



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

July 3, 2014

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

Subject: Red Mesa Unified School District No. 27

Dear Mr. Huppenthal:

Enclosed is a copy of our June 2014 *Red Mesa Unified School District Status Review* report, finding the District in continued noncompliance with the *Uniform System of Financial Records* (USFR). This report summarizes the District's most significant deficiencies and our recommendations.

We previously notified the District that it had not complied with the USFR based on our review of the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2010. The District was given 90 days to correct its deficiencies.

We subsequently received and reviewed the District's audit reports and USFR Compliance Questionnaires for the years ended June 30, 2011 and 2012, neither of which indicated that the District had made improvements to allow it to substantially comply with the USFR.

In October 2013, district management represented to us that they had made significant progress in correcting the deficiencies cited in their June 30, 2012 audit reports and USFR Compliance Questionnaire. We performed a status review as of December 19, 2013, to determine whether the District had made improvements to substantially comply with the USFR. Based on our review of the District's records and procedures and interviews with personnel, we determined that the District still had not complied with the USFR. Therefore, we request that the Arizona State Board of Education take appropriate action as prescribed by Arizona Revised Statutes §15-272.

The Honorable John Huppenthal

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

Sincerely,

Debbie Davenport
Auditor General

Enclosure

cc: Governing Board

Dr. Tommie Yazzie, Superintendent

Ms. Michele Scott, Business Manager

Red Mesa Unified School District No. 27

The Honorable R. Barry Williams, Apache County School Superintendent

Ms. Christine Thompson, Executive Director

Arizona State Board of Education

Ms. Stacey Morley, Executive Director of Policy Development and Government Relations

Arizona Department of Education