



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

February 18, 2011

The Honorable Rick Murphy, Chair
Joint Legislative Audit Committee

The Honorable Carl Seel, Vice Chair
Joint Legislative Audit Committee

Dear Senator Murphy and Representative Seel:

Our Office has recently completed a 24-month followup of the Apache Junction Unified School District's implementation status for the 16 audit recommendations presented in the performance audit report released in February 2009. As the attached grid indicates, all 16 recommendations have been implemented.

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our follow-up work on the District's efforts to implement the recommendations resulting from the February 2009 performance audit.

Sincerely,

Ross Ehrick, CPA
Director, Division of School Audits

RE:bl
Enclosure

cc: Dr. Chad Wilson, Superintendent
Governing Board
Apache Junction Unified School District

APACHE JUNCTION UNIFIED SCHOOL DISTRICT

Auditor General Performance Audit Report Issued February 2009 24-Month Follow-Up Report

Recommendation	Status/Additional Explanation
CHAPTER 1: Administration	
1. The District should evaluate whether it can reduce the number of administrative positions to produce cost savings, especially in central administrative support positions.	Implemented at 6 months The District reviewed administrative staffing and reduced five positions, including an associate superintendent, an administrative assistant, and three support positions, saving over \$200,000 annually.
2. The District should monitor and limit employee vacation accruals to ensure compliance with its policy.	Implemented at 6 months
3. The District should implement proper access controls over its accounting system so that individual employees do not have the ability to initiate and complete a transaction without an independent review and approval. Further, the District should also ensure that access to the system is promptly eliminated for terminated employees.	Implemented at 12 months
4. The District should improve password controls over its accounting system by requiring users to change assigned passwords to a confidential one and requiring users to change their passwords periodically.	Implemented at 24 months
CHAPTER 2: Student transportation	
1. To aid in evaluating the costs and efficiency of its transportation program, the District should develop and monitor performance measures, including cost per mile, cost per rider, driver productivity, bus-capacity utilization, and ride times.	Implemented at 12 months For fiscal year 2010, the transportation department altered walking boundaries and evaluated its bus routes, eliminating over 100 bus stops and reducing the need for five buses. The District has also begun monitoring its transportation cost measures, reviewing bus-capacity utilization, and assigning additional duties for drivers during nondriving time.

Recommendation

Status/Additional Explanation

CHAPTER 3: Plant operation and maintenance

-
- | | |
|---|---|
| 1. The District should review staffing levels to determine whether the number of plant operation and maintenance positions can be reduced. | Implemented at 6 months
The District reviewed grounds, maintenance, and custodial staffing and eliminated six full-time equivalent positions, saving over \$125,000 annually. |
| <hr/> | |
| 2. The District should continue evaluating its intergovernmental agreement with the City of Apache Junction in light of the costs to the District and the pending reduction of the excess utility budget adjustment. | Implemented at 6 months
The District has reduced some of its costs associated with the Community Park by no longer watering some fields and using alternative water sources for some fields. Additionally, the City of Apache Junction has begun paying for chemicals used in the community pool. |
| <hr/> | |
| 3. The District should continue evaluating alternatives to reduce its water costs, such as conversion to desert landscaping, and should also investigate other alternatives, such as the use of grey or well water. | Implemented at 6 months
The District has developed a process to monitor water usage and cost, and it has significantly reduced water usage at most of its school sites by converting areas to desert landscaping. Further, the District has reduced costs by expanding its use of well water. |
| <hr/> | |
| 4. The District should rebid its copier maintenance agreement and select the lowest, responsive, responsible bidder. | Implemented at 6 months
The District has rebid its copier maintenance agreement for fiscal year 2010, and the new contract costs less than half of the previous agreement. Further, the new contract includes copier supplies that were previously an additional cost. |
| <hr/> | |
| 5. The District should reevaluate its copier maintenance contract each year to determine if the contract is still advantageous to the District. If the contract is not in its best interest, the District should obtain and evaluate other proposals to perform the services. | Implemented at 6 months
The District has rebid its copier maintenance contract and entered a lower-cost contract. It plans to evaluate the vendor's service quality and costs at the end of each year. |
-

CHAPTER 4: Proposition 301 monies

-
- | | |
|--|---|
| 1. The District should ensure that only eligible employees receive Proposition 301 monies. | Implemented at 6 months
The District developed a process to review performance pay and ensure only eligible employees receive the monies. |
| <hr/> | |
| 2. The District should reimburse the Classroom Site Fund from other district monies for the employee healthcare benefits that were inappropriately paid with Classroom Site Fund monies. | Implemented at 6 months
The District has reimbursed the Classroom Site Fund. |
-

Recommendation**Status/Additional Explanation****CHAPTER 5: Classroom dollars**

-
- | | |
|--|--|
| 1. The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts. | Implemented at 6 months
The District has corrected the coding issues identified during the performance audit. |
| <hr/> | |
| 2. The District should closely analyze its spending in noninstructional areas to determine if savings can be achieved and whether some of those monies can be redirected to the classroom. | Implemented at 6 months
As identified in this report, the District reduced costs in several operational areas, and those savings can be redirected to the classroom. |
-

CHAPTER 6: English Language Learner programs, costs, and funding

-
- | | |
|--|--|
| 1. For fiscal year 2009, the District should expand its English language development instruction to align with the models adopted by the ELL Task Force in September 2007. | Implemented at 6 months
The District has made significant changes to comply with the State's ELL model by expanding its language development classes and using Individual Language Learner Plans, where applicable. Based on a review of language development class schedules, the District now appears to be providing the required 4 hours of English Language Development for ELL students. |
| <hr/> | |
| 2. The District should separately account for the incremental portion of ELL costs and retain documentation supporting how it determined those amounts. | Implemented at 12 months |
-