

# Kirkland Elementary School District #23

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February 4, 2016

Debbie Davenport, Auditor General

State of Arizona

2910 N 44<sup>th</sup> Street, Suite 410

Phoenix, AZ 85018

Re: Fiscal Year 2012-2013 Performance Audit

Dear Ms. Davenport,

Kirkland Elementary District #23 respectfully submits our response to the Performance Audit conducted by the Auditor General's office for fiscal year 2013. I would like to thank Ms. Orrico for her assistance with this district response as well as the AG staff that visited our district and continued to collect data in a thorough manner, thus providing an accurate overview of our very small district and the areas for us to work on in order to more effectively and efficiently operate.

The District agrees with the two findings and has begun implementing changes to correct the areas of concern. I appreciate the attention paid to our student achievement levels and district efficiency and am happy to work with my staff in the areas noted for improvement.

Sincerely,

Michelle Perey

District Administrator

Kirkland School

## **Finding 1:** Accounting and computer controls need strengthening

District Response: The Kirkland School District does agree with this finding and has begun implementing the auditor's recommendations. Many improvements have been made in the area of accounting and computer controls since the time of this audit. Other changes are being made as a result of these findings. Being mindful of accounting and computer controls is an important responsibility of the district.

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

District Response: The District does agree with the finding and is implementing the recommendation as follows: Fiscal 2013 was only the second year for both the District Administrator and the Administrative Assistant. Since that time, procedures have been further established that require all purchase requests to be submitted to the district's administrative assistant, purchase orders pulled, and then submitted to the district administrator for approval before orders are placed.

**Recommendation 2:** The District should implement and enforce stronger password requirements for its computer network and student information system related to password length and complexity.

District Response: The District does agree with the finding and will implement the recommendation as follows: Although the district does require passwords that do expire and cannot be immediately repeated, there has been no requirement to include alphabetic and numeric characters. This practice has been improved and is currently being implemented for both the district network as well as the student information system.

**Recommendation 3:** The District should limit physical access to its computer server room so that only appropriate personnel have access. In addition, the District should ensure that its computer server is stored in a room that is properly cooled and ensure that a fire extinguisher is available nearby.

District Response: The District does agree with the finding and has implemented the recommendation as follows: Structural improvements have been made to the one-time custodial closet that now serves as the district's technology room. A fire extinguisher has been installed in the room, a dedicated mini-split HVAC system has been added (through funding from the School Facilities Board), and the hallway has been closed off with a wall to create a private office for the District Administrator, thus creating a locked, secure environment where no unauthorized personnel can access the inner door to the IT room.

## **Finding 2:** Transportation program oversight needs strengthening

District Response: The Kirkland School District does agree with this finding and has begun implementing the auditor's recommendations. Student safety is our primary concern. Strengthening our transportation program is vital to ensuring our students get to and from school in the most efficient and safest manner possible.

**Recommendation 1:** The District should 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 does agree with the finding and will begin implementing the recommendation as follows: Although the District has relied on the Yavapai County Agency for fiscal support, including certification, it has become clear that the school district must assume this responsibility. Procedures have been put in place that require the district's transportation coordinator to maintain accurate and up to date files on all drivers at all times. This includes collecting required documentation, notifying employees when renewals are due, etc. Additionally, the district has entered into an agreement with Palmer Investigative Services to random drug test drivers as needed.

**Recommendation 2:** The District should develop a formal preventative maintenance policy that meets the State's *Minimum Standards* and includes the maximum number of miles and the maximum amount of time a bus can travel before it receives preventative maintenance services. Additionally, the District should ensure that it conducts bus preventative maintenance in a systematic and timely manner and documents it in accordance with its formal policy.

District Response: The District does agree with the finding and is implementing the recommendation as follows: The recommendation to implement a formal bus preventative maintenance plan has been accepted with complete agreement. Due to our small size and a current fleet of 3 buses, we have relied on memory and driver recommendation for routine maintenance. This formal plan will be implemented immediately to meet minimum standards to ensure a safe transportation program.

**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 does agree with the finding and will implement the recommendation as follows: Beginning with the 2016-2017 school year the district will calculate the actual number of riders by taking attendance on each of the district's two bus routes for 25 of the first 100 days of school. This total will be averaged to calculate the actual rider number.