



# Yucca Elementary School District No. 13

## District Written Response



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July 10, 2025

Mr. George Skiles, Partner  
Sjoberg Evashenk Consulting, Inc.  
455 Capitol Mall—Suite 700  
Sacramento, CA 95814  
(916) 443-1300

Dear Mr. Skiles:

Yucca Elementary School District No. 13 received and reviewed the Fiscal Years 2023, and 2024 Audit Report as provided by Sjoberg Evashenk Consulting, Inc. on behalf of the Arizona Auditor General. In summary of the report, Sjoberg Evashenk Consulting made 31 recommendations to Yucca Elementary School District No. 13 regarding the implementation of stronger financial controls, strengthening purchasing and procurement oversight, mitigating conflicts of interest, addressing travel reimbursement and safety concerns, and bolstering IT security measures. Upon review of the report, Yucca Elementary School District No. 13 agrees with all findings and recommendations and will be working diligently to address the findings and will be implementing all the recommendations provided.

The District is in the process of implementing the recommendations provided and will work to improve the processes and procedures moving forward.

Yucca Elementary School District No. 13 would like to express gratitude toward the audit team for helping the District in developing strategies and protocols to allow the District to enhance performance and be more responsible as a school district that is entrusted to be more fiscally responsible and adhere to all fiscal requirements.

Sincerely,

Debbie Vincent  
Head Teacher of  
Yucca Elementary School District No. 13  
Yucca, Arizona

**Audit Scope Limitation:** District failed to maintain sufficient fiscal records, limiting the scope of our review of petty cash, cash receipts, and accounts payable documentation and procedures, and increasing its risk of undetected fraud, waste, and misuse.

District Response: The audit scope limitation is agreed to.

Response explanation: The District has been working diligently to keep and ensure a transaction ledger for petty cash transactions. The Board approved a Petty Cash Account that must remain at \$350.00 dollars or less. In the event the excess revenues must be deposited within 1 week's time. Adherence to USFR guidelines will be in effect prior to cash disbursements.

**Recommendation 1:** Develop and implement policies and procedures to ensure that fiscal records are maintained in accordance with USFR requirements, and that all fiscal transactions are recorded in the District's financial system.

District Response: The audit recommendation will be implemented.

Response explanation: The District has been working hard to develop, review, update, and implement policies and procedures regarding fiscal records and maintenance.

**Recommendation 2:** Require that all revenue and expenditure transactions from all bank accounts be recorded in the District's accounting system to ensure transparency and accountability.

District Response: The audit recommendation will be implemented.

Response explanation: The District's current accounting system is known as School ERP Pro. The recommendation will be implemented at the start of this fiscal year, and monthly financial reports will be entered into the District's accounting system regularly.

**Finding 1:** The District lacks sufficient internal controls in most business and financial operational areas, putting public monies at an increased risk of errors, improper payments, and fraud, and limiting the transparency of its activities.

District Response: The finding is agreed to.

Response explanation: Although The District has implemented stages of processes that begin with an employee requisition, Business Manager Approval, Head Teacher review of approval, Head Teacher signature on cover sheet, Board Member review of all approvals, Board Signature, and finally Superintendent Office Approval and Signature. The District will incorporate more segregation of duties within the financial areas.

**Recommendation 3:** Separate incompatible duties for payroll or develop and implement compensating controls in accordance with the USFR, such as additional management reviews by the head teacher, Board members, or another employee with no finance-related responsibilities.

District Response: The audit recommendation will be implemented.

Response explanation: The District will separate duties further than the explanation above, and will employ one of the teacher aides to review time cards before the process is allowed to continue. Furthermore, the District has been in the process of hiring a Time Clock Management Application.

**Recommendation 4:** Develop and implement written payroll processing procedures and a management oversight process to ensure timecards and any subsequent adjustments are authorized by employees and approved by a supervisor, such as the head teacher or a Board member, and payments to employees are accurate and supported.

District Response: The audit recommendation will be implemented.

Response explanation: The District is diligently working towards developing payroll process procedures, which will be located in the Payroll Manual.

