




Bowie Unified School District

48-Month Followup of Performance Audit Report 21-202

The April 2021 Bowie Unified School District performance audit found that the District's high teacher turnover and noncompliance with the State's online instruction program requirements may have negatively impacted student achievement. In addition, the District spent more on administration, plant operations, and food service than peer districts and did not generate revenues to cover community program costs, likely diverting monies from instruction. We made **30** recommendations to the District.

District's status in implementing 30 recommendations

Implementation status		Number of recommendations
	Implemented	23 recommendations
	Partially implemented	3 recommendations
	Not implemented	4 recommendations

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 April 2021 report.

Recommendations to the District

Finding 1: District has taken some steps to improve its educational program, but high teacher turnover and noncompliance with State's online instruction program requirements may have negatively impacted student achievement

1. The District should continue to implement steps such as those it took in connection with its school improvement plan or others it deems effective to improve its educational program and student achievement.

▶ Status: **Implemented at 36 months.**

To improve its educational program and student achievement since the audit, the District has purchased various new curricula and educational programs. For example, in fiscal year 2023, the District purchased new English Language Arts and mathematics curricula; a student support program intended to promote academic achievement; and online access to curricula across grades and subjects based on Arizona's academic standards. The Arizona Department of Education (ADE) assigns schools a letter grade based on year-to-year student academic growth, proficiency on academic assessments, and students' readiness for higher education. ADE's analysis of the District in fiscal year 2023 determined that the District's performance on these metrics qualified it for a C letter grade, which is an improvement from fiscal year 2022 when it had an F letter grade.¹

2. The District should develop and implement action steps to improve its teacher retention, including such steps as conducting teacher exit surveys and teacher satisfaction surveys to determine reasons teachers would continue working for the District and to address the reasons teachers leave the District.

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

The District updated its previously developed and implemented teacher exit and satisfaction surveys to include questions that are designed to provide feedback to District officials about steps it could take to address the reasons teachers leave the District and improve teacher retention. District officials reported that they use the survey results to identify and provide additional professional development and support that staff indicated are necessary. Further, all the District's fiscal year 2023 teachers signed contracts to return to the District for fiscal year 2024.

¹ ADE has not assigned Bowie High School a letter grade because the school does not have a large enough student population to receive an annual letter grade using SBE's guidelines for assigning letter grades. For this reason, we based our assessment on the letter grades assigned to Bowie Elementary School.

3. The District should continue to work with the State Board of Education (SBE) to ensure its online instruction program meets State accountability requirements.

▶ Status: **Implemented at 36 months.**

As of September 2024, the District is included in SBE's list of approved Arizona Online Instruction programs.

Finding 2: District spent over \$255,800 more on administrative staff than peer districts—monies that it could have spent on instruction or other District priorities

4. The District should reduce its administrative spending by:

- a. Assessing its administrative staffing levels and determining how to reduce to levels similar to its peer districts' averages.

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

The District reduced its administrative staffing level to approximately 3 full-time equivalent (FTE) positions in fiscal year 2023 from 3.5 FTE positions in fiscal year 2021 by combining the principal and superintendent positions into a single position. Our review of the District's staffing levels showed that this is similar to its peer districts' average administrative staffing level. Additionally, the District's administrative spending per student decreased 23% between fiscal year 2018, the audit year, and fiscal year 2022.

- b. Assessing its administrative salary levels and determining how to reduce to levels that are similar to those of its peer districts' averages.

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

District officials reported that they have consulted with peer districts about administrative salaries and benefits, and we found that the District had decreased its per student spending for administrative salaries and benefits by 26% since the audit. However, we also found that the District's total administrative costs remained much higher than peer districts' when comparing average per student spending. Specifically, in fiscal year 2024, the District's per student spending for administration was \$8,379, or 53% more than the average \$5,462 comparable peer districts spent.²

² For the 2021 performance audit, we developed a peer group of 5 similarly sized districts for the purposes of evaluating the District's administrative spending. We have continued to use information from these same peer districts for comparison purposes in all subsequent followup reports.

