Sharlene Navaho, Interim
Superintendent, M.A.Ed.

Adelbert Goldtooth, M.A.
Interim Human Resources

Leah Begay, M.A. Business
Manager

Tuba City Unified School District

"A CULTURE OF EXCELLENCE"

P.O. Box 67, Tuba City, Arizona 86045 ♦ Phone: (928) 283-1006 ♦ Website: www.tcusd.org

July 3, 2017

State of Arizona
Office of the Auditor General
Ms. Debra Davenport
2910 N 44th Street, Suite 410
Phoenix, AZ 85018

Re: Tuba City Unified School District Performance Audit

Dear Ms. Davenport:

Tuba City Unified School District #15 has received and reviewed the Preliminary Draft
Performance Audit for Fiscal Year 2015. Tuba City Unified would like to extend its appreciation to
your staff for their professionalism and patience throughout this process. The information shared
throughout the process has provided Tuba City Unified with an opportunity to continue to refine its
procedures and make improvements toward continued efficiency, compliance and transparency. The
District will continue to strive toward compliance in all areas and will comply with the
recommendations as noted in the District's response, which is enclosed.

If you have any questions or concerns, please do not hesitate to contact me at (928) 606-1269.

Sincerely,

Sharlene Navaho
Interim Superintendent

cc: Leah Begay, TCUSD Business Manager
        Adelbert Goldtooth, TCUSD Interim Human Resource Director

Ronald Begay	**Mary Worker**	**Evelyn Kiyaani**	**Lee Tsinigine**	**Marie B. Acothley**
Board President	*Board Clerk*	*Board Member*	*Board Member*	*Board Member*

Finding 1: District had higher administrative costs and lacked adequate accounting and computer controls

District Response: The district agrees with the findings and will evaluate staffing levels at the district's schools and in the central services.

Recommendation 1: The District should review its administrative positions and related duties and determine and implement ways to reduce administrative costs.

District Response: The district will review all current positions coded at the administration level and make changes as necessary.

Recommendation 2: The District should implement proper controls over its payroll process to ensure proper separation of responsibilities.

District Response: Personnel responsibilities have been redirected back to human resources. Payroll clerk is no longer performing personnel duties.

Recommendation 3: To help ensure it receives the best price for goods and services, the District should follow procurement requirements found in the *Uniform System of Financial Records for Arizona School Districts* as well as its own procurement policies when purchasing goods and services.

District Response: The business office received procurement training and currently utilizing Mohave and state contracts.

Recommendation 4: The District should strengthen its controls over cash handling, including tracking all student fees to ensure it is receiving all cash that is collected, ensuring that receipts are issued for all cash collected, making timely deposits, and ensuring the separation of cash collection duties performed at the District's business office, including preparing and making bank deposits.

District Response: Student activities clerk reviews the documentation, the Business Accountant reconciles in QuickBooks to the bank statements. Coconino county office has changed to Chase bank which will allow the district to make deposits within allocated time.

Recommendation 5: The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.

District Response: The district has updated its account codes and has implemented the recommendations provided by the Auditor General's office.

Recommendation 6: The District should implement and enforce stronger password requirements related to password length, complexity, and expiration.

District Response: The district will enforce the Password Policy the district has in place, with emails notifying the end-user on when to change their passwords.

Recommendation 7: The District should limit employees' access in the accounting system to only those accounting system functions needed to perform their work.

>   District Response: The district has made changes since the audit and only the district's technology director can add both to the system through Active Directory and Within Infinite Visions itself. The business manager and business accountant have administrator access but are not super-users, these individuals can assign visions users to their assigned budget containers.

Recommendation 8: The District should review and consider reducing the number of users with administrator-level access to its computer network and systems.

>   District Response: The district cleaned-up user-access, only the technology director and two technicians have admin-level access to install software and run updates. Only one vendor has access to server maintenance only for updates and troubleshooting purposes.

Recommendation 9: The District should develop and implement a formal process to ensure that terminated employees have their computer network and systems access promptly removed.

>   District Response: The district will implement a formal process to ensure terminated employees' access to the computer network and systems has been promptly removed.

Recommendation 10: The District should encrypt its wireless network.

>   District Response: All wireless networks encrypted now there are no open wi-fi networks district-wide.

Recommendation 11: The District should review its contingency plan to ensure it is complete and test it periodically to identify and remedy any deficiencies. Additionally, the District should store backup drives in a secure location, separate from its server.

>   District Response: The district has corrected this deficiency. The district backs-up onsite and now back-up to an off-site location for Disaster Recovery Purposes.

Finding 2: District spent more on plant operations primarily for excess building space

>   District Response: The district agrees with the findings and will make an effort to reduce the amount spent on plant operations.

Recommendation: The District should continue to review the use of space at each of its schools and determine and implement ways to reduce identified excess space.

>   District Response: The district will make an effort to reduce the amount of excess space at each of our schools.

Finding 3: District needs to improve transportation program oversight

>   District Response: The district agrees with the findings and will implement the recommendations.

Recommendation 1: The District should develop and implement procedures to ensure that bus driver certification requirements are met and documented in accordance with the State's *Minimum Standards*.

> Dictrict Response: The district will ensure the bus driver certification requirements are met and documented in accordance with the State's Minimum Standards.

Recommendation 2: The District should develop and follow formal bus preventative maintenance policies that ensure the safe operation of its buses in accordance with the State's *Minimum Standards*.

> District Response: The district will properly maintain maintenance records for all district vehicles and this will include school busses.

Recommendation 3: The District should accurately calculate and report to the Arizona Department of Education the actual number of riders transported for state funding purposes.

> District Response: The district will ensure proper reporting of all students transported to Arizona Department of Education.

Other Findings: District did not follow all requirements for its English Language Learner program

> District Response: The district agrees with the findings and will make an effort to follow the requirements for the English Language Learner program.

> **Recommendation:** The District should ensure that it develops and follows an ADE-approved corrective action plan or ADE-approved alternative model that corrects all deficiencies in its ELL program.

> District Response: The district will implement the corrective action plan as outlined by ADE during the last monitoring visit.