



# Paloma Elementary School District

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June 25, 2018

Ms. Lindsey Perry, Auditor General  
2910 N. 44<sup>th</sup> Street, Suite 410  
Phoenix, Arizona 85018

Dear Ms. Perry,

The Paloma Elementary School District respectfully submits its response to the Preliminary Draft Performance Audit Report for fiscal year 2016.

The findings and recommendations provided to the Paloma Elementary School District will help the district improve its operations and procedures. The District is committed to continuous improvement and the recommendations will help ensure the District continues to operate in the most efficient and effective manner possible.

The Paloma Elementary School District would like to express its appreciation for the professionalism displayed by the Arizona Auditor General's staff throughout the auditing process.

Sincerely,

Kristin Turner, Superintendent

**Finding 1:** District needs to strengthen purchasing and computer controls

District Response: Paloma School District agrees with the finding and all the recommendations. The District has already addressed the recommendation in regards to purchasing.

**Recommendation 1:** The District should ensure that it requires an independent review and approval for all its purchases prior to the purchases being made.

District Response: The District will ensure policy is followed. All purchases will be reviewed and approved prior to the purchase being made.

**Recommendation 2:** The District should limit employees' access in the accounting system to only those accounting system functions needed to perform their job duties, including transferring administrator-level access to someone outside of the business office.

District Response: The District will work with MCESA to limit access to the accounting program to only the roles required to perform duties.

**Recommendation 3:** The District should create and implement a formal IT contingency plan and test it periodically to identify and remedy any deficiencies.

District Response: The District will work with consultants towards creating and implementing a written formal IT contingency plan. The plan will include detailed information on how to restore systems in the event of system or equipment failure or interruption. The District will also maintain documentation of tests performed of its ability to restore electronic data and files.

**Finding 2:** District needs to improve transportation program oversight

District Response: The Paloma School District agrees with the finding and all recommendations. The District has already implement new procedures for the oversight of the transportation program.

**Recommendation 1:** The District should develop and implement procedures to ensure that bus driver certification requirements are met and documented in accordance with the State's Minimum Standards.

District Response: The District will work with an outside vendor to ensure that all bus driver certification requirements are met and documented. The District will ensure that all random drug and alcohol testing is completed each year.

**Recommendation 2:** The District should ensure that bus preventative maintenance is conducted in a systematic and timely manner and documented in accordance with district policy and the State's Minimum Standards.

District Response: The District has already implemented better procedures for documenting preventative maintenance. The District is keeping maintenance records in

each vehicle with the mileage logs. The maintenance department will ensure the State's Minimum Standards are met for all buses.

**Recommendation 3:** The District should accurately calculate and report to the Arizona Department of Education the actual number of riders transported for state funding purposes.

District Response: The District became aware of this issue in 2016 and immediately developed new procedures for rider documentation. The District now calculates actual riders instead of eligible riders.