

NEWS RELEASE

Arizona House of Representatives

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House Audit and Education Chairs Question Yuma Area School District's Audit Failures

STATE CAPITOL, PHOENIX – Arizona State House Chairman of the Joint Legislative Audit Committee, Representative Matt Gress, and the House Education Chairwoman Representative Beverly Pingerelli have questions for Gadsden Elementary School District in San Luis after a troubling <u>30-month follow-up report</u> issued in March regarding a 2020 performance audit.

According to the Auditor General, the May 2020 performance audit found the Gadsden District "paid employees for time not worked, limited public access to some Governing Board (Board) meetings and wasted \$65,000 on unnecessary travel, and lacked oversight of its transportation program."

30 months after the performance audit, the Gadsden School District has yet to fix seven of thirteen findings. The follow-up report shows the school district has yet to correct several glaring accountability features which directly led to previous fraud in the district. In July 2021, the Arizona Auditor General reported fraud in the business office because employees had "broad access" to initiate and complete payroll transactions without another employee reviewing and approving transactions. This basic lack of financial accountability led to an employee being caught stealing roughly \$8,000. The employee was sentenced to three years' probation.

"Allowing this practice to continue some 30 months after they were caught is troubling," said Representatives Gress and Pingerelli. "The audits from the Arizona Auditor General are consequential reviews and are not to be mocked with inaction. These audits are one of the few independent tools the Legislature has to measure efficiency, effectiveness, and legal compliance in the state's largest annual investment, K-12 education. The Legislature, and the public, are due answers from Gadsden Elementary."

A copy of the Representatives' letter is attached.

Matt Gress is a Republican member of the Arizona House of Representatives serving Legislative District 4 in Phoenix. He also serves as Chairman of the House Appropriations Subcommittee on Budgetary Funding Formulas. Follow him on Twitter at @MatthewGress.

Beverly Pingerelli is a Republican member of the Arizona House of Representatives serving Legislative District 28 in Peoria, Sun City, Sun City West, and Phoenix, and is Chair of the House Committee on Education. Follow her on Twitter at @BevPingerelli.