

We Make a Positive Difference

We focus on helping Arizona governments, such as State agencies, universities, counties, community college districts, school districts, and other entities work better by reviewing the way they operate and making recommendations to improve so they are spending public monies efficiently and effectively. In fiscal year 2020, we issued 197 audits, reviews, investigations, and followups with 628 recommendations.

Performance audits and sunset reviews

19 reports | 196 recommendations

As the name indicates, our performance audits assess how various entities, such as State agencies and school districts, are providing services to Arizona's citizens. We include recommendations to guide these entities so they can better serve the public. Sunset reviews help the Legislature decide whether to continue an agency or "sunset" (terminate) it.

Followups

54 followups

We follow up with the entities we have audited at regular intervals to assess how many of our recommendations they have implemented and their status.

Recommendations implemented

 Agencies/school districts **88%**  Legislative **100%**

Financial investigations and alerts

8 reports | 16 recommendations

We investigate Arizona governments when we receive allegations that public monies are being misused. If we uncover criminal violations, we submit our findings to prosecutors for independent reviews, then issue this information to the public after the prosecutor files a criminal indictment or complaint. We also help deter and prevent criminal activity by issuing timely alerts; for example, ways to detect fraud.

Financial and federal compliance audits

46 reports | 379 recommendations

These audits help ensure Arizona governments are properly accounting for and reporting their finances. Federal compliance audits examine how these governments account for federal money in Arizona and help ensure this money is being used in accordance with federal requirements.

Accountability reviews

65 reports | 1 recommendation

These reviews, such as school district compliance reviews and county and community college district expenditure limitation reports, check to help ensure public monies are protected and accounted for and that government entities are following certain State laws and regulations, including those related to school district financial records and limits on county and community college district spending.

Special audits/reviews

5 reports | 36 recommendations

We conduct these reviews when specific laws require them, or when the Joint Legislative Audit Committee requests them. In 2020, these reviews included an audit of the Arizona Department of Education—Empowerment Scholarship Accounts Program. We found that the Department provided some customers with poor-quality information through its phone service and took nearly 5 days to respond to voicemail/email inquiries. The Department also exceeded its 45-day Program application decision for 55 percent of applications it received between July 2017 and October 2019. We also found that although the Department has made progress in implementing the recommendations from our 2016 audit, several issues persist, including it releasing a parent's/guardian's and children's personal information when fulfilling some public records requests. We recommended that the Department ensure staff provide high-quality customer service by implementing customer service performance management policies, procedures, and metrics; notify parents/guardians of application decisions within the 45-day statutory time frame; and ensure it protects sensitive personal information.

We Add Value by...



Lowering Costs

We provided a State-wide analysis of school district spending, and in our school district performance audits we made recommendations to help districts reduce costs by reviewing high salaries, staffing levels, and excess school building space. For example, we identified that the Gadsden Unified School District (District) wasted more than \$65,000 in public monies on unnecessary travel in fiscal years 2015 through 2019 by sending staff and Board members to California for Governing Board meetings. When we asked District officials about their decision to hold this meeting out of State, they responded that the District held this meeting in California to limit interruptions from the public. We also reported that the District was overfunded by about \$218,000 in State monies in fiscal year 2019 because it incorrectly reported the number of bus miles driven and the number of students who rode the bus.



Uncovering Fraud

Our financial investigations look into allegations such as theft, fraud, misuse of public monies, and conflict of interest. For example, our investigation of the Valley Academy for Career and Technical Education (VACTE) found that a former business manager had embezzled VACTE monies when she issued 5 unauthorized warrants totaling \$19,851 for her personal purposes and used a VACTE credit card to make personal purchases totaling \$10,746. This individual was indicted on 19 felony counts related to theft, misuse of public monies, fraudulent schemes, computer tampering, and forgery. We also investigated an allegation of financial misconduct at the Ray Unified School District (District). Our investigation revealed that the District's former business manager had embezzled \$38,333 from the District and \$900 from a nonprofit youth sports organization for her own personal purposes. She was indicted on 19 felony counts related to theft, misuse of public monies, fraudulent schemes, and computer tampering, and 2 misdemeanor theft counts.



Helping Government Work Better

In addition to uncovering fraud and finding ways to save taxpayers' money, we focus on improving the way governments operate. Our performance audit of the Arizona Board of Regents (ABOR), which is the governing body of the State's 3 universities, found that ABOR is authorized to own and lease property for the benefit of the State and the universities' use, but its lack of written guidance for implementing its real estate policies and approving commercial subleases increases the risk of inappropriate use of public resources leased to private parties. Also, the operation of some ABOR property lacked oversight and accountability, resulting in the inappropriate use of proceeds and limited transparency. Finally, ABOR lacks a complete property listing and other property management information, limiting its ability to oversee and manage its property.

We Provide High-Impact Training



Our staff, through free trainings, presentations, webinars, workshops, technical assistance, and other outreaches, provide Arizona governments with information to help them improve the value of their services to the State's citizens. We train employees of other State agencies, counties, school districts, community colleges, cities and towns, and other government entities.

Training statistics



23 trainings



2,209 attendees

Key training topics



IT security controls



Accounting standards



School district procurement



School district financial risk analysis



Fraud prevention and detection

We Receive National Recognition



We received an award for our high-quality work from the National Legislative Program Evaluation Society (NLPES) for our audit of the Arizona Department of Revenue—Transaction Privilege Tax (TPT). NLPES presented us with this award for providing valuable information to the Legislature and the public about this tax and how implementing our recommendations would benefit the State.