



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

August 1, 2012

The Honorable John Huppenthal  
Superintendent of Public Instruction  
Arizona Department of Education  
Executive Officer  
Arizona State Board of Education  
1535 West Jefferson Street  
Phoenix, AZ 85007

**Subject: Indian Oasis-Baboquivari Unified School District No. 40**

Dear Mr. Huppenthal:

In May 2011, we requested that the Arizona State Board of Education (Board) take action on Indian Oasis-Baboquivari Unified School District No. 40 because the District had not submitted its audit reports and Uniform System of Financial Records (USFR) Compliance Questionnaire for the years ended June 30, 2009 and 2010.

The District appeared before the Board on August 22, 2011, for determination of noncompliance with the USFR for failing to submit audit reports and to have state funds withheld pursuant to Arizona Revised Statute (A.R.S.) §15-272(B). The Board withheld 3% of the District's state aid.

We received the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2009, prepared by CliftonLarsonAllen LLP. However, to date, we have not received the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2010.

In addition, we have not received the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2011, which were due by March 31, 2012. Therefore, the District still has not complied with the USFR and state and federal law in regard to report submission, and we request that the Board take appropriate action as prescribed by A.R.S. §15-272 as a result of the District's continued noncompliance with the USFR.

The Honorable John Huppenthal

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If you have questions concerning this matter, please call Laura Miller, Accounting Services Director, or Michael Stelpstra, Accounting Services Manager, at (602) 553-0333.

Sincerely,

Debbie Davenport  
Auditor General

cc: Governing Board

Dr. Alberto Siqueiros, Superintendent

Indian Oasis-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