Amphitheater Unified School District No. 10 Single Audit Report

Year Ended June 30, 2024

Amphitheater Unified School District No. 10 Single Audit Report For the Year Ended June 30, 2024

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Governing Board
Amphitheater Unified School District No. 10

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Amphitheater Unified School District No. 10, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Amphitheater Unified School District No. 10's basic financial statements, and have issued our report thereon dated May 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Amphitheater Unified School District No. 10's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Amphitheater Unified School District No. 10's internal control. Accordingly, we do not express an opinion on the effectiveness of Amphitheater Unified School District No. 10's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item FS-2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Amphitheater Unified School District No. 10's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Amphitheater Unified School District No. 10's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Amphitheater Unified School District No. 10's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Amphitheater Unified School District No. 10's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Heinfeld Meach & Co. PC

Heinfeld, Meech & Co., P.C. Tucson, Arizona May 19, 2025



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Governing Board
Amphitheater Unified School District No. 10

Report on Compliance for Each Major Federal Program Opinion on Each Major Federal Program

We have audited Amphitheater Unified School District No. 10's compliance with the types of compliance requirements identified as subject to the audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Amphitheater Unified School District No. 10's major federal programs for the year ended June 30, 2024. Amphitheater Unified School District No. 10's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Amphitheater Unified School District No. 10 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Amphitheater Unified School District No. 10 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Amphitheater Unified School District No. 10's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Amphitheater Unified School District No. 10's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error and express an opinion on Amphitheater Unified School District No. 10's compliance based on our audit.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate it would influence the judgment made by a reasonable user of the report on compliance about Amphitheater Unified School District No. 10's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and
 design and perform audit procedures responsive to those risks. Such procedures include
 examining, on a test basis, evidence regarding Amphitheater Unified School District No. 10's
 compliance with the compliance requirements referred to above and performing such other
 procedures as we considered necessary in the circumstances.
- Obtain an understanding of Amphitheater Unified School District No. 10's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Amphitheater Unified School District No. 10's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Amphitheater Unified School District No. 10's responses to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Amphitheater Unified School District No. 10's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance, that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002, to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Amphitheater Unified School District No. 10's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Amphitheater Unified School District No. 10's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Amphitheater Unified School District No. 10 as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Amphitheater Unified School District No. 10's basic financial statements. We issued our report thereon dated May 19, 2025, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Heinfeld Meach & Co. PC

Heinfeld, Meech & Co., P.C. Tucson, Arizona May 19, 2025

Amphitheater Unified School District No. 10 Schedule of Expenditures of Federal Awards Year Ended June 30, 2024

Fadaral/Dass Through /Arangu	AL Number	Federal Award	Expenditures	Total Expenditures
Federal/Pass-Through/Agency	<u>Number</u>	<u>Number</u>	and Transfers	and Transfers
U.S. Department of Agriculture				
Passed through Arizona Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	7AZ300AZ3	\$ 1,546,834	\$
National School Lunch Program	10.555	7AZ300AZ3	3,674,174	
National School Lunch Program	10.555	6AZ300400	336,563	
Summer Food Service Program for Children	10.559	7AZ300AZ3	22,780	
Total Child Nutrition Cluster				5,580,351
Child and Adult Care Food Program	10.558	7AZ300AZ3		116,166
Total U.S. Department of Agriculture				5,696,517
U.S. Department of Interior				
Passed through Arizona Department of Education:				
Indian Education Assistance to Schools	15.130	A24AV00124		22,683
U.S. Department of Education				
Direct Program:				
Indian Education Grants to Local Educational Agencies	84.060	N/A		13,691
Passed through Arizona Department of Education:				
Title I Grants to Local Educational Agencies	84.010	S010A230003		4,289,047
Special Education Cluster:				
Special Education Grants to States	84.027	H027A230007	2,818,344	
Special Education Preschool Grants	84.173	H173A230003	71,903	
Total Special Education Cluster				2,890,247
Career and Technical Education Basic Grants to States	84.048A	V048A230003		449,974
Education for Homeless Children and Youth	84.196	S196A230003		39,211
Twenty-First Century Community Learning Centers	84.287	S287C230003		1,001,252
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334A	N/A		271,941
English Language Acquisition State Grants	84.365A	S365A230003		136,286
Supporting Effective Instruction State Grants	84.367	S367A230049		653,727
Student Support and Academic Enrichment Program	84.424A	S424A230003		103,445
COVID-19 Education Stabilization Fund	84.425D	S425D210038	22,875	
COVID-19 Education Stabilization Fund	84.425U	S425U210038	13,136,831	
COVID-19 Education Stabilization Fund	84.425W	S425W210003	69,847	
Total ALN 84.425				13,229,553
Total U.S. Department of Education				23,078,374
U.S. Department of Health and Human Services				
Passed through Public Consulting Group, Inc.:				
Medicaid Cluster:				
Medical Assistance Program	93.778	N/A		187,589
Total U.S. Department of Health and Human Services				187,589
Total Expenditures of Federal Awards			:	\$ 28,985,163

