



Northeast Arizona Technological Institute of Vocational Education
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Date: 1/16/2024

To: Division of School Audits

Alexa Tavasci, CPA, Audit Manager

Justin Haidet, Senior Auditor

Re: N.A.T.I.V.E. Performance Audit

District agrees with the Auditor General's Performance Audit Findings:

Finding 1: District lacked a comprehensive plan for its central campus, resulting in unused facilities and an increased risk of wasteful spending on unsustainable programs

Recommendation 1: Develop strategic planning policies and procedures, including guidelines and instruments for assessing current central programs and expansion viability such as evaluating student interest, determining eligible student populations, and attracting and retaining qualified CTE program instructors.

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

Recommendation 2: Develop and follow a comprehensive strategic plan in accordance with recommended practices that includes the District's goals for the operation of its central campus, including assessing whether it is practical to expand its central campus programs and facilities.

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

Finding 2: District's lack of key outcome data prevents it from demonstrating how the nearly \$3 million it spent on programs in fiscal year 2021 effectively prepared students for high-need occupations

Recommendation 3: Develop and implement consistent data collection protocols for all CTE programs. This includes collecting and validating complete data, such as data related to student certifications earned and post-graduate jobs obtained, as well as developing a process to track all outcome data.

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

Recommendation 4: Analyze all CTE program outcome data to evaluate the effectiveness of its CTE programs in preparing students for high-need occupations and to support the investment of any public monies, and use the results of its evaluations to make changes to its programs to ensure they are meeting their statutory purpose of preparing students for jobs in high-needs occupations.

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

Finding 3: District accumulated over \$4 million in fund balances by end of fiscal year 2021 but did not have policy regarding amount to be maintained in its general fund or its intended purpose

Recommendation 5: Implement GFOA's best practices recommendations and develop and implement a formal fund balance policy for its general fund regarding the level and purpose of these monies, including considering the financial resources available in other funds when assessing the adequacy of the unrestricted fund balance in the general fund.

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

Recommendation 6: Develop and implement a plan to spend on its CTE programs any unrestricted fund balance in its general fund that is greater than the level it has adopted in its formal fund balance policy, which may include working with its member districts to help purchase needed equipment and update facilities for member districts' satellite programs.

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

Finding 4: District assigned some users too much access to its accounting system, increasing its risk of errors and fraud

Recommendation 7: Protect its sensitive computerized data by limiting users' access in the accounting system to only those accounting system functions needed to perform their job duties, including removing administrator-level access of day-to-day users.

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

Recommendation 8: Establish and implement written policies and procedures to assign and periodically review system access for employee accounts in the accounting system to ensure they have access to only those accounting system functions needed to perform their job duties.

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

Should you have any further questions, please feel free to contact us.


Ron Tsosie

Ron Tsosie
N.A.T.I.V.E.
Superintendent