



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL
September 18, 2014

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Governing Board
St. David Unified School District No. 21
P.O. Box 70
St. David, AZ 85630-0070

Members of the Board:

In September 2013, we notified you that the District had not complied with the *Uniform System of Financial Records* (USFR).

We have since received and reviewed the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2013, 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 still especially weak over its accounting records, including reconciliations of the District's accounting records with the County School Superintendent and County Treasurer, that could result in undiscovered errors and affect the reliability of information reported to the public and oversight agencies. In addition, the District's internal controls are also weak over capital assets, leaving district property susceptible to loss, theft, and misuse.

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR, maintain accurate and reliable accounting records, and adequately safeguard district property.

If you have questions concerning the deficiencies or how to correct them, please call Megan Smith, Accounting Services Manager, or me at (602) 553-0333.

Sincerely,

Laura J.P. Miller, CPA
Accounting Services Director

cc: Mr. Mark Goodman, Superintendent
Ms. Vickie Bradford, Business Manager
St. David Unified School District No. 21
The Honorable Trudy Berry, Cochise County School Superintendent
Ms. Stacey Morley, Executive Director of Policy Development and Government Relations
Arizona Department of Education