Amphitheater Unified School District No. 10 Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2024

Significant Accounting Policies Used in Preparing the SEFA

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Amphitheater Unified School District No. 10 under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

10% De Minimis Indirect Cost Rate

The auditee did not use the de minimis indirect cost rate.

Assistance Listing Numbers

The program titles and Assistance Listing numbers were obtained from the federal or pass-through grantor or through sam.gov. If the three-digit Assistance Listing extension is unknown, there is a U followed by a two-digit number in the Assistance Listing extension to identify one or more Federal award lines from that program. The first Federal program with an unknown three-digit extension is indicated with UO1 for all award lines associated with that program, the second is UO2, etc.

Summary of Auditor's Results:

<u>Financial Statements</u>

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Significant deficiency(ies) identified: No

• Material weakness(es) identified: Yes

Noncompliance material to financial statements noted: No

<u>Federal Awards</u>

Internal control over major programs:

• Significant deficiency(ies) identified: Yes

• Material weakness(es) identified: No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: Yes

Identification of major programs:

Assistance Listing Numbers	Name of Federal Programs or Clusters
10.553, 10.555, 10.559	Child Nutrition Cluster
84.287	Twenty-First Century Community Learning Centers
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$869,555

Auditee qualified as low-risk auditee: No

Findings Related to Financial Statements Reported in Accordance with *Government Auditing* **Standards**: Yes

Findings and Questioned Costs Related to Federal Awards: Yes

Summary Schedule of Prior Audit Findings required to be reported: Yes

Findings Related to Financial Statements Reported in Accordance with Government Auditing Standards

Finding Number: FS-2024-001
Repeat Finding: Yes, FS-2023-001
Type of Finding: Material Weakness

Description: Cash Reconciliations with the County Treasurer

Criteria

Management is responsible for establishing and maintaining internal controls in accordance with an established framework, including reconciliation controls for cash on deposit with the County Treasurer. The purpose of the control is to ensure cash balances are accurately recorded in the general ledger. Differences identified during the reconciliation process must be investigated and promptly resolved. The reconciliation control activity has historically been the responsibility of and performed by the County School Superintendent's (CSS) office.

Condition

The preparation of the cash reconciliation between the District's cash balances and the County Treasurer's balances was not completed in a timely manner. Additionally, reconciling items identified were not fully researched or resolved after the completion of each month's reconciliation. Moreover, the preparation of the cash reconciliation between the District's cash balances and the CSS's balances was not completed in a timely manner. After April 2023, monthly reconciliations were not completed in a timely manner. The year end cash reconciliation for June 30, 2024, was not performed until January 2025.

