

## Parker Unified School District

**CONCLUSION:** In fiscal year 2017, Parker Unified School District's (District) student achievement was slightly higher than districts' in its peer group, and its operational efficiencies in noninstructional areas were mixed. Specifically, the District spent less than its peer districts on administration and operated an efficient food service program. However, the District spent more on its plant operations and its transportation program and lacked some internal controls in these noninstructional areas. We identified about \$1.1 million in potential annual operational cost savings in noninstructional areas, or about \$600 per pupil—savings that could be spent on instruction. Lastly, the District should strengthen some of its accounting, computer, and building access controls.

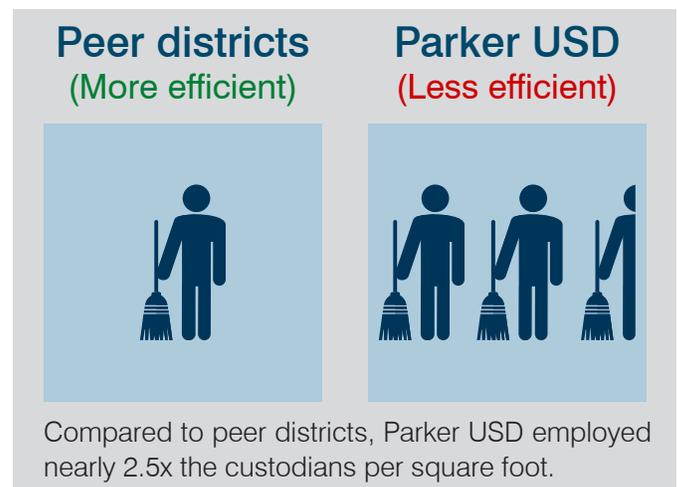
### Potential annual noninstructional savings Based on fiscal year 2017 data

Recommendation	Total	Per pupil
Reduce excess building space	\$ 612,572	\$327
Reduce custodial staffing	218,042	116
Reduce plant supply spending	201,647	108
Reduce transportation supply spending	51,359	27
Reduce bus driver overtime	28,302	15
Reduce fuel spending	18,127	10
<b>Total potential annual savings</b>	<b>\$1,130,049</b>	<b>\$603</b>

## District spent more on plant operations and may save \$1 million annually by implementing changes

**District maintained excess building space**—The District maintained excess building space by operating its schools at just 63 percent of their total designed capacities in fiscal year 2017. The District can reduce its excess building space by operating 1 less elementary school and distributing its students to other District schools. The District could save over \$600,000 in plant operations costs alone if it operated 1 less school and likely would experience additional savings in school administration and food service.

**District employed more custodians than peer districts**—If the District had staffed its custodians at the same level as its peer districts averaged, it could have employed 8 fewer full-time custodians and saved about \$218,000. Additionally, if the District reduced its excess building space as discussed in the previous section, it could further reduce its custodial staffing by about 2 full-time custodians, potentially saving another \$51,000.



**District spent more than double peer districts' average on general plant supplies and lacked controls to safeguard them**—The District did not monitor or track its general plant supplies spending to ensure it had adequate controls over supplies, including inventory controls. This lack of controls may have contributed to its higher spending on plant operations. If the District had spent at the peer districts' average for its general plant supplies, it could have saved about \$200,000 in plant operations costs.

## Recommendations

The District should:

- Evaluate excess building space at its schools and determine and implement ways to reduce it.
- Review its custodial staffing levels and determine and implement ways to reduce plant operations costs.
- Monitor and track its spending on general plant operations supplies to determine what causes its high spending and implement ways to reduce it, including improving controls over its supplies inventory.

## District could have saved almost \$100,000 in its transportation program and obtained more transportation funding

**District spent more on general transportation supplies than peer districts, lacked controls to safeguard its supplies, and lacked documentation to demonstrate it regularly maintained buses**—The District did not monitor or track its general transportation supplies spending to ensure that it had adequate controls over supplies, including inventory controls. This lack of controls may have contributed to its higher transportation spending. If the District had spent at the peer districts' average for its general transportation supplies, it could have saved about \$51,000 in transportation costs. Additionally, the District could not demonstrate that it regularly maintained its school buses, which helps ensure students' safety and extend the useful life of its school buses.

**District spent more on bus driver salaries and benefits than peer districts**—In fiscal year 2017, the District spent more on bus driver salaries and benefits because it paid out almost \$100,000 in overtime wages for bus-driving duties. However, the District likely could have saved over \$28,000 in salaries and benefits if it had better utilized its available bus drivers and allocated driving duties to those bus drivers who were scheduled to work fewer than 40 hours per week.

**District spent more on bus fuel than peer districts and lacked adequate controls**—In fiscal year 2017, the District spent more on bus fuel because it did not take advantage of all fuel tax exemptions available to it and potentially because it did not adequately control its fuel inventory. If the District had spent at the peer districts' average for fuel, it could have saved about \$18,000 in transportation costs.

**District incorrectly reported transportation information for State funding purposes**—In fiscal year 2017, the District incorrectly reported miles and riders to the Arizona Department of Education (ADE) for State funding purposes, resulting in the District being underfunded by about \$183,000 in State monies.

## Recommendations

The District should:

- Monitor and track its general transportation supplies spending and implement ways to reduce it, including ensuring that school bus preventative maintenance is conducted in a systematic and timely manner.
- Review its transportation staffing levels and assignments and determine and implement ways to reduce costs.
- Review its transportation fuel spending and determine and implement ways to reduce it, including taking advantage of all fuel tax exemptions available to it and improving controls over its fuel inventory.
- Accurately calculate and report miles and riders to ADE for State funding purposes and work with ADE regarding needed corrections to its transportation funding reports until all funding errors are corrected.