



ARIZONA AUDITOR GENERAL

Lindsey A. Perry, Auditor General

Melanie M. Chesney, Deputy Auditor General

June 5, 2025

Governing Board
Kayenta Unified School District
P.O. Box 337
Kayenta, AZ 86033

Dear Members of the Board:

We previously notified you that Kayenta Unified School District (District) had not complied with the *Uniform System of Financial Records for Arizona School Districts* (USFR) based on our review of the District's fiscal year (FY) 2023 financial audit reports and the USFR Compliance Questionnaire (Questionnaire) prepared by an independent certified public accounting firm.

We have since reviewed the District's FY 2024 financial audit reports and Questionnaire, and FY 2025 records and procedures as of December 2024. Based on our review of all available information, including the number and significance of the District's outstanding deficiencies, the District is no longer in noncompliance with the USFR. However, as noted in our June 4, 2025, email and discussion with District management, the District continues to have some outstanding deficiencies, including 9 items that have not been corrected, 4 items that have been partially corrected, 1 item that was not yet applicable, and 1 new additional deficiency.

Please be advised the District must act to correct the outstanding deficiencies and the new deficiencies noted in its FY 2024 audit reports and Questionnaire, and its future audit reports must reflect that these deficiencies have been corrected. The areas containing the most significant deficiencies are property control and information technology, leaving District property susceptible to theft, loss, and misuse, and risking the accuracy, reliability, and security of District data.

Thank you for the assistance and cooperation that your administrators and staff provided during our review. If you have questions concerning this matter, please call Chris Votroubek, Accountability Services Division Manager, or me at asd@azauditor.gov (602) 977-2796.

Sincerely,

Meghan L. Hieger

Meghan L. Hieger, CPA
Director, Accountability Services Division

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cc: Lemual Adson, Superintendent
Arlene Laughter, Business Office Supervisor
Kayenta Unified School District
The Honorable Rachael Lewis, Navajo County School Superintendent
Members of the State Board of Education
Arizona State Board of Education
Art Harding, Chief Operations Officer
Nicole von Prisk, Deputy Associate Superintendent, Grants Management
Arizona Department of Education