**Recommendation 5:** Ensure employees responsible for classifying expenditures review the USFR's Uniform Chart of Accounts for school districts for changes at least annually and implement its guidance to accurately account for and report the District's spending.

District Response: The audit recommendation will be implemented.

Response explanation: The District is working on creating training manuals, including classification for expenditures by reviewing and updating the USFR's Uniform Chart of Accounts for School Districts within the District's Accounting System Software.

**Recommendation 6:** Develop and implement written procedures to ensure that purchase orders or requisitions are obtained and approved in advance of purchases being made, including those made with credit cards, and any purchase order overages beyond the initial approved amount receive secondary approval.

District Response: The audit recommendation will be implemented.

Response explanation: The District will implement the use of pre-approved blanket purchase orders, as well as make sure that a secondary approval will be implemented if the authorized amount has an overage.

**Recommendation 7:** Develop and implement written procedures and a thorough secondary review process to ensure travel expenditures are approved in advance and reimbursements are supported by completed travel claim forms and documentation in accordance with the USFR and District requirements.

District Response: The audit recommendation will be implemented.

Response explanation: The District will ensure that the Governing Board will authorize travel reimbursement prior to the day of travel and will sign a school-level purchase order. Within a travel reimbursement, all reimbursements will be subject to support of receipts, invoices, and all USFR requirements.

**Recommendation 8:** Develop and require annual training for responsible employees about the District's purchasing and accounts payable policies, procedures, and processes and related USFR requirements.

District Response: The audit recommendation will be implemented.

Response explanation: Training requirements will be on an annual basis.

**Recommendation 9:** Establish procedures to ensure that all credit card users complete an annual user agreement and receive training on the District's credit card policies and procedures prior to using District credit cards, and maintain copies of the agreements and document the training provided.

District Response: The audit recommendation will be implemented.

Response explanation: The District is currently implementing a credit card log for each credit card, along with the annual user agreement. Training will be on an annual basis, and/or when a new, authorized user is hired

**Recommendation 10:** Require District employees responsible for maintaining physical security of credit cards to maintain complete and accurate credit card logs that include enough information to track when the cards were used and by whom and the associated purchase order.

District Response: The audit recommendation will be implemented.

Response explanation: The District is currently implementing a credit card log for each credit card, along with the annual user agreement. Training will be on an annual basis, and/or when a new, authorized user is hired

**Recommendation 11:** Develop procedures to ensure procurement processes comply with State procurement requirements and maintain procurement-related documentation for District and cooperative agency contracts, such as purchase orders, contracts, cooperative agreements, requests for proposals, due diligence forms, and any other relevant documentation to ensure compliance with the USFR, Arizona Administrative Code and Board-approved policies.

District Response: The audit recommendation will be implemented.

Response explanation: The District is diligently working at developing procedures to ensure procurement processes comply with State Procurement requirements and maintain procurement-related documentation for District and cooperative agency contracts.

**Finding 2:** Despite past instances of theft, the District has not separated cash-handling responsibilities and lacks other important cash controls, which continues to put public monies at risk and reduces the District's accountability to the public

District Response: The finding is agreed to.

Response explanation: The District is currently implementing more measures for cash controls.

**Recommendation 12:** Develop and implement procedures to ensure compliance with USFR requirements and District policies related to cash handling and petty cash, and train District employees with cash-handling and petty cash responsibilities on these procedures.

District Response: The audit recommendation will be implemented.

Response explanation: The District is currently developing procedures to ensure compliance with USFR requirements and District policies related to cash handling. The District may purchase a cash register for the use of reconciliation and a transaction log

**Recommendation 13:** Prepare and maintain evidence of receipt for all cash received, such as sequential, prenumbered receipts, and reconcile deposits to cash collection documentation to ensure all cash received was appropriately deposited.

District Response: The audit recommendation will be implemented.

Response explanation: The District has implemented a manual ledger that all transactions are recorded on. This ledger is utilized to ensure all cash received is appropriately deposited. Board Members will review the ledger and initial after approval.

