



An Osborn EducationSM

Osborn School District #8 ♦ 1226 West Osborn Road ♦ Phoenix, AZ 85013 ♦ (602) 707-2000 ♦ www.OsbornSchools.org

March 31, 2015

Debra Davenport
Auditor General
State of Arizona
2910 N 44th St., Ste 410
Phoenix, AZ 85018

RE: Response to 2011/12 Performance Audit Findings

Dear Ms. Davenport,

We respectfully submit the following responses to the 2011/12 Performance Audit conducted by the Arizona Auditor General's Office. The audit was thorough, well planned, and provided helpful insights and recommendations to areas that needed refinement. The audit team members were professional and respectful of all Osborn staff members and their time.

As stewards of public funds, ensuring fiscal responsibility is paramount to our mission. For this reason, an examination of our procedures and use of all funds only reinforces the transparency and responsiveness that we strive to achieve. To demonstrate this commitment, we have already implemented all of the recommendations provided by the audit team.

Osborn welcomes the opportunity to demonstrate continuous improvement, not only in student achievement but in our efficiency of operations. As responsible stewards, we shall continue our efforts to maintain safe, clean, and well maintained facilities which embody a welcoming and supportive learning and working environment for our students, parents, and staff.

Sincerely,

Patricia Tate
Superintendent

Clarendon School
4th - 6th grade
1225 W. Clarendon
Phoenix, AZ 85013
(602) 707-2200

Encanto School
Preschool - 3rd grade
1420 W. Osborn
Phoenix, AZ 85013
(602) 707-2300

Longview School
Preschool - 6th grade
1209 E. Indian School
Phoenix, AZ 85014
(602) 707-2700

Osborn Middle School
7th - 8th grade
1102 W. Highland
Phoenix, AZ 85013
(602) 707-2400

Solano School
Preschool - 6th grade
1526 W. Missouri
Phoenix, AZ 85015
(602) 707-2600

FINDING #1

Efficient practices kept food service costs low.

The District agrees with this positive finding and endeavors to maintain this quality program for our students.

FINDING #2

Transportation efficiency improved, but better oversight still needed.

The District agrees with this finding and has already implemented the recommendations. The District continuously monitors bus routes to improve efficiency both in bus capacity and fuel usage. The District continues to provide federally mandated transportation services to a high number of students in transition (homeless students), providing bus passes, shared pick-up/drop-off routes with other districts, and contracting with vendors. At the time of this response, the District is servicing 45 students, in FY14 70 students were serviced, and 77 students were serviced in FY13. The services provided to these students are in addition to the regular and special education routes and often require the use of vans in order to stay in compliance with this federal mandate. The district is currently utilizing 8-passenger vans driven by non-CDL employees to transport some of these students. Each year, the van drivers receive the same safety training as the CDL drivers and bus aids.

The District has corrected the calculation and reporting of miles driven and riders transported for students as directed through this audit. While the District provides routine preventative maintenance and necessary repairs on all vehicles, the information was not recorded in a central data base. This is an on-going project with progress being monitored by the Director of Transportation.

FINDING #3

District has taken action, but more needed to address high plant operations costs.

The District agrees with this finding and is currently working toward the recommendation. The District continues efforts to reduce plant operation costs. Efforts include changing light fixtures to high efficiency units, installing an energy management system district-wide to monitor HVAC usage levels, and monitoring the vacancy rate at each school site. Unused classrooms are cleaned and locked to conserve on both cleaning resources and utility costs. This is an on-going effort.

The District currently rents space at our closed facility and has established a task force with members from the community to work on recommendations for the future use and/or disposition of the facility.

FINDING #4

Some computer controls need strengthening.

The district agrees with this finding and has implemented the recommendations. The District office functions with very limited staff. Safeguards are in place to ensure that job responsibilities are spread to as many staff members as possible. System access roles for all staff members have

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been reviewed and updated to ensure compliance. The District has also implemented an automated password update which requires new, longer passwords every 90-days.

OTHER FINDINGS

The district agrees with the “Other Findings” and has implemented the recommendation. The Director of Finance established a “cross-check” procedure immediately after this happened, to ensure that this does not occur again. The Payroll Lead position deposits the payroll deduction checks into the appropriate bank account and then calls in the ACH transfer. All of this documentation is then given to the Accounting Assistant who verifies the timeliness of the transactions to ensure compliance. This particular situation involved the timely deposit of the deduction checks but the failure to initiate the ACH transfer in a timely manner due to a family tragedy. The implemented “cross-check” procedure is working well. The Director of Finance continues to work with site administrators in regards to the timely submission of documentation to facilitate timely payments to all vendors. This is an on-going endeavor.

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