ARIZONA AUDITOR GENERAL

Lindsey A. Perry, Auditor General

November 16, 2026

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

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

Dear Members of the State Board of Education:

In accordance with Arizona Revised Statutes (A.R.S.) §15-271, we are notifying you that Elfrida 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). 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 including the District not providing a complete reconciliation of its cash balance records to cash balances as reported by the county treasurer and not preparing a compensated absences listing, which was the basis for the auditor's qualified opinion on the District's FY 2025 governmental activities, each major fund, and aggregate remaining fund information.

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

- September 2024—We notified the District that it had not complied with the USFR based on our review of the significant deficiencies cited in its FY 2023 financial audit reports and Questionnaire. The District had 90 days to correct its deficiencies, but it did not do so.

- December 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 November 2024 corrective action plan and discussions with District management. As a result, we requested the State Board take action as prescribed in A.R.S. §15-272.

- March 2025—The State Board directed the Superintendent of Public Instruction to withhold 3% of the District's State Aid in accordance with Arizona Revised Statutes §15-272(B).

- September 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.

- July 2026—We notified the State Board that the District was in noncompliance with audit reporting requirements because it had not submitted its FY 2025 financial audit reports and Questionnaire, which were due on March 31, 2026.

- September 2026—We notified the State Board that the District submitted its FY 2025 financial audit reports and Questionnaire, which were nearly 6 months late. However, as previously discussed, we have since reviewed these reports and determined the District is still in noncompliance with the USFR based on the significant deficiencies in these reports.

Further, 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
Jamie Bachmann, Principal
Jacqueline Salmon, Business Manager
Elfrida Elementary School District
The Honorable Jacqui Clay, 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