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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

January 14, 2010

The Honorable Judy Burges, Chair
Joint Legislative Audit Committee

The Honorable Thayer Verschoor, Vice Chair
Joint Legislative Audit Committee

Dear Representative Burges and Senator Verschoor:

Our Office has recently completed an 18-month followup of the Somerton Elementary School District's implementation status for the 18 audit recommendations presented in the performance audit report released in May 2008. As the attached grid indicates, the District has implemented 17 of the recommendations and 1 recommendation is no longer applicable.

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 May 2008 performance audit.

Sincerely,

Ross Ehrick, CPA
Director, Division of School Audits

RE:bl
Enclosure

cc: Dr. Frank Reed, Superintendent
Governing Board
Somerton Elementary School District

SOMERTON ELEMENTARY SCHOOL DISTRICT

Auditor General Performance Audit Report Issued May 2008

18-Month Follow-Up Report

Recommendation	Status/Additional Explanation
CHAPTER 1: Administration	
1. The District should review its administrative positions and their related duties to determine how administrative staffing can be reduced.	Implemented at 6 months The District reviewed staffing in the business office and reduced about seven administrative positions, including the Assistant Superintendent, the Finance Director, and several administrative support positions.
2. 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.	Implemented at 12 months
3. The District should improve password controls over its accounting system by requiring users to change assigned passwords to a confidential one and require users to change their passwords periodically.	Implemented at 6 months
4. The District should require purchase orders to be approved by an employee other than the preparer, and should limit access to blank checks to individuals who do not have the ability to approve or record expenditures.	Implemented at 6 months
CHAPTER 2: Student transportation	
1. The District should review and modify its bus routes to increase their efficiency.	Implemented at 6 months
2. The District should review and limit the amount of nondriving time for which it pays its bus drivers.	Implemented at 6 months The District reviewed bus driver schedules and reduced daily schedules to 4 or 6 hours for about half of its bus drivers.
3. 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

Recommendation	Status/Additional Explanation
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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 12 months The District analyzed staffing levels and eliminated a custodial position and a facilities director position.
2. The District should evaluate the necessity of providing cell phones, develop a district policy for their use, and present the policy to the governing board for approval.	Implemented at 6 months The District evaluated its cell phone usage and eliminated 14 cell phones. Further, employees receiving district cell phones are required to sign a user agreement outlining allowable uses.
3. The District should evaluate its energy usage and implement an energy conservation plan to help reduce energy usage.	Implemented at 12 months The District implemented energy conservation methods for the summer break that saved about \$14,000 in electricity costs for the summer of 2008. Further, the District has created a detailed energy and water conservation plan that addresses temperature and lighting controls and other procedures and guidelines for reducing energy usage.

CHAPTER 4: Proposition 301 monies

1. To promote improved performance, the District should establish meaningful performance goals for activities or achievements that the District does not already require.	Implemented at 6 months
2. The District should ensure that performance pay is awarded only if the related goals are met.	Implemented at 6 months
3. The District should ensure that adequate documentation is retained to demonstrate that Proposition 301 monies were spent in accordance with statute and the District's plan.	Implemented at 6 months

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
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

Recommendation**Status/Additional Explanation****CHAPTER 6: English Language Learner programs, costs, and funding**

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| 1. The District should comply with statutory requirements to provide 4 hours of English language acquisition daily in an ELL student's first year. | Implemented at 12 months |
| 2. The District should begin separately accounting for the incremental portion of ELL costs, and retain supplemental documentation of how those amounts are being determined. | Not applicable
The District did not incur any incremental costs for fiscal year 2009 and is not expecting to have any incremental costs in fiscal year 2010. Additionally, the District did not receive any SEI monies. |
| 3. The District should apply for and accept monies available from ADE through the Compensatory Instruction fund and the Structured English Immersion fund, when available, to support its ELL program. | Implemented at 6 months |
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