

Yarnell Elementary School District

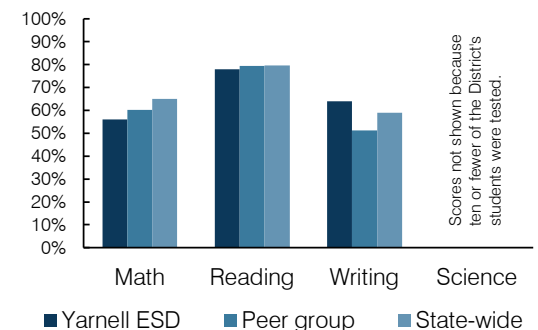
CONCLUSION: In fiscal year 2013, Yarnell Elementary School District's student AIMS scores were similar to or higher than peer districts' averages, and the District's efficiency in noninstructional areas was mixed, with some costs higher and some lower than peer districts'. The District's administrative costs per pupil were higher than peer districts', on average, but only because it had fewer students. The District's plant operations costs were lower in part because it spent less on salaries and benefits than peer districts, but a poorly maintained facility on district property raises health and safety concerns and could expose the District to potential liability. Further, the District had high food service program costs, and it had to subsidize over one-half of its program's costs with monies that otherwise potentially could have been spent in the classroom. Lastly, the District's transportation costs were higher primarily because it had higher salary and benefit costs and higher fuel costs than the peer districts averaged. Additionally, the District did not collect all revenue it was due from a neighboring school district, did not ensure that bus driver certification and bus preventative maintenance requirements were met, and misreported student transportation information for state funding purposes.

Student achievement and operational efficiency

Student achievement—For very small districts such as Yarnell ESD, year-to-year changes in student populations can greatly impact year-to-year student AIMS scores. In fiscal year 2013, Yarnell ESD's math and reading scores were similar to peer districts' averages, and its writing scores were higher. Scores for science were not reported because ten or fewer of the District's students were tested. Under the Arizona Department of Education's A-F Letter Grade Accountability System, Yarnell ESD received an overall letter grade of C for fiscal year 2013. Of the ten districts in the peer group receiving letter grades, two also received Cs, one received an A, six received Bs, and one received a D.

District's operational costs mixed—In fiscal year 2013, Yarnell ESD's efficiency in noninstructional areas was mixed, with some costs higher and some lower than peer districts'. Specifically, the District's administrative costs per pupil were higher than peer districts', on average, but only because it had fewer students. The District's plant operations costs were lower in part because it spent less on salaries and benefits than peer districts. However, the District's food service program had high costs, and the District had to subsidize over one-half of its food service program's costs with monies that otherwise potentially could have been spent in the classroom. Lastly, the District's transportation costs were higher primarily because it had higher salary and benefit costs and higher fuel costs than the peer districts averaged.

Percentage of students who met or exceeded state standards (AIMS) Fiscal year 2013



Comparison of per pupil expenditures by operational area Fiscal year 2013

	Yarnell ESD	Peer group average
Administration	\$3,189	\$2,572
Plant operations	1,792	2,148
Food service	1,312	851
Transportation	1,321	1,056

Improvements needed to lower costs and improve controls over transportation program

The District's fiscal year 2013 \$2.29 per mile transportation costs were 40 percent higher than the peer districts' \$1.64 per mile average. These higher costs were primarily due to higher salary and benefit costs and higher fuel costs. In addition, Yarnell ESD did not bill a neighboring elementary school for all of the students that it transported. This oversight resulted in a \$3,000 loss in revenue. Further, Yarnell ESD did not ensure bus driver certification and bus preventative maintenance requirements were met, and it overstated its fiscal year 2013 route mileage by nearly 16,000 miles. This error resulted in the District being overfunded by \$32,200 of state monies in fiscal year 2014.

Recommendations

The District should:

- Review its transportation employee benefit costs.
- Implement proper controls over its fueling process.
- Work with the neighboring elementary school district for which it provided transportation to recover underpayments.
- Implement procedures to ensure that bus driver certification and bus preventative maintenance requirements are met.
- Accurately calculate and report transportation information for state funding purposes.

District may be able to reduce food service program costs and subsidy

Yarnell ESD's fiscal year 2013 cost per meal of \$5.53 was 12 percent higher than the peer districts' average of \$4.93. Additionally, it was much higher than the \$1.55 per meal that the District charged students and the \$2.90 federal reimbursement rate for students eligible for free lunches through the National School Lunch Program. As a result, the District subsidized its food service program with over \$30,500 that otherwise potentially could have been spent in the classroom. The District may be able to take steps, such as improving meal-production procedures, implementing stronger inventory procedures, and comparing prices among vendors, to reduce its food service program costs and need to subsidize its program. Additionally, the District should consider increasing its student meal price, which would also help it reduce its food service program subsidy.

Recommendations

The District should:

- Consider and implement methods to better determine the number of meals needed each day.
- Begin tracking and monitoring its food inventory.
- Follow competitive procurement requirements, including comparing prices among vendors.
- Consider increasing its student meal price to help reduce its food service program subsidy.

Poorly maintained facility on district property raises health and safety concerns and could expose District to potential liability

During tours of Yarnell ESD's facilities, we observed a poorly maintained district-owned residence located near the District's school building. The building's proximity to the school and lack of a fence or functioning locks on the doors pose health and safety concerns and expose the District to potential liability if someone were to enter the residence. Specifically, we noted that the residence had exposed electrical wiring, large hornet nests, broken glass, and rat feces littering the floor and much of the surrounding area. Additionally, school materials and student records stored in the residence were at risk for possible theft or misuse of personal information.

Recommendation

The District should address any health and safety concerns related to its district-owned residence and secure or properly dispose of any school materials or student records stored in it.