



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

April 26, 2007

The Honorable Robert Blendu, Chair  
Joint Legislative Audit Committee

The Honorable John Nelson, Vice Chair  
Joint Legislative Audit Committee

Dear Senator Blendu and Representative Nelson:

Our Office has recently completed a 24-month followup of the Yuma Elementary School District's implementation status for the 17 audit recommendations (including sub-parts of the recommendations) presented in the performance audit report released in March 2005. As the attached grid indicates:

- 13 recommendations have been implemented, and
- 4 recommendations are in the process of being 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 March 2005 performance audit.

Sincerely,

Debbie Davenport  
Auditor General

Enclosure

cc: Mr. Thomas Rushin, Superintendent  
Governing Board  
Yuma Elementary School District

# Yuma Elementary School District 24-Month Follow-Up Report to Performance Audit Report Issued March 2005

## CHAPTER 1: Administration

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The District should obtain detailed computer service billings so that it can appropriately classify the expenditures as administrative or plant operation & maintenance costs.	<b>Implemented at 6 months</b>	
2. The District and its Intergovernmental Agreement (IGA) partners should determine the factors that constitute usage to provide an equitable basis for allocating costs. Further, the partners should ensure that all associated costs, such as the CEO's office, are accounted for and appropriately allocated.	<b>Implemented at 18 months</b>	
3. The District should evaluate its participation in the computer services IGA and determine if this is the most cost-effective method for obtaining its computer-related services.	<b>Implemented at 6 months</b>	
4. The District should ensure that it follows competitive purchasing rules, including those related to sole source designations, when purchasing goods or services.	<b>Implemented at 24 Months</b>	

# Yuma Elementary School District 24-Month Follow-Up Report to Performance Audit Report Issued March 2005

## CHAPTER 2: Food Service

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The District should monitor its food and supply costs and identify ways to lower them, such as purchasing items from vendors that do not add shipping charges and purchasing less expensive meal ingredients instead of prepackaged foods to ensure that the program will continue to be self-supporting.	Implementation in Process	According to the District, it has been working diligently to identify ways to lower its food costs, including identifying four additional potential vendors for its 2007 food service bidding process. However, a review of the 2007 food service bids found that the District did not always select the lowest cost bidder, in some cases due to mathematical errors.

## CHAPTER 3: Student Transportation

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The District should work with the high school district to determine a more equitable method for allocating the student transportation IGA's costs between the two districts.	Implemented at 6 months	
2. The District should conduct analyses of the transportation IGA's costs to ensure that the labor and mileage billing rates are appropriate and that all costs are recovered.	Implemented at 6 months	

**Yuma Elementary School District  
24-Month Follow-Up Report to  
Performance Audit Report Issued March 2005**

**CHAPTER 3: Student Transportation (cont'd)**

<b>Recommendation</b>	<b>Status of Implementing Recommendation</b>	<b>Explanation for Recommendations That Have Not Been Implemented</b>
3. The District should redesign and regularly review its bus routes for increased efficiency.	Implementation in Process	In April 2007, the District's governing board approved the purchase of new bus routing software. The District plans to begin using the software by August 2007.
4. The District should establish a review process to ensure that all services provided through the transportation IGA are appropriately billed and the revenues are collected and deposited	<b>Implemented at 12 Months</b>	
5. The District should ensure proper security of the vehicle parts inventory, including implementing a periodic or perpetual inventory system.	Implementation in Process	The District continues to work toward fully implementing a computerized inventory management system. Currently, the District is working to scan all inventory items into the system, but the District still needs to establish an annual physical inventory count to test reliability of its inventory records.
6. The District should consider increasing the security of its fuel cards to require entry of accurate odometer readings and vehicle and license plate numbers.	<b>Implemented at 24 Months</b>	

# Yuma Elementary School District 24-Month Follow-Up Report to Performance Audit Report Issued March 2005

## CHAPTER 3: Student Transportation (concl'd\_

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
7. The District should ensure accurate mileage reporting to the Arizona Department of Education.	Implementation in Process	The District continues to work to ensure that it accurately records and reports route mileage. However, a review of a sample of mileage logs still found errors, such as total route mileage that did not agree to the reported odometer readings.
8. The District should clarify the Yuma Educational Consortium's role and authority, and discontinue any agreements the District does not have the authority to enter into, such as its transportation service agreements with private schools and contracts that were not competitively procured.	<b>Implemented at 24 Months</b>	

## CHAPTER 4: Plant Operation and Maintenance

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The District should continue to pursue termination of its agreement with its telephone vendor to eliminate the costs of the telephone system it no longer uses. Further, in the future, the District should perform cost-benefit analyses considering all pertinent costs, such as existing contracts when evaluating major purchases.	<b>Implemented at 18 Months</b>	

# Yuma Elementary School District 24-Month Follow-Up Report to Performance Audit Report Issued March 2005

## CHAPTER 5: Proposition 301 monies

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The District should ensure that its Prop 301 plan addresses how it intends to spend base pay and menu options monies. Further, the plan should specify which of the six allowable options it is addressing with its menu monies.	<b>Implemented at 6 months</b>	

## CHAPTER 6: Classroom Dollars

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.	<b>Implemented at 24 Months</b>	
2. The District should closely analyze its nonclassroom spending to determine if savings can be achieved and if some of those monies can be redirected to the classroom.	<b>Implemented at 24 Months</b>	