ARIZONA
AuditorGeneral
Making a Positive Difference

REPORT HIGHLIGHTS
Performance Audit
August 2016

# Littlefield Unified School District

CONCLUSION: In fiscal year 2014, Littlefield USD's student achievement was similar to peer districts', and the District's operations were reasonably efficient in most operational areas. Littlefield USD's administrative costs per pupil were slightly lower than the peer districts' average primarily because it employed fewer administrative staff, but the District needs to strengthen controls over its computer systems and network. The District's plant operations costs were higher per square foot but lower per student because the District maintained less building space per student. Further, we observed the District's facilities and plant operations activities and did not identify any overstaffing, unusually high salaries, or excessive or unneeded building heating or cooling. In addition, the District's food service program was self-sufficient, operating with a cost per meal that was much lower than the peer district average, and its transportation program was reasonably efficient, with buses being filled to an average of 84 percent of seat capacity.

Similar student achievement and reasonably efficient operations

Student achievement similar to peer districts'—In fiscal year 2014, Littlefield USD's student AIMS scores in math, writing, and science were similar to peer district averages, and its reading scores were slightly lower. Under the Arizona Department of Education's A-F Letter Grade Accountability System, the District received an overall letter grade of C. Eight of the 18 peer districts also received Cs, 7 received Bs, 2 received Ds, and 1 received an A. The District's 70 percent graduation rate was slightly lower than both the peer districts' and the State's 76 percent averages.

Reasonably efficient operations overall—Based on auditors' review of various performance measures, in fiscal year 2014, Littlefield USD operated in a reasonably efficient manner in most operational areas. The District's administrative costs per pupil were slightly lower than the peer districts' average because it employed fewer administrative staff. Littlefield USD's plant operations were reasonably efficient, with costs that were higher per square foot than the peer districts' average, but much lower per pupil because the District maintained less building space per student. In addition, the District's food service program was self-sufficient, operating with a cost per meal that was much lower than the peer district average in part because the District made full use of United States Department of Agriculture food commodities, which are available at a very low cost to school districts participating in the National School Lunch Program. Further, the District's transportation program was reasonably efficient, with buses being filled to an average of 84 percent of seat capacity.

Percentage of students who met or exceeded state standards (AIMS) Fiscal year 2014

■ Littlefield USD   ■ Peer group   ■ State-wide
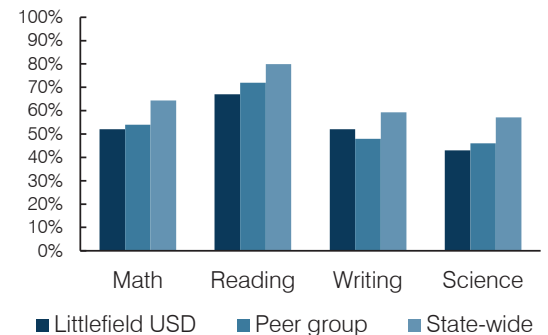
Comparison of per pupil expenditures by operational area Fiscal year 2014

	Littlefield USD	Peer group average
Administration	$ 1,444	$ 1,534
Plant operations	1,090	1,518
Food service	550	448
Transportation	547	501

District needs to strengthen its computer controls

In fiscal year 2014, Littlefield USD lacked adequate controls over its computer systems and network. Although no improper transactions were detected in the items we reviewed, these poor controls exposed the District to an increased risk of errors, fraud, unauthorized access to sensitive information, and loss of data. More specifically:

- **Weak password requirements—**We found that although users developed their own passwords, network and accounting system passwords lacked length and complexity requirements—that is, passwords could be short and did not need to contain numbers or symbols. In addition, some network and accounting system users were not required to change their passwords periodically. Common guidelines for strong passwords recommend that passwords be at least eight characters in length; contain a combination of lowercase and uppercase alphabetic characters, numbers, and symbols if permitted by the system; and be changed periodically.
- **Too many employees with administrator-level access—**At Littlefield USD, 23 user accounts had administrator-level access, which allows the user full control over network settings. By allowing too many users to have this level of access, the District increases its risk of security breaches because administrator accounts are typically targeted by hackers because of their high-level privileges.
- **Generic accounts—**We found that 29 network user accounts were generic accounts not assigned to specific individuals, making it difficult or impossible to hold anyone accountable if inappropriate activity occurred while using these accounts.
- **Inadequate procedures for removing access to network—**We found that 23 network user accounts were linked to employees who no longer worked for the District, including some employees who had not worked for the District for over 1 year.
- **No written agreement for maintaining district accounting system—**The District's accounting system resides at the Mohave County School Superintendent's Office, but there is no written agreement describing the responsibilities of the District and the Superintendent's Office regarding software licensing; establishing and monitoring user access; ensuring data security, backup, storage, and recovery; and removing former employees' access.
- **Lack of a contingency plan—**The District lacked a written, up-to-date contingency plan for its network and critical systems. Having a written and properly designed contingency plan would help ensure continuous operations in the case of a system or equipment failure or interruption.

Recommendations

The District should:
- Implement and enforce stronger password requirements.
- Review and reduce the number of users with administrator-level access to its network.
- Eliminate unnecessary generic network accounts and properly control any remaining generic accounts.
- Ensure that employees who no longer work for the District have their network access promptly removed.
- Establish a written agreement with the Mohave County School Superintendent's Office that outlines each party's responsibilities for the District's accounting system.
- Create and test a formal, written contingency plan.