

The October 2018 Sentinel Elementary School District performance audit found that the District needs to strengthen some of its accounting and computer controls and improve its transportation program oversight. The District's status in implementing the recommendations is as follows:

Status of 11 recommendations

Implemented: 9

Not implemented: 2

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 from the October 2018 report.

Finding 1: District needs to strengthen accounting and computer controls

1. The District should implement proper controls over its payroll and purchasing processes to ensure proper separation of responsibilities, including an independent review of payroll, purchasing, and other transactions.

Implemented at 30 months

2. The District should ensure it complies with its policy requiring that employees not be supervised by close relatives, including having the governing board president oversee the business manager's work, evaluations, and pay.

Implemented at 12 months

3. The District should perform an independent review of payroll that includes reviewing pay amounts to ensure they match contracted amounts or approved pay rates.

Implemented at 30 months

4. The District should ensure that it immediately recovers the \$5,064 overpayment made to its superintendent.

Implemented at 12 months

5. The District should require and review detailed invoices from all vendors before paying for goods or services.

Implemented at 30 months

6. The District should limit employees' access in the accounting system to only those accounting system functions necessary to perform their job duties.

Not implemented—The District has not limited users' access in the accounting system to only those accounting system functions needed to perform their job duties. Specifically, we reviewed the access level of the District's 3 employee user accounts and found that 2 of the accounts still have too much access in the accounting system. It is important that the District review and reduce users' access in the accounting system because allowing such broad access exposes the District to an increased risk of errors and fraud.

Finding 2: District needs to improve transportation program oversight

1. The District should develop and implement procedures to ensure that required random drug and alcohol testing is conducted and documented as specified in the State's Minimum Standards.

Implemented at 30 months

2. The District should establish a formal written policy that states what preventative maintenance work will be completed at what mileage or time frame and ensure that bus preventative maintenance is conducted in a systematic and timely manner in accordance with its policy and the State's Minimum Standards.

Not implemented—The District developed a formal preventative maintenance policy stating that its buses should receive preventative maintenance services every 5,000 miles and identifying specific preventative maintenance work to be completed at each service. However, the District is not ensuring that its policy is being followed because it is relying on bus drivers to track and report when preventative maintenance services are due, and not all bus drivers have reported this information in a timely manner. As a result, 1 of the District's 3 buses exceeded the 5,000-mile policy by over 6,500 miles in calendar year 2020. Performing preventative maintenance in accordance with the District's policies and State's Minimum Standards is important because these standards are designed to help ensure the safety and welfare of school bus passengers, as well as extend the useful life of buses.

3. The District should ensure that its bus drivers perform pretrip inspections and should maintain documentation of these inspections.

Implemented at 30 months

4. The District should discontinue using its bus that does not meet the State's Minimum Standards to transport students to and from school and explore other appropriate options for transporting its students when a certified bus driver is not available, such as requiring its substitute drivers to become certified school bus drivers so that they can operate one of the District's regular school buses.

Implemented at 12 months

5. The District should not pay transportation costs for high-school-aged students living within its boundaries who attend other school districts through open enrollment.

Implemented at 12 months—In fiscal year 2020, the District paid a parent to transport a high-school-aged student living within the District's boundaries to a high school district about 60 miles from the District's boundaries. However, the District paid tuition to the high school district rather than the student attending the high school district through open enrollment. Because of this, the District received funding for this student, which helped to offset the District's costs for the student's transportation. The District continued this arrangement for fiscal year 2021, as well.