



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

May 24, 2017

Governing Board
Grand Canyon Unified School District No. 4
P.O. Box 519
Grand Canyon, AZ 86023-0519

Members of the Board:

In July 2014, we notified you that the District had not complied with the *Uniform System of Financial Records* (USFR).

We have since received and reviewed the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2016, prepared by Hafen, Buckner, Everett & Graff, P.C., to determine whether the District was in compliance with the USFR as of that date. Based solely on our review of these documents, the District has complied with the USFR.

However, we noted that the District had numerous internal control deficiencies cited by its auditors. For example, the District did not have adequate internal controls over cash receipts and bank accounts leaving district and student monies susceptible to loss, theft, and misuse. In addition, the District did not fully establish and implement policies and procedures over information technology to prevent unauthorized transactions and access to its computer system, and to protect district data.

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR, adequately safeguard district and student monies, and protect the District from technology-related risks.

If you have questions concerning the deficiencies or how to correct them, please call Megan Smith, Accounting Services Manager, or me at (602) 553-0333.

Sincerely,

Laura J.P. Miller, CPA
Accounting Services Director

cc: Dr. Shonny Bria, Superintendent
Ms. Brenda Thomas-Martinez, Business Manager
Grand Canyon Unified School District No. 4
The Honorable Risha VanderWey, Coconino County School Superintendent
Ms. Shari Zara, Deputy Superintendent Operations
Ms. Christy Ellison, Deputy Associate Superintendent, Grants Management
Arizona Department of Education