

# Toltec Elementary School District

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Sylvia Mejia  
Superintendent

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October 9, 2008

State of Arizona Office of the Auditor General  
Debbie Davenport, Auditor General  
2910 N. 44<sup>th</sup> Street, Suite 410  
Phoenix, Arizona 85018

Dear Ms. Davenport,

I would like to take this opportunity to thank you and your staff for the professional manner in which the audit was conducted. As the incoming Superintendent, the timing of the audit was very beneficial. We welcome your recommendations as we make every effort to be more accountable to our students, parents and community.

Please find attached our official written responses to each of the audit recommendations. We are looking forward to the audit follow up on October 27, 2008. Should you have any questions, please feel free to contact me.

Sincerely,

Sylvia Mejia  
Superintendent

# Toltec Elementary School District

To: State of Arizona Office of the Auditor General  
From: Sylvia Mejia, Superintendent  
Date: October 10, 2008  
Re: Toltec Elementary School District Response to Performance Audit

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## Chapter 1 Administration

1. **Recommendation:** This District should maintain separate accounts for student activities; extracurricular activity fees tax credits, gifts and donations, and auxiliary operations monies as required by the USFR, and establish procedures to help ensure that all expenditures from these accounts are appropriate.

**Response:** The District agrees with and will implement this recommendation. We have established separate accounts and will maintain accounts as required by the USFR. In addition, our staff has received training to ensure proper management of these accounts.

2. **Recommendation:** The District should enforce its credit card policies and maintain required supporting documentations for all expenditures.

**Response:** The District agrees with this recommendation. The District will implement this recommendation by enforcing the credit card policy. The staff has received training to ensure proper procedures.

3. **Recommendation:** The District should improve its cash controls by separating cash-handling and record-keeping responsibilities.

**Response:** The District agrees with and will implement this recommendation. This District employees a small staff to operate its central office. The corrections were made by assigning the district clerk to handle cash; the supply clerk will deposit the cash; and the payroll clerk will reconcile all statements.

4. **Recommendation:** The District should properly secure sensitive student data by storing paper files in secure locations and denying electronic access rights when staff are no longer employed by the District. Additionally, the District should grant access to outside vendors based on the vendor's specific information needs.

**Response:** The District agrees with this recommendation. The District is in the process of storing all student files on microfiche. Notification will be given to the District's Data Processing and Technology Department when a staff member is no longer employed by the district. Outside vendors will only be given the necessary information.

5. **Recommendation:** 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 independent review and approval, and should terminate access rights when staff are no longer employed by the district.

**Response: The District agrees with this recommendation. The District has begun to improve the access controls by implementing a software module that allows all users to only have access to specific areas of the accounting system. If the system is not used again by an employee after 30 days; the system will automatically terminate access rights.**

6. **Recommendation:** The District should improve its controls by developing policies to ensure compliance with privacy laws, establishing adequate password controls, and providing computer security awareness training to employees.

**Response: The District agrees with this recommendation. Passwords will be changed every 90 days; computers will time out every 10 minutes when they are not in use. HIPA and FERPA policies will be followed. The staff will receive basic computer security training that is available through COBIT.**

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## Chapter 2 Student Transportation

1. **Recommendation:** The District should carefully review vendor invoices to ensure that amounts billed are in accordance with contract terms and are accurate.

**Response: The District agrees with this recommendation. Copies of the contract are in the Accounts Payable file to ensure payments are in accordance with the contract terms. The Business Manager will oversee this.**

2. **Recommendation:** The District should periodically review both driver and bus files to ensure all requirements are met and in accordance with DPS' Minimum Standards.

**Response: The District agrees with this recommendation. The District will periodically review bus driver and bus files. The Beeline Bus Manager will maintain the files and the Superintendent will review.**

3. **Recommendation:** The District should not allow the use of district buses for other clients, unless the arrangement is established in a written contract, approved by the District Governing Board, and not financially detrimental to the District.

