

I would like to address some items involving the auditor general's investigation and findings that came to light in the Mohave Valley Daily News on August 25th.

The first is communications to the community during the investigation. Upon discovery in June 2013 of the former Business Manager's fraudulent and deceptive activities, the Topock Elementary School District immediately notified the Mohave County Sheriff's Office, and terminated the individual's employment. The investigation was subsequently turned over to and concluded by the Auditor General's Office. The investigation by the auditor general's office took several years to complete.

I have heard criticism in the press and in the community that the District should have provided information to the community about the investigation as it was under way. I want to let you know that the District cooperated fully with the auditor general's office during the investigation. This cooperation included working with the auditor general's need for confidentiality during the investigation.

The auditor general's office directed the District not to disclose information regarding the investigation, so that the investigators could complete their work without fear that the perpetrator, or perpetrators, would attempt to flee. When the investigation started, it was unknown if the former business manager operated alone, or with the help of others, who were unidentified at that time. It was important not to "tip

off” any others who may have been responsible for defrauding the District.

The second issue is that the fraudulent and deceptive activities were not detected earlier. The former employee went to great lengths to avoid being discovered. She was able to operate without detection by the District, but also by the District’s audit company.

In case you are not familiar with school district audits, a financial audit provides a comprehensive review of financial operations within a district, by an independent, third-party person or entity. The results of the annual audit are shared with the Arizona Department of Education.

An audit company is supposed to provide information regarding internal controls over financial reporting and on compliance, and a schedule of findings and questioned costs, among other things. The audit reports evaluate controls, which provide assurance that transactions are authorized, recorded accurately, recorded timely and that assets are safeguarded.

Our independent auditors did not detect this fraud.

The District terminated services with the previous audit firm responsible for performing audits during the fraudulent activity period,

and asked our school attorney to initiate the recovery of fees spent on the audits. Since becoming aware of the theft, the District has implemented certain additional improvements to controls over processing expenditures to ensure they are appropriate and for District-related purposes. Every purchase now requires a requisition reviewed, approved and signed by me prior to its purchase. We have also implemented annual audits vs. every 2 years.

In conjunction with our current audit firm and with guidance from the Auditor General's Office, we have been found to be compliant with all accounting/financial obligations during our most current audit review. The District has implemented additional oversight procedures as part of its commitment to fiscal responsibility as effective stewards of taxpayer funds. Financial procedures and internal controls to ensure appropriate and strict accountability of all fiduciary responsibilities to further efficiency, compliance, and transparency have been implemented. The District filed a claim with its insurance company and was reimbursed for the public monies the former Business Manager embezzled. That money was utilized to reimburse our line of credit that we utilized to make payroll and pay our utility bills and operational expenses.

I want to assure you that the District took swift, prudent and appropriate action once the fraudulent and deceptive activity was discovered.

I know you probably have additional questions, and may have heard incorrect information circulating in the community. I invite you to contact me to arrange a meeting to discuss your questions related to this investigation.

Lastly, I want to assure you that the Topock Educational School District remains a healthy and successful district, developing our students' potential in the areas of academic ability and vocational awareness, cultural appreciation, physical well-being, social development and community contribution. We are taking students from an impoverished, rural community that suffers from generational poverty and providing them with the educational and social skills that they need to be successful in life. Our Kids at Hope culture has developed a paradigm shift that allows children to think of their success in the future, not their stigmatism of poverty, and provides a mindset that they will be successful.

I want to tell you how the District excels: Niche.org utilizes data, not emotional hide behind the keyboard testimony like greatschools.com. Based on our data, we are rated as an A- school. The last time standardized scores were calculated Topock School was the number one rated public school district in Mohave County utilizing math scores. We were one of 7 districts in the state awarded a stem grant through the Helios Foundation with our partner school district in Congress AZ and became a pilot school for implementation of the Spatial Temporal Math program. Our student test scores typically exceed county and

state averages in most subjects and grade levels. Every child on our campus has their own google chromebook.

We have recently been recognized as one of the top 17 performing rural schools in the state with a poverty level of over 60%. Ours is 91%. Our preschool has been recognized for its quality in the AZ school boards associations journal. 43% of our preschool students came from out of district last year based on the quality reputation of our preschool staff. 77% percent of our Kindergarten students are at benchmark on their DIBLES test the first week of school if they were enrolled in our preschool the previous year.

Our certified Teachers all have attained Masters Degrees. We have three classroom assistants working on completing their degrees. There are 11 NBCT teachers in Mohave County out of approximately 2,000. We have one on our staff. We have 2 former Mohave County Teachers of the Year on staff. We have an All-Arizona Governing Board Member serving as President of our Board. I am the longest tenured superintendent in Mohave County and serve as President of the AZ Rural School Association and will be representing our great state at the National rural Schools Conference in Columbus Ohio this year. We are the only public school in the state with a crossfit kids program as its core PE curriculum. Despite limited resources, we maintain an art and music program. The former Business Managers illegal activity did not affect the quality of the academic performance of our students.

-As the District's superintendent and principal I am the leader, implementer, and facilitator of a successful school district. In my many years at this District, I have worked hard to create a positive learning

environment, and to obtain support from parents and community members. I will continue to do what I have done here for 24 years and that is to be the spokesperson and advocate for the children of Topock School. I will continue to work tirelessly to provide the children of this community a world-class education, by surrounding them with top notch educators and programs, and providing a safe, nurturing, loving and caring environment, no exceptions. It has been stated that Topock School is a diamond in the rough and the secret ingredient to the success of Topock School is that our children do well because they know they are loved and want to do well because everyone of our staff members loves them. We are a family and family doesn't get left behind.