Report Highlights

Walker & Armstrong
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

Sonoita Elementary School District

District had lower spending in most operational areas and its student assessment scores exceeded peer and State averages, but the District lacked some internal controls related to cash handling and expenditures; did not comply with IT security requirements; and failed to oversee transportation services, resulting in increased risks to public monies, sensitive computerized data, and student safety

Audit purpose

To assess the District's efficiency and effectiveness in 4 operational areas—administration, plant operations and maintenance, food service, and transportation—and its compliance with certain State requirements.

Key findings

- District lacked key internal controls over cash-handling and accounting processes, did not reconcile deposits to supporting documentation, and did not have a process for overseeing the superintendent's travel and other expenditures, increasing the risk for errors, misuse, and fraud.
- District did not limit user access to its cloud-based storage service and failed to detect that an external party had downloaded 728 District documents.
- District lacked adequate IT security controls to review user access, enforce password policies, and safeguard systems and data, and did not have a complete contingency plan, increasing the risk of unauthorized access, data loss, errors, fraud, and operational disruptions.
- District did not ensure its contracted transportation provider complied with transportation laws and regulations nor did it verify student counts and mileage reported to ADE were accurate, increasing the risk of student safety concerns, reporting errors, and fraud.

Key recommendations

The District should:

- Limit accounting system access or implement review processes to detect improper transactions or errors, and establish procedures to reconcile deposits to cash receipts and separate key accounting duties.
- Develop a process to ensure transactions made by the superintendent, including travel requests and credit card expenditures, are approved in advance.
- Implement comprehensive IT procedures to limit user access, enforce strong password and security controls, remove unnecessary accounts, and establish and regularly test a contingency plan to reduce risks of unauthorized access, data loss, and operational disruptions.
- Oversee transportation contractor compliance with transportation laws and regulations and verify the accuracy of information reported to ADE.

See Performance Audit Report 25-211, October 2025, at www.azauditor.gov.