**Response: The District agrees with this recommendation. In the future, a written contract will be approved by the Governing Board for use of district buses by other clients. An appropriate usage fee will be applied so that it is not a financial detriment to the District.**

4. **Recommendation:** To aid in evaluating the efficiency of its transportation program, the District should establish and monitor performance measures such as cost per mile and cost per rider.

**Response: The District agrees with this recommendation. Total cost per mile will be calculated using gasoline costs, bus depreciation, driver/aide costs, routine/major maintenance costs, including labor.**

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### Chapter 3 Plant Operation and Maintenance

1. **Recommendation: NONE**

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### Chapter 4 Proposition 301 Monies

1. **Recommendation:** The District should ensure that salary increases paid from Proposition 301 monies are provided to only eligible employees.

**Response: The District agrees with this recommendation. The District will ensure that Prop 301 monies will be paid to only eligible employees as outlined in statute.**

2. **Recommendation:** The District should ensure that Proposition 301 monies are used to supplement rather than supplant other monies. The District should reimburse the Classroom Site Fund for monies supplanted in fiscal years 2004 through 2007.

**Response: The District agrees with this recommendation. The District will reimburse monies to the Classroom Site Fund used to adjust the salary schedule between fiscal year 2004 and 2007.**

3. **Recommendation:** The District should calculate the amount of Proposition 301 monies supplanted in fiscal year 2008, and reimburse the Classroom Site Fund accordingly.

**Response: The District agrees with this recommendation. The District will reimburse the Classroom Site Fund for Prop 301 monies used during fiscal year 2008.**

4. **Recommendation:** The District should contact the Arizona Department of Education as to whether it needs to restate its Annual Financial Reports for fiscal years 2004 through 2007.

**Response: The District agrees with this recommendation. The District will contact ADE as to whether we need to restate our Annual Financial Reports for fiscal years 2004 through 2007.**

5. **Recommendation:** The District should ensure that accounting records are maintained in sufficient detail to demonstrate that Proposition 301 monies are spent in accordance with statute and the District's plan.

**Response:** The District agrees with this recommendation. The District will review its Proposition 301 plan to ensure that accounting records are maintained in accordance with statute and the District's plan.

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## Chapter 5 Classroom Dollars

**Recommendation:** The District should classify all transactions in accordance with the Uniform Chart of Accounts for School Districts.

**Response:** The District agrees with this recommendation. The District is now coding all transactions appropriately in accordance with the Uniform Charts of Accounts for School Districts.

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## Chapter 6 English Language Learner programs, costs and funding

1. **Recommendations:** The District should comply with statutory requirements to provide English language acquisition classes for its ELL students. Because of the District's 4 day school week, it should provide 5 daily hours of English language development.

**Response:** The District agrees with this recommendation. At this time, the District is making a strong attempt at providing the required 4 hours of daily ELL instruction. When the mandate was made, we were told by a representative from the Office of English Language Acquisition Services that we would be in compliance by providing 4 hours daily of ELL instruction given that we were on a 4 day school week. We have since then received a mixed message that we are required to provide 5 hours of ELL instruction daily. It has been difficult for us to hire highly qualified teachers to teach this program and to provide the required hours. Currently, the students at the middle school are receiving 4 hours of ELL instruction; while at the elementary school 2<sup>nd</sup> and 3<sup>rd</sup> grade students are receiving 3 hours, 1<sup>st</sup> grade students are receiving 2 ½ hours of instruction, and kindergarten students are receiving 2 hours. In order to meet the mandate we need another ELL teacher and empty classroom. We continue to see a shortfall in meeting ELL requirement. However, we made improvements in the number of hours we are providing ELL instruction. The administrative team will continue to work on meeting the mandate.

2. **Recommendation:** The District should begin separately accounting for the incremental portion of ELL costs, and retain supporting documentation to show how those amounts are determined.

**Response:** The District agrees with this recommendation. The District has made the corrections by retaining supporting documentation for the incremental portion of ELL costs.