

Cochise Elementary School District

District needs to improve its oversight of its transportation program and potentially harmful surplus equipment to ensure student safety, and District's high food costs and low meal prices cost it about \$14,000

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 put student safety at risk by not ensuring school buses were maintained; did not maintain documentation that bus drivers met all certification requirements; and misreported miles, resulting in nearly \$10,000 of underfunding.
- District did not restrict student access to and dispose of potentially harmful surplus equipment.
- District's high food costs and low meal prices cost it about \$14,000 in monies that could have been spent on instruction.
- District did not appropriately limit user's accounting system access to decrease risk of errors and fraud, and misclassified expenditures resulting in inaccurate financial reporting.

Key recommendations

The District should:

- Review the State's *Minimum Standards for School Buses and School Bus Drivers* to ensure it is aware of and complying with all requirements related to school bus inspections, repairs, and maintenance.
- Review the Arizona Department of Education's (ADE) most recent transportation guidance and accurately calculate and report to ADE the number of route miles traveled for State funding purposes.
- Restrict student access to potentially harmful surplus equipment and dispose of any surplus equipment in accordance with the Arizona Administrative Code.
- Implement more efficient practices in its food service program to reduce its spending.
- Increase its food service program revenues and reduce its need to subsidize its food service program with monies that could be used for instruction.
- Limit accounting system access to ensure a single user cannot initiate and complete payroll and purchasing transactions.
- Review the Uniform Chart of Accounts for School Districts and implement its guidance to accurately classify all expenditures when reporting its spending.