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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

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DEPUTY AUDITOR GENERAL

July 12, 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 a 6-month followup of the Pendergast Elementary School District's implementation status for the audit recommendation presented in the performance audit report released in October 2010. As the attached grid indicates, the District has not implemented the recommendation because it plans to continue directing more of its resources toward instructional support services rather than increasing classroom spending back to a maintenance-of-effort level indicative of nonsupplanting.

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our follow-up work on the District's efforts to implement the recommendation resulting from the October 2010 performance audit.

Sincerely,

Ross Ehrick, CPA
Director, Division of School Audits

RE:bl
Enclosure

cc: Dr. Ron Richards, Superintendent
Governing Board
Pendergast Elementary School District

PENDERGAST ELEMENTARY SCHOOL DISTRICT

Auditor General Performance Audit Report Issued October 2010 6-Month Follow-Up Report

Recommendation	Status/Additional Explanation
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FINDING 1: District's transportation program operates efficiently

No recommendations

FINDING 2: Shift in classroom spending indicates possible supplanting

1. The District should ensure that CSF monies are used to supplement rather than supplant other monies spent on classroom instruction.	Not implemented As noted in the performance audit report, the District's classroom dollar percentage dropped from 58.9 percent in fiscal year 2001, the year before receiving CSF monies, to 55.7 percent in fiscal year 2009, the audited year. In fiscal year 2010, the District's classroom dollar percentage dropped further to 55.1 percent. As noted in the audit report, the District's classroom dollar percentage has remained low since fiscal year 2008 as a result of the District's decision to spend more money for instructional support services which include teacher training and curriculum development. District officials state that their intent is to continue directing the District's resources in this manner.
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