

# District Response

---



Stanfield Elementary  
School District #24  
515 South Stanfield Road  
Stanfield, AZ 85172  
520.424.3353 Phone  
520.424.3798 Fax  
www.gostanfield.com

April 24, 2024

Sjoberg & Evershank Consulting  
455 Capitol Mall, Suite #700  
Sacramento, CA 95814

To Whom It May Concern:

Stanfield Elementary School District #24 has received and reviewed the Fiscal Year 2022 Performance Audit Report State of Arizona Auditor General's Office traditional public school Performance Audit as allowed in Arizona State Statute. The district appreciates the effort and cooperation of the third-party contractor who performed the audit.

After reviewing and conducting internal discussion about the findings found within the Performance Audit, the district has addressed each finding and has presented procedural strategies to improve performance in each area mentioned. The district looks forward to working with and learning from the team in the follow-up period.

Please find attached the district's response to each finding.

Sincerely,

Dr. Melissa Sadorf  
Superintendent

GOVERNING BOARD  
Yolanda Gonzales  
Dulcey Garcia  
Maranda Courter

SUPERINTENDENT  
Dr. Melissa Sadorf

PRINCIPAL  
Jennifer Murrieta

*Stanfield Elementary School District – Empowering Students to Succeed*

**Finding 1:** The District did not comply with some school bus driver annual drug testing requirements or maintain all required bus driver certification documentation, increasing risks to student safety, and did not accurately report miles and riders for State funding purposes.

**Recommendation 1:** The District develop and implement a process to ensure school bus drivers complete annual drug testing in accordance with the State's Minimum Standards.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The district is currently compliant with number of required random drug and alcohol tests according to State's Minimum Standards. The District has made the necessary changes to become compliant.

**Recommendation 2:** The District should immediately review certification records for all drivers to ensure all required documentation is maintained by the District.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The district has developed procedures to ensure that a review of certification records for all drivers is maintained by the District. The District has made the necessary changes to become compliant.

**Recommendation 3:** The District should annually review ADE's most recent transportation guidance, maintain all documentation related to miles driven and riders transported, and accurately calculate and report to ADE the number of route miles traveled and riders transported for State funding purposes.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District has implemented procedures including Data Processing procedures and strengthened staff training in an effort to accurately calculate and report route miles and ridership.

**Recommendation 4:** The District should recalculate and resubmit accurate fiscal year 2022 miles driven and riders transported to ADE to determine if any corrections are necessary to its transportation reporting.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will submit the necessary report to ADE.

**Finding 2:** The District lacked sufficient internal controls in some areas, putting public monies at an increased risk of errors, fraud, and improper payments, and incorrectly classified its expenditures, potentially impacting the accuracy of its financial reporting.

**Recommendation 5:** The District should modify and implement written procedures that provide effective internal controls over receiving processes to ensure compliance with the USFR and Board-approved policies, including processes for receiving services and to monitor and enforce staff compliance with the District's procedures.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will update and implement written procedures regarding internal controls over receiving processes to ensure compliance with the USFR and Board-approved policies, including processes for receiving services and to monitor and enforce staff compliance with the District's procedures.

**Recommendation 6:** The District should develop and require annual training for responsible employees about the District's purchasing and accounts payable processes and related USFR requirements.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will provide regular trainings for employees District's purchasing and accounts payable processes and related USFR requirements.

**Recommendation 7:** The District should retain adequate, accurate supporting documentation to demonstrate purchases were for an allowable District purpose and were paid for after the goods or services were received.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will keep and maintain adequate, accurate supporting documentation to demonstrate purchases were for an allowable District purpose and were paid for after the goods or services were received.

**Recommendation 8:** The District should continue reviewing historical use tax payments to identify other errors and take action to correct any past over- or underpayments identified.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will review historical use tax payments to take any necessary action to correct any identified over or under payments.

**Recommendation 9:** The District should develop and implement a process to verify accounts payable and use tax payments to ensure amounts paid are accurate and supported.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will develop and implement a process to verify accounts payable and use tax payments to ensure amounts paid are accurate and supported.

**Recommendation 10:** The District should continue requiring District employees responsible for maintaining physical security of credit cards to maintain complete and accurate credit card logs that include enough information to track who used which credit card at what time and for what authorized District purpose.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District has developed and trained on procedures for those responsible for maintaining physical security of credit cards to maintain complete and accurate credit card logs that include enough information to track who used which credit card at what time and for what authorized District purpose.

**Recommendation 11:** The District should implement protocols to monitor and enforce compliance with existing District credit card policies, including:

- a. Verifying an approved purchase order has been obtained prior to making purchases.
- b. Tracking and regularly reviewing the physical chain of custody for all credit cards to ensure users are complying with requirements for checking out and returning District cards.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District has implemented and enforced updated protocols to monitor compliance with existing District credit card policies and practices as listed in the recommendation.

**Recommendation 12:** The District should provide regular training on USFR requirements and District policies and procedures to staff members responsible for credit cards, as well as authorized credit card users, and ensure that all card users have been trained and completed a signed a user agreement prior to using District credit cards.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District has implemented and enforced updated protocols to monitor compliance with existing District credit card policies and practices as listed in the recommendation.

**Recommendation 13:** The District should recoup the \$119 in travel reimbursements the District overpaid and review other lodging, meal, and incidental reimbursements paid since the beginning of fiscal year 2022 to ensure the District used the appropriate State of Arizona Accounting Manual reimbursement rates, and recoup any additional overpayments identified.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will recoup the \$119 in travel reimbursements the District overpaid and has begun the process of reviewing other lodging, meal, and incidental reimbursements paid since the beginning of fiscal year 2022 to ensure the District used the appropriate State of Arizona Accounting Manual reimbursement rates, and will recoup any additional overpayments identified.

