

AUDITOR GENERAL'S COMMENTS ON THE DISTRICT'S RESPONSE

A.R.S. §41-1279.03(A)(9) requires school districts to provide a written response indicating whether they agree with our findings and plan to implement the recommendations. Consistent with this requirement, the District has provided its response to the audit report, which is presented on the following pages. However, the District has included certain statements in its response that necessitate the following clarification.

Issue 1

District's description of Civic Center Fund monies could be misleading

In the District's cover letter, the superintendent indicates that Civic Center Fund monies, which the District used to pay for its Raceway sponsorship, are "non-taxpayer dollars."

Auditor General's comments

Although Civic Center Fund monies are generated by the District through rental fees for the use of its facilities and not through property taxes, Civic Center Fund monies are public monies. Specifically, the District is a political subdivision of the State and public depositor pursuant to A.R.S. §35-1201(7)(a). As outlined in A.R.S. §35-1201(8), public monies are monies "belonging to or received or held by officers of public depositors in their official capacity." Accordingly, all monies the District collects are public monies and the District is required to handle and safeguard Civic Center Fund monies like public monies from any other source, which includes preventing their waste and misuse.

Issue 2

District misrepresents ADE's work-based learning guidance and the work experiences provided to its students to justify its Raceway sponsorship, and it makes other inaccurate statements about our performance audit findings

In its response to Finding 1, the District misrepresents the Arizona Department of Education's (ADE) Career and Technical Education Work Based Learning Guide (Guide) and the Raceway work experiences provided to its students. The District also makes certain inaccurate statements. Specifically, the District's response explanation for Finding 1:

- ▶ Indicates that the audit report overlooks that the Guide "...explicitly includes awareness, exploration, and preparation phases as part of the [work-based learning] continuum..."

- ▶ Indicates that “...the [work-based learning] experiences provided to students were directly related to their West-MEC Career and Technical Education (CTE) programs.” The District similarly indicates that “...[Raceway] events significantly enrich classroom learning by providing students with direct opportunities to apply both technical and professional skills...”
- ▶ States that the audit report “...does not acknowledge the significance of professional skills...” students may have obtained by participating in Raceway events, and that “An example of the incorrect assumptions made in the Report is the sweeping conclusion that ‘Students provided over 1,000 hours of unpaid labor working shifts that did not provide CTE program technical skills.’”

Auditor General’s comments

As we report in Finding 1 (pages 1 through 8), ADE’s Guide describes work-based learning standards that provide for career awareness and exploration activities. However, the District misrepresents that the standards for these activities are applicable to the Raceway experiences it provided to students. As noted in the report, ADE’s Guide specifically indicates that career awareness and exploration activities are targeted toward students in elementary school through grade 9 and most District students who participated were in grades 11 and 12.

Additionally, the District inaccurately asserts that the Raceway experiences provided to students were directly related to their West-MEC CTE programs and provided them with direct opportunities to apply both technical and professional skills, which contradicts the evidence we found during the audit. In Finding 1, page 6, we acknowledge that students may have acquired general work-related experience or practiced professional skills. However, the District could not provide any evidence to support that most students who volunteered at the Raceway had opportunities to apply technical skills learned in their CTE programs. According to ADE’s Guide, work-based learning experiences must “...demonstrate how the student is applying the technical skills learned in their programs through hands-on learning.” The CTE programs in which participating Raceway students were enrolled included Law and Public Safety; Marine, Power, and Extreme Sports Technologies; Aircraft Mechanics; Software and Application Design; and Welding Technologies. As shown in Table 3 of the report (page 5), 97% of participating Raceway students—200 of 206—were assigned work that was unrelated to their CTE programs. These students worked either in guest services roles performing tasks such as collecting admission tickets from attendees at entry gates, or in operations roles performing tasks such as venue maintenance and installing signage.

We made multiple requests of the District throughout the audit to provide information demonstrating that students were able to apply their technical skills at Raceway events, but the District was unable to do so. Based on the information the District was able to provide, our report accurately reflects that most student volunteers at Raceway events lacked an opportunity to practice technical skills related to their respective CTE programs.

Issue 3

District's description of the benefits it received in exchange for its more expensive WESTMARC membership is misleading

In its response to Finding 3, the District indicates that "...a \$3,000 [WESTMARC] membership fee gives the member access to far more benefits than the \$500 nonprofit membership fee."

Auditor General's comments

In Finding 3 (pages 13 through 15), we report the additional benefits available to the District for its more expensive corporate-level WESTMARC membership as described by WESTMARC's membership brochure. The additional benefits included 4 tickets to the Economic Development Summit, an additional committee membership, and a static logo on WESTMARC's website. The report also accurately reflects that the District could have purchased the additional event tickets for \$600, which is substantially less than the added membership cost of \$2,500 it paid each year for the corporate-level membership. The District did not provide any evidence during the audit that it had used the other additional benefits available to it, or that the additional benefits justified the additional membership costs. Similarly, the District lacked any documentation to support it had considered these additional benefits before purchasing the more expensive corporate-level membership or determined this more expensive membership was a prudent use of public monies. Finally, as reported in Finding 3, the District has since upgraded its WESTMARC membership from the \$3,000 corporate-level membership to the President's Circle membership, which WESTMARC indicates costs \$15,000 annually, despite the continued availability of a less expensive membership option for nonprofit/K-12 entities.