



Alhambra School District No. 68

4510 North 37th Avenue • Phoenix, Arizona 85019
(602) 336-2920 • Fax (602) 336-2266

July 26, 2010

Debra Davenport
Auditor General
2910 North 44th Street, Suite 410
Phoenix AZ 85018

RE: Response to Alhambra Elementary School District FY2009 Performance
Audit

Dear Ms. Davenport:

Alhambra ESD respectfully submits its response to the performance audit of FY2009. The audit indicated three main findings and one other, less significant area of concern.

Attached is the District's response to each of the findings in the report. Each response indicates whether the District does or does not agree with the findings and recommendation and whether the District will implement the recommendation, will implement a modification to the recommendation, or will not implement the recommendation.

Thank you for the courtesy and professionalism extended to our staff by your audit team. We appreciate the worthwhile interaction throughout the audit process.

Sincerely,

Karen E. Williams, Ed. D.
Superintendent

ATTACHMENT

Finding 1: Energy conservation program results in significantly lower electricity costs

We appreciate your recognition of our efforts to lower electricity costs throughout the district. We have shared our approach to lower costs with several school districts within Maricopa County.

Finding 2: More food service employees led to higher costs

We agree with the finding and the recommendation. We will evaluate our food service operations and determine if they can be modified to reduce staffing levels and produce cost savings while maintaining existing quality and service levels.

Finding 3: Shift in spending indicates possible supplanting violations

We agree with the finding that a shift in spending could indicate possible supplanting violations, but assert that is not the case in the District.

Recommendation 3.1 states the District should ensure that CSF monies are used to supplement rather than supplant other monies. We agree with the recommendation but disagree with the implication that District CSF monies have been used to supplant, and not supplement, other monies. All expenditures of CSF monies have been, and will be, to supplement, and not supplant, other monies.

Recommendation 3.2 states that to meet USFR and statutory requirements, the District should record and account for all revenues and expenditures in the separate Classroom Site Funds throughout the year and not just at year-end. We agree with the recommendation and have already changed our procedures for FY2011 so that all revenues and expenditures will be recorded in the separate Classroom Site Funds throughout the year.

Other Finding: District did not accurately report its costs

We agree with the finding and recommendation. The District will classify all transactions in accordance with the Uniform Chart of Accounts for school districts.