**Recommendation 14:** The District should ensure employees responsible for classifying expenditures review the USFR's Uniform Chart of Accounts for school districts for changes at least annually and implement its guidance to accurately account for and report the District's spending.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will ensure training for employees responsible for classifying expenditures review the USFR's Uniform Chart of Accounts for school districts for changes at least annually and implement its guidance to accurately account for and report the District's spending.

**Finding 3:** The District did not comply with important payroll requirements and incorrectly calculated hours worked for some hourly employees, putting public monies at an increased risk of errors, fraud, and improper payments.

**Recommendation 15:** The District should develop formal, written policies and procedures for its payroll process in accordance with USFR requirements, including establishing maximum amounts of leave that employees may accrue, and provide training to staff on these policies and procedures to reduce the risk of errors and incorrect payments.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District is in the process of developing formal, written policies and procedures for its payroll process in accordance with USFR requirements, including establishing maximum amounts of leave that employees

may accrue, and provide training to staff on these policies and procedures to reduce the risk of errors and incorrect payments.

**Recommendation 16:** The District should ensure District procedures and employee handbooks align with Board-approved policies, USFR requirements, and federal requirements, where applicable.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District is in the process of ensuring District procedures and employee handbooks align with Board-approved policies, USFR requirements, and federal requirements, where applicable.

**Recommendation 17:** The District should ensure it follows its payroll policies and procedures, including its procedures for authorizing overtime and compensatory leave and for calculating compensatory time accrual.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will ensure it follows its payroll policies and procedures, including its procedures for authorizing overtime and compensatory leave and for calculating compensatory time accrual. The District will train payroll staff on payroll policies and procedures on authorizing overtime and compensatory leave and for calculating compensatory time accrual. The District has implemented a new process to ensure all overtime compensatory leave is approved by the Superintendent.

**Recommendation 18:** The District should ensure staff who are responsible for providing supervisory oversight ensure established policies and procedures are followed and enforced and payroll transactions are accurate and supported prior to authorizing payroll transactions.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will ensure staff responsible for providing supervisory oversight, ensure established policies and procedures are followed

and enforced and payroll transactions are accurate and supported prior to authorizing payroll transactions.

**Recommendation 19:** The District should identify and correct over- and underpayments made to all current hourly employees and compensatory time balances from fiscal year 2022 to the present, including the over- and underpayments we identified.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District is in the process of identifying and correcting over- and underpayments made to all current hourly employees and compensatory time balances from fiscal year 2022 to the present, including the over- and underpayments were identified.

**Finding 4:** The District's excessive access to its sensitive computerized data and other IT deficiencies increased risk of unauthorized access to sensitive information, errors, fraud, and data loss.

**Recommendation 20:** The District should enforce strong password requirements aligned with credible industry standards to decrease the risk of unauthorized persons gaining access to its network and disrupting operations.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will ensure IT director enforces strong password requirements aligned with credible industry standards to decrease the risk of unauthorized persons gaining access to its network and disrupting operations.

**Recommendation 21:** The District should develop and implement a policy and process to regularly perform, at least annually, detailed reviews of users' accounts and assessing their access level and need for network and accounting system access to ensure that access level is appropriate and access was promptly disabled when it was no longer needed, including for terminated employees and vendors.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will develop and implement a policy and process to regularly perform, at least annually, detailed reviews of users' accounts and assessing their access level and need for network and accounting system access to ensure that access level is appropriate, and access was promptly disabled when it is no longer needed, including for terminated employees and vendors.

**Recommendation 22:** The District should either cease the practice of keeping shared accounts associated with a terminated employee for the use of knowledge transfer because of the inherent risk associated with maintaining shared accounts or update the District's cybersecurity policy to specify conditions and requirements for the use of shared accounts and review these accounts regularly.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will update the District's cybersecurity policy to specify conditions and requirements for the use of shared accounts and review these accounts regularly.

**Recommendation 23:** The District should standardize user access levels by job function to ensure access rights are consistently applied. Further, for current and future access, establish and review access by accounting system function.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District has standardize user access levels by job function to ensure access rights are consistently applied. Further, for current and future access, establish and review access by accounting system function.

**Recommendation 24:** The District should develop and implement an IT contingency plan that meets USFR requirements and credible industry standards and test the plan at least annually to identify and remedy any deficiencies and document the test results.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will develop and implement an IT contingency plan that meets USFR requirements and credible industry standards and test the plan at least annually to identify and remedy any deficiencies and document the test results.

**Recommendation 25:** The District should establish and implement procedures for collecting and monitoring logs of accounting system activities to be able to track events and to detect potentially malicious or fraudulent activity in a timely manner.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will establish and implement procedures for collecting and monitoring logs of accounting system activities to be able to track events and to detect potentially malicious or fraudulent activity in a timely manner.

**Recommendation 26:** The District should modify and implement written procedures that provide effective security and access controls over information technology to ensure compliance with the USFR, and develop a process to monitor and enforce staff compliance with the District's procedures.

District Response: The finding is agreed to, and the audit recommendation will be implemented.

Response explanation: The District will modify and implement written procedures that provide effective security and access controls over information technology to ensure compliance with the USFR, and develop a process to monitor and enforce staff compliance with the District's procedures.