

## Mayer Unified School District

### 48-Month Followup of Report 21-204

The May 2021 Mayer Unified School District performance audit found that the District's noncompliance with important requirements and standards put public monies and sensitive information at increased risk of errors and fraud and also put student safety at risk by using unallowable vehicles, not systematically performing bus maintenance, and not ensuring that drivers met all certifications requirements. We made **10** recommendations to the District.

#### District's status in implementing 10 recommendations

Implementation status		Number of recommendations
<input checked="" type="checkbox"/>	Implemented	5 recommendations
<input checked="" type="checkbox"/>	Implemented in a different manner	1 recommendation
<input type="checkbox"/>	Partially implemented	2 recommendations
<input checked="" type="checkbox"/>	<b>Not implemented</b>	<b>2 recommendations</b>

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our followup work on the District's efforts to implement the recommendations from the May 2021 report.

# Recommendations to the District

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## Finding 1: District's noncompliance with important requirements and standards put public monies and sensitive information at an increased risk of errors and fraud

1. The District should ensure that all cash collected is deposited and used for its intended purpose by:

a. Separating responsibilities of collecting, depositing, and recording food service program donations among more than 1 employee.

▶ Status: **Implemented at 24 months.**

Although the District stopped accepting external food service program donations in January 2023, it developed procedures to separate the responsibilities for collecting, depositing, and recording internal food service program donations from students who donated unneeded personal meal account balances. The District used monies it previously collected to pay off negative student account balances until its food service program donations account was fully depleted and closed in January 2024.

b. Requiring and monitoring that the food service employee issues prenumbered receipts for all food service program donations and that a different employee reconciles receipts to amounts deposited and applied to unpaid student meal accounts.

▶ Status: **Implemented in a different manner at 30 months.**

As noted in recommendation 1a, the District closed its food service program donations account in January 2024.

c. Reconciling school cash collections to prenumbered receipts.

▶ Status: **Not implemented.**

The District continues to lack appropriate separation of duties in its cash-handling process, which prevents it from ensuring all cash collected is deposited as required. Specifically, a single employee is responsible for reconciling the cash collected to the cash collection forms and receipts, but they are also responsible for handling the cash, recording the deposit amounts, and making the deposits. After cash is deposited, a different employee reviews bank statements, but the employee's review does not always include using the prenumbered receipts to ensure that all cash the District collected was deposited.

Additionally, the District continues to have cash-handling deficiencies at its school sites. For instance, our review of the District's cash receipts identified 1 cash payment of \$55 for which a receipt was issued, but the cash was not deposited. Specifically, staff at the high school collected monies from students for a field trip but left cash unsecured, and 1 \$55 cash payment was lost or stolen. The District

did not identify the missing payment through its reconciliation process but instead reported it identified the missing cash when it received an invoice for the field trip that was more than it had collected from students. Thus, the District's reconciliation process is likely insufficient to ensure that all cash collected is deposited, as required.

**d.** Reviewing all voided receipts for appropriateness.

► Status: **Not implemented.**

As reported in our previous 30-month followup, the District has developed a process that requires all voided receipts to include written explanations for the void as well as signatures from 2 employees who work at the District office or school site where the void occurred. We reviewed all 239 receipts the District issued between July 2024 and January 2025 from 7 prenumbered receipt books and identified the following issues:

- 2 voided receipts did not contain signatures from 2 employees at the site where the void occurred, contrary to District procedures. Instead, the employee who voided the receipts signed each receipt twice to attempt to meet the District's 2-signature requirement.
- 3 receipts were skipped in 1 sequential, prenumbered receipt book but had not been voided or provided to the District office to ensure all sequential receipts were accounted for and reconciled.

By not ensuring that all voided receipts are appropriate and that all receipts are accounted for, the District is unable to verify that all cash school staff collected was deposited, increasing the risk of errors and fraud.

**e.** Providing training on USFR requirements to food service and District Office staff involved in cash collections at least annually.

► Status: **Implemented at 42 months.**

As previously reported in our 30-month followup report, the District provided training on USFR requirements in 2023 to food service and business office staff involved in cash collections. The District's food service department stopped receiving and handling cash in 2024, and therefore, the food service department staff no longer needed to attend the training. The District provided another training on USFR requirements in 2024 to all District office staff.

