

Lake Havasu Unified School District No. 1

Melanie Askew, CPA Engagement Manager

Who We Are

Established in 1986

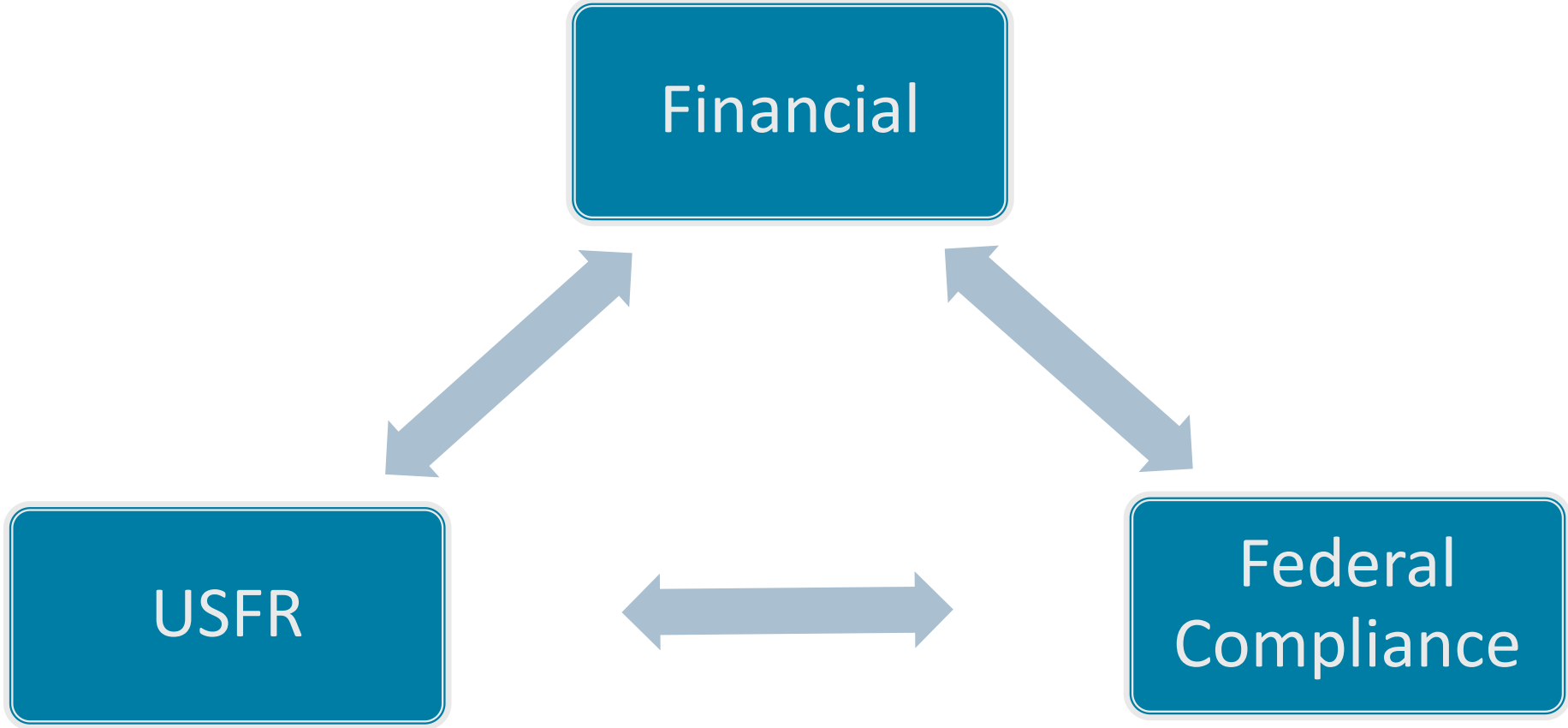
Performed over 3,000 audits

Focused exclusively on governmental and non-profit clients

Over 250 governmental clients in Arizona

Offices in Phoenix, Tucson and Flagstaff

What do we do



Areas Reviewed and Timelines

- USFR Compliance

- Primarily completed during 1st audit visit in September, 2018
 - Budgets, Cash Receipts, Bank account disbursements, JTED Expenditures, Travel Reimbursements, Student Attendance, Transportation, Procurement, etc.
- Finished up during 2nd visit in October, 2018
 - Inventories, Credit Card Disbursements, IGAs and Cooperatives, Auxiliary Operation and Tax Credit Receipts, Student Activities, Property Control, Information Technology, etc.

