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**STATE OF ARIZONA**  
OFFICE OF THE  
**AUDITOR GENERAL**

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DEPUTY AUDITOR GENERAL

August 26, 2011

The Honorable Rick Murphy, Chair  
Joint Legislative Audit Committee

The Honorable Carl Seel, Vice Chair  
Joint Legislative Audit Committee

Dear Senator Murphy and Representative Seel:

Our Office has recently completed an 18-month followup of the Casa Grande Union High School District's implementation status for the 21 audit recommendations presented in the performance audit report released in November 2009. As the enclosed grid indicates:

- 20 recommendations have been implemented, and
- 1 recommendation is in the process of being implemented.

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our follow-up work on the District's efforts to implement the recommendations resulting from the November 2009 performance audit.

Sincerely,

Ross Ehrick, CPA  
Director, Division of School Audits

RE:bl  
Enclosure

cc: Mr. Dennis Dearden, Superintendent  
Governing Board  
Casa Grande Union High School District

# CASA GRANDE UNION HIGH SCHOOL DISTRICT

## Auditor General Performance Audit Report Issued November 2009

### 18-Month Follow-Up Report

Recommendation	Status/Additional Explanation
<b>CHAPTER 1: Administration</b>	
1. The District should review its administrative positions and the related duties and salaries to determine how administrative costs can be reduced.	<b>Implemented at 18 months</b> Since the audit year, the District has eliminated 2 administrative technology positions, 2 receptionist positions, and 1 administrative assistant position for a savings of \$151,500. Additionally, when the Assistant Superintendent left the District, the District hired someone at only 0.75 full-time equivalents.
2. The District should review its administrative purchased services to determine how these costs can be reduced.	<b>Implemented at 12 months</b>
3. The District should discontinue paying for meals for employees who are not on travel status and for nonemployees.	<b>Implemented at 6 months</b>
4. The District should enforce its credit card policies by requiring and maintaining supporting documentation for all expenditures, and ensuring credit card purchases do not exceed the established limits.	<b>Implemented at 18 months</b>
5. The District should improve its cash controls by separating cash-handling and recordkeeping responsibilities.	<b>Implemented at 12 months</b>
6. The District should implement proper access controls over its accounting system so that individual employees do not have the ability to initiate and complete a transaction without independent review and approval.	<b>Implemented at 18 months</b>
7. The District should clearly identify any additional compensation in employee contracts prior to the services being rendered.	<b>Implemented at 12 months</b>

Recommendation	Status/Additional Explanation
<b>CHAPTER 2: Student transportation</b>	
1. The District should review the costs associated with its special programs and services and determine whether they are necessary and being provided in the most cost-efficient manner.	<b>Implemented at 12 months</b>
2. The District should review its need for bus assistants on regular routes to determine if these costs can be reduced.	<b>Implemented at 6 months</b>
3. The District should review its billings to ensure that it is being charged according to the agreed-upon terms and in the most cost-effective manner.	<b>Implemented at 18 months</b>
4. To aid in evaluating the costs and efficiency of its transportation program, the District should establish and monitor performance measures such as cost per mile, cost per rider, and bus capacity usage.	<b>Implemented at 18 months</b>
5. The District should periodically review both driver and bus files to ensure all requirements are met and documented in accordance with DPS' <i>Minimum Standards</i> .	<b>Implemented at 6 months</b>
<b>CHAPTER 3: Plant operation and maintenance</b>	
1. As the District opens its new school, it should review its staffing levels and monitor its costs to determine whether they are appropriate and where savings can be achieved.	<b>Implemented at 18 months</b> Since the audit year, the District has reduced the number of security guards by 5, saving an estimated \$97,000. Additionally, the District has kept the number of custodians, maintenance, and grounds employees relatively the same despite opening a new school.
<b>CHAPTER 4: Proposition 301 monies</b>	
1. The District's Proposition 301 plan should specify the amount or a range of amounts of performance pay each eligible employee can earn if performance criteria are met.	<b>Implemented at 12 months</b>
2. The District should ensure that it pays eligible employees' base, performance, and menu options pay in accordance with its Governing Board-approved plan.	<b>Implemented at 18 months</b>
3. The District should seek legal counsel to determine whether overpayments made to employees should be recovered.	<b>Implemented at 12 months</b>

Recommendation	Status/Additional Explanation
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4. To promote improved performance, the District should establish meaningful performance goals for activities or achievements that the District does not already require.

**Implemented at 18 months**

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**CHAPTER 5: Classroom dollars**

1. The District should classify all transactions in accordance with the Uniform Chart of Accounts for school districts.

**Implemented at 12 months**

2. The District should review its noninstructional spending, especially its administration, plant operations, and transportation spending, to determine if savings can be achieved and some of these monies can be redirected to the classroom.

**Implementation in process**  
 Although the District has made cuts in operational areas such as administration and plant operations, many of these cuts were not made until the current fiscal year. Therefore, the impact on classroom spending cannot be analyzed until fiscal year end.

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**CHAPTER 6: English Language Learner programs, costs, and funding**

1. The District should ensure that all students with primary home languages other than English are tested, that testing data is accurate, and that all ELL students receive ELD instruction.

**Implemented at 12 months**

2. The District should ensure that its English language development instruction is fully aligned with the models adopted by the ELL Task Force in September 2007.

**Implemented at 6 months**