

## REPORT HIGHLIGHTS PERFORMANCE AUDIT

## Student achievement and operational efficiency

### Our Conclusion

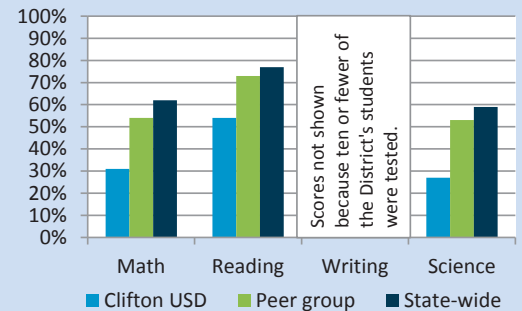
In fiscal year 2012, Clifton Unified School District's student AIMS scores were lower than both its peer districts' and state averages. The District's instructional program needs improvement. For example, some students were not provided the statutorily required number of instructional hours, and one of its four teachers did not have a teaching certificate. The District's operational efficiencies were mixed, with some costs higher and some costs lower than peer districts'. However, the District lacked proper oversight and adequate controls over nearly all of its operations. In particular, the District lacked basic administrative processes such as monitoring budgets and maintaining proper controls over expenditures resulting in it overspending its legal budget limits in fiscal years 2009, 2010, and 2011. The District also failed to meet several transportation safety requirements. For example, its primary driver was not certified to drive a school bus. Lastly, the District lacked proper supervision of inmate workers on its school campus.



2014

**Student achievement**—In fiscal year 2012, Clifton USD's student AIMS scores were lower than both peer districts' and state averages. However, for very small districts such as Clifton USD, year-to-year changes in student populations can greatly impact year-to-year student AIMS scores. Under the Arizona Department of Education's A-F Letter Grade Accountability System, Clifton USD received an overall letter grade of D for fiscal year 2012. Auditors also identified several concerns with the District's instructional program, including an uncertified teacher and some students' not receiving the statutorily required number of instructional hours.

Percentage of students who met or exceeded state standards (AIMS)  
Fiscal year 2012



**Operational efficiencies mixed, with some costs higher and some costs lower**—Although Clifton USD spent less per student than peer districts, nearly all of its lower spending came from the classroom. The District's spending has fluctuated greatly in recent years because of large changes in student enrollment and the District's poor budgeting practices. Further, we identified a lack of proper oversight, basic procedures, and adequate controls over nearly all operations.

Comparison of per pupil expenditures by operational area  
Fiscal year 2012

Per pupil	Clifton USD	Peer group average
Administration	\$2,921	\$2,472
Plant operations	2,315	2,126
Food service	498	756
Transportation	327	970

## Overall poor business operations

Clifton USD lacks adequate procedures and oversight in nearly all areas of its operations. Poor business procedures, including budgeting errors and failure to monitor spending, have threatened the District's ability to continue operations. Further, the lack of controls over areas such as payroll, purchasing, and student activities monies, have increased the risk of errors and fraud and have contributed to unsupported payments and improper use of monies. The District has been unable to report its costs accurately to the State, and its accounting records were in such disarray that its contracted financial statement auditor was not able to express an opinion on the District's financial statements in fiscal years 2011 and 2012, the most recent years due at the time of this report. The District needs to make many changes to bring its business operations into good working order.

## Recommendations

The District should:

- Implement proper controls and oversight of its operations.
- Improve its business practices and recordkeeping to help ensure it accurately reports its costs and is able to prepare auditable financial statements.

## Instructional program needs improvement

Similar to its business operations, we found Clifton USD's instructional program lacking. For example, in fiscal year 2012, Clifton USD did not provide some students with the statutorily required number of instructional hours, and in fiscal year 2013, one of the District's four teachers did not have a teaching certificate. Further, the Arizona Department of Education identified Clifton High School as one of the persistently lowest achieving schools in the State. Clifton USD's instructional program has faced many challenges in recent years, including frequent turnover in district leadership, high teacher turnover, teacher salaries that were lower than nearby districts' salaries, and limited opportunities for students. Many factors can impact student achievement, and these shortcomings and instructional challenges are among those factors that likely impacted the District's student achievement.

## Recommendations

The District should:

- Ensure that all grade levels meet the instructional hours required by statute.
- Ensure its teachers are properly certified.

## Failed to meet transportation safety requirements

In fiscal years 2012 and 2013, Clifton USD failed to meet several transportation safety requirements in accordance with the State's *Minimum Standards for School Buses and School Bus Drivers (Minimum Standards)*. For example, the primary driver for the District's one fiscal year 2013 route was not certified to drive a school bus. Further, the District did not maintain documentation to demonstrate that either preventative maintenance or pretrip bus inspections were performed.

## Recommendations

The District should:

- Implement a process to ensure its bus drivers meet all requirements of the *Minimum Standards*.
- Perform and document preventative maintenance and pretrip bus inspections.

## District lacked proper supervision of inmate workers

Clifton USD hires about five Arizona Department of Corrections inmates 4 days per week to perform maintenance and custodial work. However, the District did not meet its obligation to provide adequate supervision of such workers as we observed many occasions of unsupervised inmates and one occasion of unsupervised inmates talking with students.

## Recommendation

The District should discontinue participation in the inmate worker program until such time that it can ensure the proper supervision of inmate workers.