

Ganado Unified School District

District failed to maintain required accounting records, limiting the scope of our review; limited public access to some Board meetings and wasted more than \$48,000 on unnecessary travel; operated its schools far below capacity; and failed to comply with other important requirements putting public monies, student safety, and sensitive computerized data at risk

Audit purpose

To assess the District's spending on administration, plant operations and maintenance, food service, and transportation and its compliance with certain State requirements.

Key findings

- District's former superintendent did not respond to our requests for information and District failed to maintain required records for payroll, purchasing, and cash-handling transactions, thereby limiting the scope of our review and the transparency of its activities.
- District limited public access to some Board meetings by holding them out of town, which may have violated State law and resulted in more than \$48,000 of public monies being wasted for unnecessary travel expenses.
- District operated its schools far below capacity, using at least an estimated \$353,000 annually that may have been more effectively used for other priorities such as improving student achievement or increasing teacher salaries.
- District did not systematically perform school bus preventative maintenance, increasing risks to student safety.
- District's excessive access to sensitive computerized data and other IT deficiencies increased risk of unauthorized access to sensitive information, errors, fraud, and data loss.

Key recommendations

The District should:

- Comply with USFR requirements and increase its accountability and transparency by maintaining adequate supporting documentation for its payroll, purchasing, and cash-handling procedures and transactions.
- Consult with legal counsel and the Arizona Attorney General's Office to ensure that any District actions taken contrary to open meeting laws are appropriately addressed to be made valid.
- Discontinue holding Board meetings outside the District's boundaries.
- Evaluate its use of space and ways to reduce excess space to operate more efficiently and redirect savings to other District priorities.
- Develop and implement a formal, written bus preventative maintenance policy and maintain documentation to demonstrate compliance with its preventative maintenance policy.
- Develop and implement policies and procedures to enforce computer password requirements consistent with credible industry standards, annually review user access levels, and ensure computer and network infrastructure are properly maintained and up to date.