



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

November 5, 2012

Governing Board
Baboquivari Unified School District No. 40
P.O. Box 248
Sells, AZ 85634-0248

Members of the Board:

In August 2012, we notified the Arizona State Board of Education (Board) that your District had not submitted its audit reports and Uniform System of Financial Records (USFR) Compliance Questionnaires for the years ended June 30, 2010 and 2011.

We have since received and reviewed the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2010, prepared by CliftonLarsonAllen LLP, to determine whether the District substantially complied with the USFR.

As a result of our review, we noted significant deficiencies in internal controls for the year ended June 30, 2010, that indicate the District had not complied with the USFR in regard to internal controls as well as state and federal law in regard to submission of the June 30, 2011, audit reports. The specific details of all internal control deficiencies noted in our review have been provided to management for correction. District management should implement corrective action for each deficiency within 90 days after the date of this letter.

During the 90-day period, the District may request a meeting to discuss corrective action with our Office and the Arizona Department of Education by calling Michael Stelpstra, Accounting Services Manager, or me at (602) 553-0333.

After the 90-day period, if the past-due audit reports and USFR Compliance Questionnaire have been submitted, my staff will schedule an on-site review of the District's internal controls to determine whether the District has attained substantial compliance with the USFR. Our review will cover the deficiencies communicated to management as well as any other internal control deficiencies we are aware of at the time of our review.

Sincerely,

Laura J.P. Miller, CPA
Accounting Services Director

Governing Board
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cc: Dr. Alberto Siqueiros, Superintendent
Mr. Daniel Fleury, Business Manager
Baboquivari Unified School District No. 40
The Honorable Linda Arzoumanian, Pima County School Superintendent
Mr. Vince Yanez, Executive Director
Arizona State Board of Education
Ms. Stacey Morley, Executive Director of Policy Development and Government Relations
Arizona Department of Education