



BUCKEYE

ELEMENTARY SCHOOL DISTRICT #33
A community passionate about student success

December 16, 2021

State of Arizona
Office of the Auditor General
Lindsay Perry, Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85018-7271

Attn: Ms. Lindsey Perry, Auditor General
Ms. Christine Haidet, Audit Manager

Dear Ms. Perry:

Buckeye Elementary School District has received and reviewed the Performance Audit Report. As noted in our response to the specific findings and recommendations, we have already begun to implement many of the recommended corrective actions. We look forward to implementing the remaining recommended actions in the near future.

Please find the attached response to each finding and recommendation.

Respectfully,

Dr. Kristi Wilson
Superintendent

Finding 1: District's plant operations and maintenance spending was 18 percent more per square foot than peers with higher spending on electricity due to disadvantageous solar contract terms and water and sewage due to higher water usage and cost per gallon

District Response: The District agrees with the finding.

The District had been concerned with its expenditures on electricity and had already begun to take steps to address these concerns prior to this performance audit. As noted in the report, the District has contracted with a utility management consultant to perform a return-on-investment analysis and to assist the District in negotiations with its solar power systems vendor.

The utility management consultant also provides ongoing analysis of current power and water usage at each of the District's school sites and meets with District staff at least quarterly to identify ways in which the District can save money on its utility costs.

In addition, the District engaged legal counsel prior to the performance audit and continues to consult with its attorneys to ensure all legal avenues to address its outstanding contracts and liabilities are pursued.

Recommendation 1: The District should consult with its legal counsel to determine whether it can negotiate a lower per kilowatt hour rate for solar energy and either modify or terminate its contract.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will continue to consult with its legal counsel.

Recommendation 2: The District should work with its solar power systems vendor to either decrease the size of its solar power systems, connect them to meters that have a usage level more in line with each system's output, or find some other means to reduce the amount of excess solar power its systems produce to decrease the amount of monies the District loses from excess solar kilowatt hour produced by its solar systems.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will continue to pursue negotiations with its solar power systems vendor.

Recommendation 3: The District should review its water usage and rates to determine how they can be reduced and implement usage and rate reduction methods.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will continue to meet with its utility management consultant at least quarterly to review ways in which it can save on its water costs and implement usage and rate reduction methods where possible while ensuring that District school grounds are appropriately maintained.

Finding 2: 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

District Response: The District agrees with the finding.

Recommendation 4: The District should review its purchasing policies and procedures with appropriate staff and monitor that they follow them to ensure that:

a. All purchases and payments are independently reviewed and approved by authorized District officials prior to the purchases being made.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will continue to review its purchasing policies and procedures with appropriate staff to ensure that purchases are independently reviewed and approved by authorized District officials before purchases are made.

b. Vendors are paid only after authorized District employees verify that all purchases have been received and billings are accurate.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will continue to review its purchasing policies and procedures with appropriate staff to ensure that vendors are paid only after authorized District employees verify that goods or services have been received and that billing amounts are accurate.

Recommendation 5: The District should implement additional procedures to help ensure employees follow required purchasing procedures, including additional training or penalties for repeat offenses, among other options.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will implement additional procedures help ensure employees follow required purchasing procedures.

Recommendation 6: The District should limit users' access in the accounting system to only those accounting system functions needed to perform their job duties, including removing the administrator-level access from the business office employee.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will limit its accounting system users' access to only functions needed to perform job duties.

Recommendation 7: The District should develop and implement a process to assign new users appropriate access in the accounting system, a process to change employees' access if their assigned duties change, and a process to periodically review users' access to ensure employees have only the access necessary to accomplish their job duties.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District agrees with this recommendation and will develop and implement a comprehensive process to ensure all current and new users have only the appropriate accounting system access and will review all users' access regularly.

Recommendation 8: The District should review and reduce the number of users with administrator-level access to its network, and develop and implement a process to periodically review users with administrator-level access to ensure it is necessary for their job duties.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District has reviewed and reduced the number of user accounts with administrator-level access, and the District will implement a process to periodically review users with administrator access.

Recommendation 9: The District should review industry password standards at least annually and implement and enforce strong network password requirements to decrease the risk of unauthorized persons gaining access to its network and disrupting operations.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District has implemented strong network password requirements that meet NIST standards and will continue to review and update its password requirements at least annually.

Recommendation 10: The District should immediately disable or remove all network and accounting system accounts associated with terminated employees and review and adjust its process to ensure that terminated employees have their access promptly removed.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District has disabled all network and accounting system accounts associated with terminated employees and will adjust its process to ensure that terminated employees have their access promptly removed.

Recommendation 11: The District should require all employees to participate in a security awareness training if they have not done so in the past year.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will require all employees to participate in a security awareness training.

Recommendation 12: The District should establish and implement a District policy to conduct security awareness training on a regular basis, at least annually.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District will require all employees to participate in a security awareness training at least annually.

Recommendation 13: The District should review its IT contingency plan to ensure it is complete; test its plan at least annually to identify and remedy any deficiencies, which should include testing the District's ability to restore electronic data files for critical systems from backups; and document the test results.

District Response: The District agrees with the recommendation and will implement the recommendation.

The District had already implemented most of the key components of an IT Contingency Plan with unwritten procedures prior to the time of the audit.

The District will review its IT Contingency Plan and update it to ensure that it is complete. The District will test the plan at least annually to identify and remedy any deficiencies. The District will continue to test its ability to restore electronic data files for critical systems, and the District will document the test results.