**Recommendation 14:** Ensure cash is deposited at least weekly, and daily when amounts are significant.

District Response: The audit recommendation will be implemented.

Response explanation: The District Governing Board has already implemented this recommendation.

**Recommendation 15:** Separate cash-handling duties from employees with recordkeeping responsibilities and require a separate employee to prepare either deposits or reconciliations, but not both. If separating duties is not possible due to limited staff size, develop and implement compensating controls, such as additional management reviews by the head teacher or Board members, or by assigning these additional duties to an employee with no cash handling or recordkeeping responsibilities.

District Response: The audit recommendation will be implemented.

Response explanation: The District has already implemented these controls as of December 10, 2024.

**Recommendation 16:** Develop and implement procedures to ensure compliance with USFR petty cash requirements, including designating a petty cash account custodian, maintaining a ledger of cash disbursements and receipts, and requiring disbursements to be pre-approved by someone other than the custodian, such as the head teacher, Board members, or an employee with no cash handling or recordkeeping responsibilities.

District Response: The audit recommendation will be implemented.

Response explanation: The District has already implemented these controls as of December 10, 2024, and will continue to ensure compliance with USFR petty cash requirements.

**Recommendation 17:** Require monthly independent reconciliations and random audits by some other than the custodian, such as the head teacher, Board members, or an employee with no cash handling or recordkeeping responsibilities, and implement a process to close out the account at fiscal year-end, in accordance with the USFR.

District Response: The audit recommendation will be implemented.

Response explanation: The District has already implemented these controls as of December 10, 2024, however an employee is set to be utilized for reconciliations beginning in the new Fiscal Year/School Year starting July 1, 2025.

**Finding 3:** Board members and employees did not comply with some conflict-of-interest requirements and recommended practices, and 1 employee may have improperly participated in District employment decisions and payments to close relatives

District Response: The finding is agreed to.

Response explanation: The District will review and update procedures to ensure that all persons of the District will be in compliance with State Conflict of Interest Laws and District Policies. The updated procedures will include an annual disclosure form.

**Recommendation 18:** Ensure compliance with State laws governing conflicts of interest by requiring Board members and employees to complete conflict-of-interest disclosure forms annually and when new potential conflicts of interest arise and refrain from participating in any District decision, contract, sale, purchase, or service for which they have a substantial interest.

District Response: The audit recommendation will be implemented.

Response explanation: The District will review conflict of interest disclosure forms to identify and communicate conflict of interests. The District will do everything in its power to remediate disclosed conflicts of interest.

**Recommendation 19:** Develop and implement a process to review conflict-of-interest forms to identify disclosed interests and take necessary action to remediate them, such as notifying the Board when conflicts relating to agenda items exist to ensure affected Board members and employees refrain from participating in any matter in which they or a relative has a substantial interest.

District Response: The audit recommendation will be implemented.

Response explanation: The District will review conflict of interest disclosure forms to identify and communicate conflict of interests. The District will do everything in its power to remediate disclosed conflicts of interest.

**Recommendation 20:** Establish procedures to prevent employees from supervising close relatives and ensure that activities, such as approving purchase orders, signing off on completed work, or processing payments, are assigned to or closely overseen by someone

without a conflict, such as the head teacher, Board members, or other employees who are assigned these additional duties.

District Response: The audit recommendation will be implemented.

Response explanation: Supervisor, Board Member, or other qualified employee will closely oversee activities such as approving purchase orders, signing off on completed work, or processing payments when or if there are any close instances.

**Recommendation 21:** Develop and provide periodic training to employees and Board members on the requirements for complying with conflict-of-interest laws, including the need to describe their substantial interests on disclosure forms and to refrain from participating in any decision, contract, sale, purchase, or service for which they or a relative have a substantial interest.

District Response: The audit recommendation will be implemented.

Response explanation: The District is developing periodic training for employees and Board Members on the requirements for complying with conflict-of-interest laws.

**Finding 4:** The District did not ensure employees using personal vehicles for District business, including transporting students, were properly insured and licensed, increasing the risk to students, and did not correctly reimburse some travel expenses and ensure tax requirements were met.