Finding 3: District spent more on plant operations than peer districts due to higher plant staffing and operating schools substantially below designed capacities, which resulted in inefficient spending of at least \$121,200

5. The District should eliminate inefficient plant operations spending by:

- a.** Assessing its plant operations staffing levels and reducing to levels similar to its peer districts' averages.

▶ Status: **Implemented at 36 months.**

We reviewed the District's staffing data and found that the District had reduced its FTE from 3.3 FTE at the time of the audit to 1.9 FTE in fiscal year 2024, which is comparable to peer district levels based on fiscal year 2023 data. Additionally, the District decreased its annual spending on plant operations salaries by more than \$33,000 since the audit.

- b.** Assessing its excess capacity and reducing it by closing space.

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

In September 2025, the Governing Board (Board) assessed the District's buildings and capacity and voted in a public meeting to keep all buildings on campus in operation and to repair and renovate them as needed. However, we found that the District's excess capacity remains similar to what it was during the audit, even considering recent enrollment increases and the District's reported efforts to allocate some of the excess space for special education and counseling services.

6. The District should determine whether it really needs the space where repairs are needed before accepting and spending Building Renewal Grant (BRG) monies to fix deficiencies.

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

As discussed in recommendation 5b, in September 2025, the District's Board voted to keep all buildings on campus in operation and to further repair and renovate them as needed after determining that they needed the space. Accordingly, although the District did not receive BRG monies in fiscal year 2025, District officials reported that they plan to continue seeking BRG monies to renovate its high school or for other building renovation projects, as needed.

Finding 4: Some District food service practices likely diverted monies away from instruction or other District priorities

7. The District should charge students correct meal prices based on their National School Lunch Program (NSLP) reimbursement category and accurately report to ADE the number of meals by price category that it serves.

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

We reviewed 5 randomly selected students who purchased lunches in fiscal year 2023 and found that the District appropriately charged all 5 students for meals using the same NSLP reimbursement category as indicated on free and reduced-price meal applications. Further, we reviewed the District's March 2023 meal records and determined the District had reported to ADE the correct number of meals by reimbursement category based on what the District recorded in its meal-tracking system.

8. The District should have classroom teachers take morning counts of students intending to purchase lunch in the cafeteria each day and report these counts to cafeteria staff, so they know how many meals to prepare or implement some other process that minimizes the number of wasted meals.

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

In fiscal year 2022, the District began collecting daily morning counts of students intending to purchase lunch in the cafeteria. We reviewed a sample of 4 days of morning counts collected from students and compared them to the District's lunch-production records and found that the District produced a similar number of lunches to what students requested during the morning counts. As a result, the District decreased its waste to less than 1 percent of prepared meals for the 4 days we reviewed.

9. The District should maximize its use of available United States Department of Agriculture (USDA) food allotments, determine whether it should increase available freezer space to accommodate additional USDA food, and obtain additional freezer space, as appropriate.

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

In fiscal year 2025, the District utilized USDA food allotments and reported that they plan to place additional orders in fiscal year 2026. Additionally, District officials reported that they considered their freezer space in the process of ordering commodities and determined that it is sufficient for their needs.

10. The District should charge full price for any second meals that it serves students.

► Status: **Implemented at 18 months.**

In January 2023, the District implemented a policy to no longer serve second meals to students and notified all District staff of this change. Additionally, as discussed in recommendation 8, as part of the 24-month followup, we reviewed a sample of food service records and did not identify any instances where the District served a second meal.

Finding 5: District did not generate revenues to cover costs for community preschool program and swimming pool use, and entered an inequitable cost-sharing agreement and paid for inaccurate charges, resulting in the loss of thousands of dollars

11. The District should determine whether it should continue offering community preschool and, if it does, charge student tuition or obtain grants or donations that cover the costs of operating the program.

► Status: **Implemented at 6 months.**

The District stopped operating its community preschool programs in March 2020 because of no enrollment, and at its April 2021 meeting, the District's Board formally voted to end its community preschool program.

