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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

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DEPUTY AUDITOR GENERAL

May 30, 2013

The Honorable Chester Crandell, Chair
Joint Legislative Audit Committee

The Honorable John Allen, Vice Chair
Joint Legislative Audit Committee

Dear Senator Crandell and Representative Allen:

Our Office has recently completed a 24-month followup of the Pima Unified School District's implementation status for the 8 audit recommendations presented in the performance audit report released in April 2011. As the enclosed grid indicates:

- 7 recommendations have been implemented, and
- 1 recommendation has not 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 April 2011 performance audit.

Sincerely,

Ross Ehrick, CPA
Director, Division of School Audits

RE:bl
Enclosure

cc: Mr. Sean Rickert, Superintendent
Governing Board
Pima Unified School District

PIMA UNIFIED SCHOOL DISTRICT

Auditor General Performance Audit Report Issued April 2011 24-Month Follow-Up Report

Recommendation	Status/Additional Explanation
FINDING 1: Inadequate controls increased risk of errors and fraud	
1. The District should implement a more detailed review of payroll to help ensure employees are paid correct amounts. Further, the District should ensure that changes to contracts and payments for additional work are properly documented, approved, and maintained in employee personnel files.	Implemented at 18 months
2. The District should implement a more detailed review of supporting documentation for purchases to help reduce the risk of errors or improper transactions.	Implemented at 6 months
3. The District should implement stronger password controls, requiring its employees to create more secure passwords and to periodically change those passwords.	Implemented at 6 months
4. The District should improve procedures over cash collections for sporting events, such as tracking ticket numbers sold and reconciling sales to cash collections.	Implemented at 6 months
FINDING 2: Improvements needed for transportation program reporting and record keeping	
1. The District should accurately calculate and report miles driven and students transported for state funding purposes.	Implemented at 18 months
2. The District should contact the Arizona Department of Education regarding needed corrections to its transportation funding report.	Implemented at 6 months

Recommendation	Status/Additional Explanation
3. The District should maintain bus inspection, maintenance, and repair documentation for at least 3 years.	<p>Not Implemented</p> <p>Although the District developed a process to document and maintain records of bus inspections, maintenance, and repairs, its process is not always being followed. For example, district officials stated that preventative maintenance is performed on each bus at least annually; however, auditor review in May 2013 found that five of the District's seven buses had no preventative maintenance documented during the prior 16 months. Further, some key information was missing from existing documentation, such as the specific work that was completed and odometer readings.</p>

OTHER FINDINGS: District should develop an energy conservation plan

1. The District should evaluate its energy usage and implement an energy conservation plan to help reduce costs.	Implemented at 18 months
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