

December 10, 2025

To Whom It May Concern,

Pima County School Superintendent's Office – FY24 Audit Corrective Action Plan Update (November 2025)

Original Language:

Situation

Fiscal year 2023-2024 (FY24) cash reconciliations with the Treasurer's Office were not completed on an ongoing basis throughout this fiscal year. The FY24 process began in April 2024 after the FY23 process was completed in March 2024. July through March reconciliations were completed in April 2024, and monthly subsequently – with June being completed in July, per the regular timeline. However, identified material reconciling items were not fully resolved, for some districts, until February 2025.

Impact

The Pima County School Superintendent's Office received an audit finding related to this matter and impacted school districts may have received an audit finding related to this matter.

Original Corrective Action Plan

Due to significant challenges identified in the Pima County School Superintendent's Office (Office) FY23 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 FY23 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 FY23 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 Spring 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.

Corrective Action Plan Update – November 2025

Cash reconciliations were completed for 2024-2025 (FY25) with the Treasurer's Office. Significant efforts were made to resolve items that showed as not fully reconciled for districts dating back, in many cases, over 5 years. These historical reconciling items were resolved in close collaboration with each school district's finance staff. Given this, district reconciliation files are the 'cleanest' they have been in many years coming into the new fiscal year. District staff were trained on the County's reconciliation file and reconciliation process – including data sources (such as how districts could access their financial data directly through the Pima County Treasurer's Data Warehouse) and analysis methods. Additionally, the Pima County School Superintendent's Office capacity to complete regular reconciliations was further increased through hiring and training a new staff member to facilitate this process, with additional review and oversight from the Director of Finance. The office's new processes and procedures for cash reconciliation were highlighted by HeinfeldMeech, along with Pinal County and Maricopa County, through participating in an invited panel presentation at the 2025 Arizona Association of School Business Officials (AASBO) Annual Conference (July 17, 2025). The Office has not yet transitioned to the new Tyler County ERP financial system. This implementation is now projected to be completed within the next 90 days. Office staff have prepared updated processes and procedures to complete monthly reconciliations once the new financial system is implemented, as the data sources will change. These changes will ultimately serve to further modernize and stabilize these processes, moving forward.



Dustin Williams
Pima County Schools Superintendent