12. The District should determine whether it should continue to operate a community pool during the summer and, if it does, operate it in a self-supporting manner by implementing options such as charging entrance fees, collecting donations, or partnering with the Town of Bowie to cover the costs of the pool's summer operation.

► Status: **Implemented at 6 months.**

At its April 2021 meeting, the District's Board formally voted to stop operating its community pool because it was not safe to operate, did not comply with the Americans with Disabilities Act, and was operating at a loss.

13. The District should thoroughly oversee all IGAs it enters with other school districts by ensuring the agreements are equitable to the District, that it is not inequitably paying costs associated with the IGAs, and that it is receiving any payments or equipment it is due upon termination of such agreements.

► Status: **Implemented at 6 months.**

The District has entered a new student athletics IGA with a neighboring district. As part of the IGA, the District pays for its students to participate in the neighboring district's student athletics program on a per student, per semester basis. Additionally, this IGA does not include any provisions for the District to receive payments or equipment upon termination of the agreement.

- 14.** The District should have its Governing Board decide whether to work with its attorney to determine if the District can still collect monies or sports equipment due to it from the termination of the sports program IGA with the other district.

► Status: **Implemented at 18 months.**

At its July 2022 public meeting, the District's Board voted to donate the sports equipment associated with its previous IGA to the other district with which it had the IGA. The District determined that it had the authority under State law to donate this equipment to the other district and determined that the anticipated cost of selling the equipment equaled or exceeded the estimated market value of the equipment.³

- 15.** The District should require other districts that are charging it for services to provide detailed invoices with explanations of charges.

► Status: **Not implemented.**

The District continues to pay for services provided under an IGA with another school district without requiring invoices to be sufficiently detailed to enable it to verify the accuracy of charges. We found that in fiscal year 2025, the District continued an IGA for on-site psychological, speech and language, counseling, physical therapy, and special education services for its students. However, it did not require changes to the IGA to address this recommendation, and the format of the invoices for these services has not changed since the last followup. As such, the District cannot ensure that it received all the services for which it paid approximately \$63,000 in fiscal year 2025.

- 16.** The District should track services it receives in connection with its IGAs, and compare them to invoices for accuracy prior to paying the invoices.

► Status: **Not implemented.**

As previously discussed in recommendation 15, the District did not obtain detailed invoices for services to enable it to ensure charges were accurate. As a result, even though the District reported that it tracks and reviews the times when service providers are on site, it is unable to compare the services it receives against invoices to verify they are accurate prior to payment.

Finding 6: District's lack of compliance with important requirements and standards put public monies and sensitive information at an increased risk of errors, fraud, and unauthorized access

- 17.** The District should separate responsibilities over payroll processing among more than 1 employee so that no employee is responsible for preparing, authorizing, and distributing payments without an independent or supervisory review.

³ Arizona Revised Statutes §15-342(18).

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

The District has implemented a payroll process that ensures separation of responsibilities among more than 1 employee. We reviewed fiscal year 2025 payroll documentation for a judgmentally selected sample of 5 of the District's 20 employees. We found that all the payments we reviewed showed evidence of separation of payroll duties in accordance with USFR requirements. Specifically, all payroll documentation was consistently prepared, validated, and authorized by separate individuals.

- 18.** The District should separate responsibilities over credit cards among more than 1 employee so that no employee can make purchases, record the purchases in the District's accounting system, reconcile purchase receipts to credit card statements, and issue payments to the credit card companies without another employee's independent review and approval.

► Status: **Implemented at 36 months.**

We reviewed the District's credit card statements and supporting documentation from October 2023 to December 2023 and found that the District reconciled all credit card statements with the supporting documentation, and a second employee who is not involved in the credit card purchasing process reviewed and verified reconciliations. By updating its process to include this secondary independent review, the District reduces the ability for a single employee to make purchases and issue payments to the credit card companies without independent review and approval.

