



## ARIZONA AUDITOR GENERAL

Lindsey A. Perry, Auditor General

June 17, 2026

Sent via email

Arizona State Board of Education  
1700 W. Washington St.  
Executive Tower Ste. 300  
Phoenix, AZ 85007

**Subject: Young Elementary School District—Still in Noncompliance with the USFR**

Dear Members of the Arizona State Board of Education:

In accordance with Arizona Revised Statutes (A.R.S.) §15-271, we are notifying you that Young Elementary School District (District) is still in noncompliance with the *Uniform System of Financial Records for Arizona School Districts* (USFR) based on our review of the District's fiscal year (FY) 2025 financial audit reports and USFR Compliance Questionnaire (Questionnaire) and our March 2026 performance audit followup report. Accordingly, we request that the Arizona State Board of Education (State Board) take appropriate action as prescribed in A.R.S. §15-272. As required, we are providing you with the enclosed list of the most significant USFR deficiencies we noted in those reports.

Additionally, the following summarizes our past notifications and State Board action related to the District's continued noncompliance with the USFR:

- February 2023—We notified the District that it had not complied with the USFR based on our review of the significant deficiencies cited in its FY 20221 audit reports and Questionnaire and our December 2022 performance audit report. The District had 90 days to correct its deficiencies, but it did not do so.
- September 2023— We notified the District Governing Board that it was still in noncompliance with the USFR based on our review of the significant deficiencies cited in its FY 2022 audit reports and Questionnaire and our December 2022 performance audit report.
- January 2024—We notified the State Board that the District was not ready for a status review to determine if it was no longer in noncompliance with the USFR based on assertions in its submitted October 2023 corrective action plan and discussions with District management and requested the State Board to take actions as prescribed in A.R.S. §15-272.
- April 2024—The State Board held a hearing and directed the Superintendent of Public Instruction to withhold 3% of the District's State aid in accordance with A.R.S. §15-272(B).

- September 2024—We notified the State Board and the District that it was still in noncompliance with the USFR based on our review of the significant deficiencies cited in its FY 2023 financial audit reports and Questionnaire and our January 2024 performance audit followup report.
- August 2025—We notified the State Board and the District that it was still in noncompliance with the USFR based on our review of the significant deficiencies cited in its FY 2024 financial audit reports and Questionnaire and our June 2025 performance audit followup report. The State Board has not held an additional hearing regarding the District's continued noncompliance in FYs 2023 or 2024.

Finally, we will continue to assist the District as it works to correct its internal control deficiencies. For example, we provided the District with an updated corrective action plan template to document corrective actions taken to comply with the USFR, and we will schedule periodic meetings with District management to discuss the District's implemented and planned corrective actions. When the District can show it has corrected its deficiencies, it should notify my Office and we may perform a status review to determine if the District is no longer in noncompliance with the USFR, and we will inform you of the results.

If you have questions concerning the District's noncompliance or our process, please call Meghan Hieger, Director, or Chris Votroubek, Manager, within our Accountability Services Division at (602) 977-2796.

Sincerely,

*Lindsey A. Perry*

Lindsey A. Perry, CPA, CFE  
Auditor General

Enclosure: List of Deficiencies

cc: Governing Board  
Chad Knippen, Superintendent  
Tracy McMillen, Business Manager  
Young Elementary School District  
The Honorable Roy Sandoval, Gila County School Superintendent  
Sean Ross, Executive Director  
Arizona State Board of Education  
Art Harding, Chief Operations Officer  
Nicole von Prisk, Deputy Associate Superintendent, Grants Management  
Arizona Department of Education