

Baboquivari Unified School District

District failed to maintain transportation records, limiting the scope of our review; spent nearly \$500,000 on travel, including a substantial amount of travel that was unnecessary and potentially wasteful; limited public access to some Board meetings; operated schools below capacity; and failed to comply with requirements to protect students and safeguard public monies and sensitive computerized data

Audit purpose

To assess the District's efficiency and effectiveness in 4 operational areas—administration, plant operations and maintenance, food service, and transportation—and its compliance with certain State requirements.

Key findings

- District failed to maintain transportation records, limiting the scope of our review of school bus and fleet vehicle maintenance, inspection, and mileage documentation and procedures.
- District spent nearly \$500,000 and significant staff time traveling for training and conferences, but travel expenditures did not always comply with State requirements and may not have provided intended benefits.
- District held Governing Board meetings out of town, which limited public access in potential violation of the State's open meeting laws.
- District lacked important internal controls for conflicts of interest, payroll, and credit cards, putting public monies at an increased risk for unauthorized purchases and fraud.
- District assigned too much access to its accounting system and did not secure its information technology (IT) equipment, increasing its risk of errors, fraud, property damage, and data loss.

Key recommendations

The District should:

- Develop and implement policies and procedures to ensure that school buses are maintained in accordance with Minimum Standards and fleet vehicles are managed in accordance with the USFR.
- Develop and implement travel policies and procedures to minimize travel expenditures in accordance with SAAM, ensure that District employees and Governing Board members follow all District and State travel policies, and comply with the State Constitution's gift clause.
- Consult with legal counsel and the Arizona Attorney General's Office to ensure that any District actions taken contrary to open meeting laws are addressed to be made valid.
- Develop and implement procedures to ensure that District employees and Governing Board members complete conflict-of-interest disclosure forms; personnel pay is accurate; and the District's credit card use policy is overseen and enforced.
- Limit employees' access to its accounting system to only those functions needed to perform their job duties and develop and implement written policies and procedures to limit physical access to its IT server room.