Areas Reviewed and Timelines

- Federal Compliance
 - Primarily completed during 2nd audit visit in September, 2018
 - Title I Grants
 - Allowable Activities / Costs
 - Eligibility
 - Procurement
 - School Selection and Allocation Testwork
 - Comparability Testwork
 - Schoolwide plans
 - Payroll and Disbursements

Areas Reviewed and Timelines

- Financial Statement
 - Primarily completed during 1st audit visit in September, 2018
 - Disbursements
 - Payroll
 - Reviewed during 2nd visit in October, 2018
 - Cash and Investments, Capital Assets, Leave reporting, Revenues and Receivables, Expenditures and payables, Internal Service (EBT)

Areas Noted for Potential Improvement- USFR

- Student Attendance
 - Multiple areas with exceptions including:
 - Seven exceptions related to enrollments
 - Five exceptions related to student withdrawals
 - Three exceptions related to absence reporting

Areas Noted for Potential Improvement- USFR

■ Student Attendance

- For two of 15 entries reviewed, the District did not maintain verifiable documentation of Arizona residency
- For five of 15 withdrawals reviewed, the District did not retain the Official Notice of Pupil Withdrawal form. Therefore, it could not be determined if the withdrawal was input into the computerized attendance system timely
- For all seven JTED partial day attendance records reviewed, the absence was not calculated correctly resulting in a net overstatement of 0.25

Areas Noted for Potential Improvement- USFR

■ Cash Receipts

- A few exceptions noted including:

- For two of five cash receipts reviewed, a cash receipt summary report was not prepared to total the amount of cash received and deposited
- For two of five cash receipts reviewed, no receipt was issued to indicate the date the money was received

Areas Noted for Potential Improvement- USFR

■ Stewardship and Inventories

- A few exceptions noted including:

- For two of three stewardship items selected from the listing, the items could not be located
- Some inventory listings did not include page totals or purchase document numbers
- The District did not maintain or issue written instructions for the physical inventory process.

Areas Noted for Potential Improvement- USFR

■ Coding

- During review of the AFR we noted the District recorded a correction in revenue postings.
- For one of 50 disbursements reviewed, the purchase was not coded in accordance with the District chart of accounts
- For two of five auxiliary cash receipts reviewed, the receipt was not coded in accordance with the USFR chart of accounts

Areas Noted for Potential Improvement- USFR

- Other items:
 - The District did not maintain (on file) a current cooperative purchasing agreement for four of the 5 cooperatives they made purchases through
 - The District did not provide credit card training to card users and employees involved with processing transactions.

Areas Noted for Potential Improvement- Federal Compliance

- Cohort information used for the Graduation Rate Calculation
 - Information is based on withdrawal reports using codes as required by the State. In prior years a W1 code could be used if a parent notified the District of the intent to move to another school or move to home schooling. Requirement under the grant is that there needs to be outside proof or verification of the student entering another school and or documentation they are in an approved home school.

Areas Noted for Potential Improvement- Financial Statements

- Cash and Investments
 - A difference was noted in the reconciliation with the County of \$8,408.51. This is still being researched and worked on by the accounting department.

Items Outstanding as of November 1

- Internal Service Fund (Detailed review work)
- Financial reporting (AFR)
- Minor bits and pieces of various areas

What's Next

- Finalize test work over financial items
- Comprehensive Annual Financial Report
 - Due December 31, 2018
- USFR and Single Audit Reporting Package
 - Due March 31, 2019

Questions?

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