



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

November 8, 2012

Governing Board
Willcox Unified School District No. 13
480 North Bisbee Avenue
Willcox, AZ 85643-1509

Members of the Board:

In January 2012, 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, 2011, to determine whether the District was in compliance with the USFR as of that date. Based solely on our review of these documents and our 24-month followup on our performance audit of the District, 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 and our 24-month followup on our performance audit of the District. These deficiencies indicate that the District's internal controls are still especially weak in the area of procurement, limiting the fair and open competition among vendors that helps ensure the District receives the best possible value for the public money it spends. In addition, controls were not adequate to ensure that classroom site fund, maintenance and operation revolving fund, and extracurricular activities tax credit monies were always used in accordance with statutory requirements.

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR and ensure compliance with the School District Procurement Rules (*Arizona Administrative Code R-7-2-1001 et seq*) and statutory restrictions on district monies.

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

Sincerely,

Laura J.P. Miller, CPA
Accounting Services Director

cc: Dr. Richard Rundhaug, Superintendent
Mr. Jim Foley, Business Manager
Willcox Unified School District No. 13
The Honorable Trudy Berry, Cochise County School Superintendent
Ms. Stacey Morley, Executive Director of Policy Development and Government Relations
Arizona Department of Education