**2.** The District should protect its sensitive computerized data by:

- a.** Reviewing industry password standards at least annually and implementing and enforcing strong network password requirements consistent with credible industry standards to decrease the risk of unauthorized persons gaining access to sensitive District information.

► Status: **Implemented at 48 months.**

Our review of the District's network password policy as of August 2025 found that the policy was consistent with credible industry standards. Additionally, the District implemented comprehensive authentication controls for all network users in July 2025. Although the District has not provided support that it has reviewed credible industry standards at least annually since the audit, District staff reviewed credible industry standards in April 2025, and the District implemented a process to document when its reviews occur and to send reminders when staff should conduct the annual review in future years.

- b. Limiting users' access in the accounting system to only those accounting system functions needed to perform their duties, including transferring administrator-level access to someone outside of the business office.

► Status: **Partially implemented at 48 months.**

As reported in the previous 30-month followup, the District has transferred administrator-level access to a user outside the business office. However, our April 2025 review of the District's accounting system users' access found that 3 District office employees have excessive access that allowed them to change pay rates and deductions, including their own, without review and approval from another District employee. Two of the 3 employees with excessive access are employed in positions similar to those with excessive access we identified during the audit. Additionally, although the District had implemented some additional review procedures to mitigate the risk associated with providing excessive access, its additional review procedures were not sufficient to ensure the 3 users' accounting system activities were authorized and appropriate. As a result, the District continues to be at an increased risk for errors and fraud.

## **Finding 2: District used unallowable vehicles for student transportation, did not systematically perform school bus maintenance, and did not ensure bus drivers met all certification requirements, putting student safety at risk**

- 3. To help ensure student safety, the District should:

- a. Discontinue using unallowable vehicles to transport students to and from school and on athletic and field trips, and explore other appropriate options for transporting its students, such as requiring all drivers to become certified school bus drivers so they can operate the District's regular school buses.

► Status: **Implemented at 30 months.**

To help ensure student safety, State law requires school districts to comply with safety rules adopted by the Arizona Department of Public Safety (DPS) when using motor vehicles designed to carry at least 11 and up to 15 passengers to transport students to or from home or school on a regularly scheduled basis.<sup>1</sup> District officials

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<sup>1</sup> Arizona Revised Statutes §15-925.

stated that the District no longer uses 11- to 15-passenger vans to transport students for any purpose and uses its 3 white 14-passenger buses to transport students for activities like athletic events and field trips. Our November 2023 review of fiscal year 2023 mileage logs and trip requests found that the District used its 3 white 14-passenger buses only for athletic events and field trips.

- b.** Establish and implement a formal written policy that states what school bus preventative maintenance work will be completed at what mileage and time frame and implement monitoring procedures to ensure mechanics perform and document bus preventative maintenance systematically and on schedule in accordance with the District's formal written policy and the State's Minimum Standards.

► Status: **Partially implemented at 48 months.**

As reported in our previous 30-month followup, the District adopted a formal school bus preventative maintenance policy in June 2022 with mileage and time frame intervals and the services to be completed. However, our review of preventative maintenance records from June 2024 through July 2025 for 3 of 9 District school buses and 1 of 4 passenger vans found that the District lacked documentation to support that 1 of 3 school buses and the passenger van we reviewed had received preventative maintenance services in accordance with the District's policy. By not ensuring its vehicles receive required preventative maintenance services in accordance with its policy, the District continues to increase safety risks for its passengers and may be reducing its vehicles' useful lives.

- c.** Develop and implement procedures to ensure that bus driver certification requirements are met and appropriately documented in accordance with the State's Minimum Standards.

► Status: **Implemented at 42 months.**

The District has developed a process for regularly reviewing driver files to ensure school bus driver certification requirements are met and documented in accordance with the State's Minimum Standards. Our January 2025 review of driver files for a judgmentally selected sample of 3 of 7 school bus drivers the District employed in fiscal year 2025 found that all school bus driver certification requirements were current and appropriately documented in accordance with the State's Minimum Standards. Additionally, the District implemented procedures to randomly select drivers for drug and alcohol testing and appropriately maintained documentation of the tests results for calendar year 2024. Further, as previously reported in our 30-month followup report, the District developed a policy for all 14-passenger bus drivers to receive fingerprint clearance cards, annual drug tests, CPR training, and First Aid training. We judgmentally selected and reviewed 2 of 7 District staff who drove 14-passenger vans in fiscal year 2025 found that the District followed its policy.