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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

July 19, 2016

The Honorable John Allen, Chair
Joint Legislative Audit Committee

The Honorable Judy Burges, Vice Chair
Joint Legislative Audit Committee

Dear Representative Allen and Senator Burges:

Our Office has recently completed a 6-month followup of the Hillside Elementary School District's implementation status for the 4 audit recommendations presented in the performance audit report released in November 2015. As the enclosed grid indicates:

- 3 recommendations have been implemented, and
- 1 recommendation is in the process of being implemented.

Our Office will continue to follow up at 6-month intervals with the District on the status of those recommendations that have not yet been fully implemented.

Sincerely,

Vicki Hanson
Director, Division of School Audits

VH:lc
Enclosure

cc: Ms. Pamela Hampton, Administrator
Governing Board
Hillside Elementary School District

HILLSIDE ELEMENTARY SCHOOL DISTRICT

Auditor General Performance Audit Report Issued November 2015

6-Month Follow-Up Report

Recommendation	Status/Additional Explanation
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FINDING 1: Transportation program oversight needs strengthening

<p>1. The District should ensure that it conducts all required random drug and alcohol testing as specified in the State's <i>Minimum Standards</i>.</p>	<p>Implemented at 6 months</p>
<p>2. The District should evaluate and implement additional controls over its fuel inventory to help ensure proper accounting of all fuel deliveries and usage, including documenting its reconciliations of fuel usage to fuel purchases and locking its fuel pump when not in use.</p>	<p>Implementation in process The District has implemented a system for recording fuel usage and deliveries and has installed a lock on its fuel pump. However, the District is still in the process of developing a system for reconciling fuel usage to fuel purchases. Auditors will review this recommendation again at the 12-month followup.</p>

OTHER FINDINGS 1: Some purchases lacked proper approval

<p>1. The District should ensure that it requires an independent review and approval for all of its purchases prior to the purchases being made.</p>	<p>Implemented at 6 months</p>
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OTHER FINDINGS 2: Physical access to computer server was not limited

<p>1. The District should ensure that its computer server is stored in a secured manner and that only appropriate personnel have access.</p>	<p>Implemented at 6 months</p>
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