



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

May 14, 2010

Governing Board  
Littleton Elementary School District No. 65  
P.O. Box 280  
Cashion, AZ 85329

Members of the Board:

In our August 2009 compliance review report we notified you that the District had not complied with the *Uniform System of Financial Records* (USFR) for the year ended June 30, 2008.

We have since reviewed the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2009, to determine whether the District was in compliance with the USFR as of that date. Based solely on our review of these documents, the District has complied with the USFR.

However, we noted that the District still had numerous internal control deficiencies cited by its auditors in the Schedule of Findings and Questioned Costs and the USFR Compliance Questionnaire. These deficiencies indicate that the District's internal controls are especially weak in the areas of expenditure processing and auxiliary operations and student activities cash receipts. These weaknesses left district and student monies susceptible to loss, theft, or misuse.

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR and adequately safeguard district and student monies.

If you have questions concerning the deficiencies or how to correct them, please call Laura Miller, Accounting Services Director, or Michael Stelpstra, Accounting Services Manager, at (602) 553-0333.

Sincerely,

Debbie Davenport  
Auditor General

cc: Dr. Roger Freeman, Superintendent  
Ms. Karen Eyherabide, Executive Director of Business Resources  
Littleton Elementary School District No. 65  
The Honorable Don Covey, Maricopa County School Superintendent  
Ms. Vicki G. Salazar, Associate Superintendent for Business and Finance  
Arizona Department of Education