Cause

The District relied on the CSS to reconcile cash balances to the County Treasurer. While cash reconciliation controls at the CSS were designed and in place, they did not operate effectively for the period. Delayed reconciliations from prior years were the immediate focus of CSS staff, and reduced resources available to address reconciliations for the current fiscal year. Additionally, the District was unable to reconcile its records to the CSS timely based on staff performance at the CSS.

Effect

The District may not be able to effectively manage its finances and is at risk of material errors in the financial statements. Additionally, the District's report is late due to the untimely cash reconciliations.

Context

Nine of the monthly reconciliations prepared by the CSS Office were completed between four and eight months after the close of the respective months. Additionally, while reconciling items were identified each month, adjustments were not posted to the financial records to correctly state cash balances and related activity. The year end reconciliation performed by the CSS Office also identified a number of reconciling items that remained unresolved. Additionally, the District's monthly cash reconciliations to the CSS after April 2023 were not completed until January 2025.

The sample was not intended to be, and was not, a statistically valid sample.

Findings Related to Financial Statements Reported in Accordance with Government Auditing Standards

Finding Number: FS-2024-001

Recommendation

The District should work with the CSS to ensure that the cash reconciliations are being performed in a timely manner, and identified differences are promptly researched and resolved.

Views of Responsible Officials

See Corrective Action Plan.

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2024-001

Repeat Finding: No

Program Name/Assistance Listing Title: Child Nutrition Cluster

Assistance Listing Numbers: 10.553, 10.555, 10.559 Federal Agency: U.S. Department of Agriculture Federal Award Numbers: 6AZ300400, 7AZ300AZ3

Pass-Through Agency: Arizona Department of Education

Questioned Costs: \$58,433

Type of Finding: Noncompliance, Significant Deficiency **Compliance Requirement:** Allowable Costs/Cost Principles

<u>Criteria</u>

Under 2 CFR §200.303, the District is required to establish and maintain effective internal controls over the federal award that provides reasonable assurance that the District is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. Additionally, 2 CFR §200.439 requires capital expenditures for special purpose equipment with a unit cost of \$5,000 or more to have the prior written approval of the Federal awarding agency or pass-through entity. This includes ensuring a Capital Expenditure Pre-Approval Request Form is submitted to Arizona Department of Education (ADE) for approval prior to purchasing equipment that is not included on ADE's Food and Nutrition Service approved equipment list.

Condition

The District did not submit a Capital Expenditure Pre-Approval Request Form to ADE for approval prior to purchasing equipment items not on the ADE Pre-Approved Capital Equipment list.

Cause

The District was unaware that it was required to get pre-approval from ADE for this type of purchase.

Effect

The District charged unallowable costs to the program.

Context

The District purchased two software systems related to the CNC POS for \$20,920 and \$29,692, and one garbage disposal for \$7,821, without submitting a Capital Expenditure Pre-Approval Request Form to ADE for approval prior to purchasing items not on the ADE Pre-Approved Capital Equipment list. The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

Management should review all transactions to ensure that program costs are allowable and in adherence to applicable federal requirements.

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2024-001

<u>Views of Responsible Officials</u> See Corrective Action Plan.

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2024-002

Repeat Finding: No

Program Name/Assistance Listing Title: COVID-19 Education Stabilization Fund

Assistance Listing Numbers: 84.425D, 84.425U **Federal Agency:** U.S. Department of Education

Federal Award Numbers: S425D210038, S425U210038 **Pass-Through Agency:** Arizona Department of Education

Questioned Costs: N/A

Type of Finding: Noncompliance, Significant Deficiency

Compliance Requirement: Reporting

Criteria

Education Stabilization Fund grant recipients are required to submit an annual performance report with data on expenditures, planned expenditures, subrecipients, and uses of funds. The District, as a subrecipient of the Arizona Department of Education (ADE), fulfills this requirement through completion of ADE's LEA Uses of ESSER I, II & III Report (ESSER Report).

Condition

The District did not maintain adequate supporting documentation for various data included in the ESSER Report submitted to ADE.

