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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

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DEPUTY AUDITOR GENERAL

September 6, 2016

The Honorable John Allen, Chair
Joint Legislative Audit Committee

The Honorable Judy Burges, Vice Chair
Joint Legislative Audit Committee

Dear Representative Allen and Senator Burges:

Our Office has recently completed a 24-month followup of the Duncan Unified School District's implementation status for the 7 audit recommendations presented in the performance audit report released in August 2014. As the enclosed grid indicates, all of the recommendations have been 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 August 2014 performance audit.

Sincerely,

Vicki Hanson
Director, Division of School Audits

RE:bh
Enclosure

cc: Mr. Eldon Merrell, Superintendent
Governing Board
Duncan Unified School District

DUNCAN UNIFIED SCHOOL DISTRICT

Auditor General Performance Audit Report Issued August 2014 24-Month Follow-Up Report

Recommendation	Status/Additional Explanation
FINDING 1: Inadequate purchasing and computer controls increased risk of errors and fraud	
1. The District should ensure that it requires an independent review and approval for all of its purchases prior to the purchases being made.	Implemented at 12 months
2. The District should review employee access to the accounting system and modify access to ensure that an employee cannot initiate and complete a transaction without independent review and that employees have only the access necessary to meet their job responsibilities.	Implementation at 24 months
3. The District should implement and enforce password requirements related to password length, complexity, and expiration.	Implemented at 18 months
4. The District should limit physical access to its IT server rooms so that only appropriate personnel have access.	Implemented at 12 months
5. The District should create a formal disaster recovery plan and test it periodically to identify and remedy deficiencies.	Implementation at 24 months
OTHER FINDINGS 1: District reported eligible riders, not actual, for student transportation funding	
1. As statute requires for state funding purposes and also to help it evaluate its transportation program's efficiency, the District should determine and report to the Arizona Department of Education the actual number of students transported.	Implemented at 18 months
OTHER FINDINGS 2: District should ensure that it meets all statutory requirements for inmate worker documentation	
1. In order to comply with statute and its own policy, the District needs to identify inmate workers as persons eligible for exemption from the fingerprint clearance card requirements of A.R.S. §15-512.H, and prepare a written determination of such an exemption.	Implemented at 12 months