

## Saddle Mountain Unified School District

**District's lack of compliance with important requirements and standards put public monies and sensitive information at an increased risk of errors, fraud, unauthorized access, and data loss and put student safety while being transported 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 spent less per pupil on administration than peer districts but did not follow its own policies and procedures and lacked some controls, which increased risk of errors and fraud and led to improper payments.
- District's excessive access to sensitive computerized data and other information technology (IT) deficiencies increased risk of unauthorized access, errors, fraud, and data loss.
- District spent less on transportation than peer districts but did not timely maintain its school buses and sometimes transported students in unallowable vans, putting student safety at risk.
- District's spending on plant operations and food service was similar to/lower than peer districts' spending, on average, and we did not report any findings in these areas.

### Key recommendations

The District should:

- Identify and correct all overpayments made to employees and develop and implement a process to ensure employees are paid accurately.
- Review its purchasing, cash-handling, and credit card policies and procedures with staff and monitor that they follow them.
- Limit users' access to accounting system and periodically review users' access.
- Review industry password standards at least annually and implement and enforce strong network password requirements.
- Immediately disable accounts associated with terminated employees.
- Conduct security awareness training on a regular basis.
- Review IT contingency plan annually.
- Develop and implement a formal bus preventative maintenance policy and ensure that required maintenance is identified and completed in accordance with its policy.
- Stop using vans to transport students.