Cause

The District did not have sufficient review procedures in place to ensure the ESSER Report was sufficiently supported, and/or did not maintain documentation utilized when the ESSER Report was prepared.

Effect

The District was unable to accurately and fully support the data submitted on the ESSER Report.

Context

The data maintained by the District to support the allocation of costs to specific object codes and expenditure categories for ESSER II and ESSER III did not agree to the amounts reported to ADE. However, the total amounts expended for ESSER II and ESSER III were consistent with the District's accounting records. The sample was not intended to be, and was not, a statistically valid sample.

Recommendation

The District should ensure that accurate federal reports are prepared and that proper supporting documentation is maintained for all amounts indicated on such reports.

Views Of Responsible Officials

See Corrective Action Plan.



FINANCE & ACCOUNTING Scott Little Chief Financial Officer (520) 696-5130 • FAX (520) 696-5065

	701 W. Wetmore Road • Tucson, AZ 85/05 • (520) 696-5000 • www.amphi.com					
GOVERNING BOARD MEMBERS	Scott K. Baker, Ph.D. President	Susan Zibrat Vice President	Vicki Cox Golder	Deanna M. Day, M.Ed.	Matthew A. Koped	
SUPERINTENDENT Todd A. Jaeger, J.D.						
May 19, 2025						

To Whom It May Concern:

The accompanying Corrective Action Plan has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The name of the contact person responsible for corrective action, the planned corrective action, and the anticipated completion date for each finding included in the current year's Schedule of Findings and Questioned Costs have been provided.

In addition, we have also prepared the accompanying Summary Schedule of Prior Audit Findings which includes the status of audit findings reported in the prior year's audit.

Sincerely,

Cliff Wadhams **Business Manager**

> Amphitheater High School • Canyon del Oro High School • Ironwood Ridge High School Amphitheater Middle School • Coronado K-8 School • Cross Middle School • La Cima Middle School • Wilson K-8 School Copper Creek Elementary • Donaldson Elementary • Harelson Elementary • Holaway Elementary • Innovation Academy • Keeling Elementary Mesa Verde Elementary • Nash Elementary • Painted Sky Elementary • Prince Elementary • Rio Vista Elementary • Walker Elementary • Rillito Center

Amphitheater Unified School District No. 10 Corrective Action Plan Year Ended June 30, 2024

Findings Related to Financial Statements Reported in Accordance with Government Auditing Standards

Finding Number: FS-2024-001, FS-2023-001 Contact Person: Cliff Wadhams, Business Manager Anticipated Completion Date: August 31, 2025

Planned Corrective Action: The District has cash reconciliation controls in place to reconcile its records to the CSS' records. This includes identifying and resolving any differences. In fiscal year 2024, the District completed the monthly reconciliation between the District's records and the CSS resolving all differences. The District will continue to perform monthly reconciliations to the CSS. In addition, the District will work with the CSS to ensure the cash reconciliation with the County Treasurer is completed in a timely manner.

The following corrective action plan was provided by the Pima County School Superintendent's Office: Due to significant challenges identified in the Pima County School Superintendent's Office (Office) fiscal year 2022-23 audit, the Office fully completed the cash reconciliations process for fiscal year 2022-23 by March 2024 per the corrective action plan initiated in response to the fiscal year 2022-23 related finding. Once this work was completed, the Office immediately began the process to complete cash reconciliations for 2023-24, as that process could not begin until the prior fiscal year was completed. Following training provided to staff, provided per the corrective action plan initiated in response to the fiscal year 2022-23 related finding, the Office worked to redesign and update the legacy reconciliation file template and process – which had been unchanged within the office for over 15 years - to assist with accelerating these processes. This updated file template and process were used to complete the monthly reconciliations for July-March by April, and through June 30 by mid-July. However, the Office experienced challenges regarding addressing identified reconciling items, largely due to the Office's financial system's limitations and the cumulative impact of multiple years of reconciling items that had previously not been addressed by the Office, in some cases going back multiple fiscal years. Office staff actively worked to resolve these items and sought feedback from the audit team for support. Moving forward, the Office is actively working to implement a new Tyler ERP system in January 2025 for fiscal year 2024-25. This system will replace the Office's legacy School Fund Accounting System (SFAS) applications, which have been the primary software supporting the Office's financial operations since the early 1990s. This implementation will serve to greatly modernize our office's financial processes, to include the reconciliation process with the Treasurer's Office for 2024-25 given the limitations of the current legacy system, and into future fiscal years.

