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DEPUTY AUDITOR GENERAL

ARIZONA AUDITOR GENERAL
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July 26, 2019

The Honorable Kathy Hoffman
Superintendent of Public Instruction
Arizona Department of Education
1535 W. Jefferson St.
Phoenix, AZ 85007

Subject: Murphy Elementary School District

Dear Ms. Hoffman:

In December 2018, we notified your predecessor that Murphy Elementary School District had not complied with the *Uniform System of Financial Records* (USFR). Subsequently, in accordance with Arizona Revised Statutes §15-272(B), the State Board of Education held a hearing regarding Murphy Elementary School District and did not take action.

Most recently, we received and reviewed the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2018, which indicated that the District had not complied with the USFR. We provided the District with the details of the most significant deficiencies noted in these reports. Once the District has implemented corrective actions and believes they are no longer in noncompliance with the USFR, my Office will schedule a status review upon the District's request.

If you have questions concerning this matter, please call Melanie Chesney, Deputy Auditor General and Interim Accounting Services Director, or Megan Smith, Accounting Services Manager, at (602) 553-0333.

Sincerely,
Lindsey Perry, CPA, CFE
Auditor General

cc: Governing Board
Dr. Dennis Goodwin, Superintendent
Mr. James Serbin, Business Manager
Murphy Elementary School District
Mr. Peter Davis, Receiver for Murphy Elementary School District
Ms. Alison Wise, Senior Associate
Simon Consulting, LLC