District Response: The finding is agreed to.

Response explanation: The District has required a valid driver's license and insurance for student transportation in personal vehicles for District business, including transporting students, but failed to provide documents that would help in assuring compliance. Moving forward, the District will maintain all travel records correctly.

**Recommendation 22:** Strengthen policies and develop and implement procedures to ensure that the District collects and retains up-to-date documentation to demonstrate that employees who use their personal vehicles for District business, including transporting students, are properly licensed and insured.

District Response: The audit recommendation will be implemented.

Response explanation: The District will develop and implement procedures to ensure it retains the collected, up-to-date documentation to demonstrate that employees who use their personal vehicles for District business are properly licensed and insured.

**Recommendation 23:** Develop and regularly provide training to staff responsible for processing travel expense claims, which should include information about travel-related District policies and guidance documents and USFR and SAAM requirements, and document the training provided.

District Response: The audit recommendation will be implemented.

Response explanation: The District will develop and regularly provide training to staff that process travel expense claims. The District will also document the training provided.

**Recommendation 24:** Review travel mileage reimbursements paid to District employees from January 8, 2024 through June 30, 2024, to determine whether the correct mileage reimbursement rate was used. Where appropriate, remit payment to the District employees who were underpaid for mileage reimbursements.

District Response: The audit recommendation will be implemented.

Response explanation: The District will be implementing new procedures for travel reimbursement so that every reimbursement has the correct mileage rate.

**Recommendation 25:** Determine whether District employees' travel within District boundaries meets the requirement for official travel status and how to correctly account for mileage reimbursed for travel within District boundaries and formally document the District's determinations. In making these determinations, the District should consult with legal counsel as necessary.

District Response: The audit recommendation will be implemented.

Response explanation: The District will seek legal counsel for mileage reimbursed for travel within District boundaries, and the District will formally document its determination.

**Finding 5:** The District's excessive access to its sensitive computerized data and other IT deficiencies increased risk of unauthorized access to sensitive information, errors, fraud, and data loss.

District Response: The finding is agreed to.

Response explanation: The District will utilize more qualified employees than one to comply with USFR Standards

**Recommendation 26:** Review and revise, as needed, the District's processes for ensuring access to the District's IT network is immediately terminated when employees and contractors no longer work for the District.

District Response: The audit recommendation will be implemented.

Response explanation: The District currently reviews access to the District's IT network, and has already implemented the immediate termination of access upon employee and/or contractor termination

**Recommendation 27:** Develop and implement a policy and process to regularly perform and document, at least annually, a detailed review of users' accounts that includes assessing the need for network and accounting system access to ensure that access level is appropriate.

District Response: The audit recommendation will be implemented.



Response explanation: The District regularly performs a detailed review of users' accounts. The District will continue to work on policy updates.

**Recommendation 28:** Implement comprehensive authentication controls for users accessing critical IT systems.

District Response: The audit recommendation will be implemented.

Response explanation:

**Recommendation 29:** Establish comprehensive IT policies and procedures that assign responsibility for overseeing and monitoring IT operations and system access, require regular review of user accounts, and include processes to detect and respond to unauthorized or suspicious activity in compliance with the USFR.

District Response: The audit recommendation will be implemented in a different manner.

Response explanation: The District currently has IT policies and procedures to assign responsibility for monitoring IT operations and system access and is able to detect unauthorized or suspicious activity in compliance with the USFR. The District will work on updating the IT policy.

**Recommendation 30:** Provide cyber-security awareness training to employees at least annually and document their participation.

District Response: The audit recommendation will be implemented.

Response explanation: The District currently provides training on an annual basis and documents such participation.

**Recommendation 31:** Develop and implement an IT contingency plan that meets USFR requirements and credible industry standards and test the plan at least annually to identify and remedy any deficiencies and document the test results.

District Response: The audit recommendation will be implemented.

Response explanation: The District will work closely with credible industry individuals to meet the USFR requirements and will test the plan annually in order to identify and remedy any deficiencies.