Amphitheater Unified School District No. 10 Corrective Action Plan Year Ended June 30, 2024

Findings and Questioned Costs Related to Federal Awards

Finding Number: 2024-001

Program Name/Assistance Listing Title: Child Nutrition Cluster

Assistance Listing Numbers: 10.553, 10.555, 10.559 Contact Person: Cliff Wadhams, Business Manager Anticipated Completion Date: August 31, 2025

Planned Corrective Action: The District will be requiring all District LEAs to take the necessary training through the Arizona Department of Education web portal and related classes as necessary to be

better informed on Capital Expenditures and required approval and form submission.

Finding Number: 2024-002

Program Name/Assistance Listing Title: COVID-19 Education Stabilization Fund

Assistance Listing Numbers: 84.425D, 84.425U Contact Person: Cliff Wadhams, Business Manager Anticipated Completion Date: August 31, 2025

Planned Corrective Action: The District will be requiring all District LEAs to take the necessary training through the Arizona Department of Education web portal and related classes as necessary to be

better informed on ESSER reporting and supporting documentation.

Amphitheater Unified School District No. 10 Summary Schedule of Prior Audit Findings Year Ended June 30, 2024

Status of Findings Related to Financial Statements Reported in Accordance with Government Auditing Standards

Finding Number: FS-2023-001

Status: Not corrected. See current year finding FS-2024-001.

Planned Corrective Action: The District has cash reconciliation controls in place to reconcile its records to the CSS' records. This includes identifying and resolving any differences. In fiscal year 2024, the District completed the monthly reconciliation between the District's records and the CSS resolving all differences. The District will continue to perform monthly reconciliations to the CSS. In addition, the District will work with the CSS to ensure the cash reconciliation with the County Treasurer is completed in a timely manner.

The following corrective action plan was provided by the Pima County School Superintendent's Office: Due to significant challenges identified in the Pima County School Superintendent's Office (Office) fiscal year 2022-23 audit, the Office fully completed the cash reconciliations process for fiscal year 2022-23 by March 2024 per the corrective action plan initiated in response to the fiscal year 2022-23 related finding. Once this work was completed, the Office immediately began the process to complete cash reconciliations for 2023-24, as that process could not begin until the prior fiscal year was completed. Following training provided to staff, provided per the corrective action plan initiated in response to the fiscal year 2022-23 related finding, the Office worked to redesign and update the legacy reconciliation file template and process – which had been unchanged within the office for over 15 years - to assist with accelerating these processes. This updated file template and process were used to complete the monthly reconciliations for July-March by April, and through June 30 by mid-July. However, the Office experienced challenges regarding addressing identified reconciling items, largely due to the Office's financial system's limitations and the cumulative impact of multiple years of reconciling items that had previously not been addressed by the Office, in some cases going back multiple fiscal years. Office staff actively worked to resolve these items and sought feedback from the audit team for support. Moving forward, the Office is actively working to implement a new Tyler ERP system in January 2025 for fiscal year 2024-25. This system will replace the Office's legacy School Fund Accounting System (SFAS) applications, which have been the primary software supporting the Office's financial operations since the early 1990s. This implementation will serve to greatly modernize our office's financial processes, to include the reconciliation process with the Treasurer's Office for 2024-25 given the limitations of the current legacy system, and into future fiscal years.

Finding Number: FS-2023-002

Status: Fully corrected.