

COLORADO RIVER UNION HIGH SCHOOL DISTRICT #2

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Jon Moss, Member
Kari Hoffman, Member
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July 22, 2013

Ms. Debbie Davenport
Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport,

Enclosed is the audit response from Colorado River Union High School District for the performance audit for fiscal year 2011.

We are very pleased that there were minimal findings. However, the District agrees with the findings and we have already put several plans in place and are working on others to correct all findings.

I wish to thank you and your team for all of your hard work on this audit. The Colorado River Union High School District will use this as a tool to be more efficient in every area of our work.

Please do not hesitate to contact me if I can be of further assistance.

Regards,

Riley Frei
Superintendent

District Response to Findings and Recommendations

Finding #1: District needs to strengthen controls over computer systems, fuel purchases, and cash handling

1. The District should limit employee's access to only those accounting system functions needed to perform their work.

District Response: The District agrees with the findings and recommendation. The District has implemented additional separation of duties and limited all users' access to only what is required for their job description.

2. The District should implement and enforce password requirements related to password length, complexity, and expiration, and only the user should know passwords.

District Response: The District agrees with the findings and recommendation. The District has worked with IT to implement and enforce password requirements related to password length, complexity, and expiration. No list of passwords will be kept.

3. The District should develop and implement a formal process to ensure that terminated employees have their IT system access promptly removed.

District Response: The District agrees with the findings and recommendation. The District has implemented a procedure with HR to immediately notify IT upon an employee's termination so they can remove all access for that individual.

4. The District should ensure that its written agreement with its IT service provider outlines each party's responsibilities for the District's student information system.

District Response: The District agrees with the findings and recommendation. District will be more diligent in reviewing contracts to ensure specific terms are accurate and address the concerns in the above recommendation.

5. The District should work with its local fuel vendor to ensure the vendor's billing statements include a means of identifying individuals purchasing fuel and the odometer readings of the vehicles at the time of the fuel purchases.

District Response: The District agrees with the findings and recommendation. The District has changed suppliers for their fuel purchases. The pumps have software that allows for more accurate tracking.

6. The District should ensure that all fuel cards receipts are collected and properly reconciled to credit card statements to ensure purchases are appropriate and billings are accurate prior to payment.

District Response: The District agrees with the findings and recommendation. The District has updated the process and accountability for checking out credit/gas cards and collecting receipts for reconciliation of the credit card statement.

7. The District should strengthen its procedures for recording cash collections and reconciling daily bookstore sales to cash collections.

District Response: The District agrees with the findings and recommendation. The District is implementing a checks and balance system which will be performed by at least two employees. The system will employ the use of receipts and a cash box or register depending on the location.

Finding #2: Districts Proposition 301 pay records incomplete and some performance pay goals did not promote improved performance

1. The District should ensure that it retains supporting documentation in accordance with state records retention schedules to demonstrate that performance pay goals were met.

District Response: The District agrees with the findings and recommendation. The District will review and enforce the records retention schedules with all administrators and district office staff.

2. To promote improved performance, the District should establish meaningful and measureable performance goals that are beyond what is already expected or required of employees.

District Response: The District agrees with the findings and recommendation. The District has made modifications to the goals to increase the level of rigor to earn performance pay.