintendent
Yuma Union High School District

YUMA UNION HIGH SCHOOL DISTRICT

Auditor General Performance Audit Report Issued June 2017 24-Month Follow-Up Report

Recommendation	Status/Additional Explanation
FINDING 1: District had high administrative costs and needs to strengthen accounting, computer, and building access controls	
1. The District should review its administrative staffing levels, determine whether they can be modified to produce cost savings, and make changes accordingly.	<p>Implementation in process</p> <p>Between fiscal year 2015 (the audit year) and fiscal year 2018 (the most recent year for complete district and peer data), the District's per pupil administrative costs increased from \$840 to \$862. During this same time period, the peer districts' per pupil average increased substantially, from \$702 to \$804. District officials stated that they reviewed administrative staffing and duties for fiscal years 2018 and 2019 and eliminated several administrative positions and reclassified others into nonadministrative areas based on changes in job duties. We reviewed the District's preliminary fiscal year 2019 data and determined that these changes should result in administrative cost savings. Our Office's <i>Arizona School District Spending Report</i>, which will be issued by March 1, 2020, will present the District's finalized fiscal year 2019 per pupil administrative costs as well as its peer districts' average. District officials indicated that they plan to continue reviewing administrative staffing levels and the effectiveness of some of these recent changes.</p>
2. The District should ensure that all credit card purchases are reviewed and approved for appropriateness. Additionally, the District should revise its policy to require approval by an employee able to ensure the purchase is necessary and for district purposes.	Implemented at 6 months
3. The District should implement stronger password requirements related to password length and expiration.	Implemented at 12 months
4. The District should review employees' access in its computerized accounting system and limit access to only those accounting systems functions needed to perform their work.	Implemented at 18 months

Recommendation	Status/Additional Explanation
5. The District should review and eliminate unnecessary accounts with administrator-level access to its network.	Implemented at 6 months
6. The District should adequately protect its servers to reduce the risk of accidental damage.	Implemented at 12 months
7. The District should ensure that its change management process includes an independent review and approval before implementing changes into the production environment.	Implemented at 12 months
8. The District should complete its Information Technology (IT) contingency plan and test it periodically to identify and remedy any deficiencies.	Implemented at 12 months
9. The District should implement controls over its process for distributing and tracking building keys, including maintaining a complete and up-to-date distribution log, establishing a process for determining the access level given to employees, and ensuring all employees receiving keys complete a user agreement outlining the rules and policies to follow regarding the use of district keys.	Implemented at 18 months
10. The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.	Implemented at 12 months

FINDING 2: District did not sufficiently oversee transportation program

1. The District should work with the Consortium to ensure it understands how transportation service charges are calculated and ensure that the charges are accurate before processing payments.	Implemented at 24 months
2. The District should revise its IGA with the Consortium to outline the Consortium's specific responsibilities related to maintaining proper controls over fuel inventory and fuel card purchases, ensuring bus preventative maintenance is conducted in accordance with consortium policy and the State's <i>Minimum Standards for School Buses and School Bus Drivers</i> , and accurately calculating and reporting the number of miles driven by each of the member organizations.	Implemented at 24 months
3. The District should ensure that the Consortium is meeting its responsibilities as outlined in the IGA.	Implemented at 18 months

Recommendation**Status/Additional Explanation**

4. The District should accurately report to the Arizona Department of Education the number of miles driven to transport Yuma UHSD students.

Implemented at 12 months