- 19.** The District should pay credit card balances in full each billing cycle and make timely payments to avoid late fees and finance charges.

► Status: **Implemented at 18 months.**

The District reported that it now pays off all credit card balances each billing cycle and does not carry balances that incur fees or finance charges. Our review of 3 statements from July through September 2022 found that the District made timely payments and did not incur late fees or finance charges.

- 20.** The District should implement additional procedures to help ensure employees follow required purchasing procedures, including additional training or penalties for repeat offenses, among other options.

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

The District has updated its purchasing process and provided one-on-one trainings to staff involved in the purchasing process, but we found that staff did not always follow the District's updated purchasing process. We judgmentally selected and reviewed 30 purchases made between August 2024 and July 2025 and found that 4 of these purchases were not approved in advance as required by the District's written procedures and the USFR. This may indicate that staff are not receiving adequate training to complete the purchasing process in accordance with District requirements.

- 21.** The District should ensure that athletic event ticket sellers accurately record the tickets they sold and total cash they collected and have another employee independently review this documentation to verify that all cash collected and deposited accurately reflects the number of tickets sold.

▶ Status: **Implemented at 18 months.**

Although the District entered into a new IGA with a neighboring school district for student athletics and no longer sells athletic event tickets (see recommendation 13), the District's Future Farmers of America (FFA) club continues to host events for which it sells tickets. Our review of 2 FFA events in November and December 2022 found that the District's FFA club recorded the number of tickets sold and cash collected and that another employee independently reviewed this documentation to verify that all cash collected and deposited matched the number of tickets sold.

- 22.** The District should implement additional procedures to help ensure that employees who collect cash deposit it at the business office within 1 day of collection, as required by District policy. Additional procedures may include additional staff training or penalties for repeat offenses, among other options.

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

According to District officials, when District administration approves school clubs to host events or sell items, it now reminds club sponsors that any monies collected must be turned in the next business day. Our review of 3 events held between February and April 2023 found that for all 3 events, the club deposited the cash with the District's business office within 1 business day after collection.

- 23.** Classify all transactions in accordance with the Uniform Chart of Accounts for school districts to ensure it accurately reports its spending.

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

We reviewed the District's fiscal year 2023 expenditures and found that it had largely corrected the coding errors we identified during the audit and in subsequent followups.

- 24.** The District should accurately record and report to ADE, for transportation funding purposes, the miles it drove in connection with its student transportation program, as well as the actual number of eligible students it transported.

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

We reviewed the District's transportation logs and other applicable documentation for fiscal year 2025 and determined that the District accurately reported its miles and riders data to ADE.

- 25.** The District should limit accounting system users' access to only those functions needed to perform their job duties.

▶ Status: **Not implemented.**

Our review of October 2025 accounting system reports found that 5 users—including 3 who were also identified during our previous 36-month followup—have more access than needed to perform their job duties. As a result, the District continues to increase its risk of errors and fraud.

- 26.** The District should remove administrator-level access to its accounting system from any employee in its business office and provide that access instead to an employee or authorized person outside of the business office, such as an IT administrator or employee.

▶ Status: **Implemented at 6 months.**

- 27.** The District should implement and enforce student information system (SIS) password requirements that meet credible industry standards.

▶ Status: **Implemented at 6 months.**

- 28.** The District should implement additional procedures to ensure that terminated employees have their SIS and accounting system access promptly removed to reduce the risk of unauthorized access.

▶ Status: **Not implemented.**

The District has failed to ensure that employees' SIS and accounting system access is promptly removed upon separating from District employment. During our October 2025 review of the District's accounting system users, we identified 1 former employee who had not worked for the District for at least 3 months but had retained broad access to the accounts payable and payroll functions. We also found that 9 of the District's 66 active SIS user accounts belonged to terminated employees, including 1 user whose termination occurred more than 2 years prior to our review. Because the District has failed to remove these users from its SIS and accounting system, it continues to increase the risk for unauthorized access to its systems and sensitive information.