

ARIZONA DEPARTMENT OF EDUCATION

The Audit Unit

1535 W Jefferson St, Bin 19 • Phoenix, AZ 85007

Phone (602) 364-4036 Fax (602) 364-2334

Diane Douglas
Superintendent of
Public Instruction

January 27, 2017

Re: Report Number 17-21

Sylvia Calmelat, Superintendent
Southgate Academy, Inc.
850 West Valencia Road
Tucson, AZ 85706

Dear Superintendent Calmelat,

The Arizona Department of Education (ADE) Audit Unit has completed an audit of the Southgate Academy, Inc. (School) (79091) Average Daily Membership reported to ADE for Fiscal Years 2014, 2015 and 2016. The purpose of the audit was to determine whether the School properly reported student enrollment data and whether it received the appropriate amount of Basic State Aid.

Auditors conducted work in the following three areas:

- **Entry and exit dates**—Auditors obtained SAIS and SMS entry and exit dates and total membership days data for all students for the three fiscal years audited. Auditors compared SMS data to the SAIS data.

To assess the accuracy of the School's SMS data and the data the School uploaded to SAIS, auditors selected a random sample of student SMS files for each fiscal year audited, (68 students in FY2014; 75 students in FY2015; and 79 students in FY2016), totaling 222 student files. Auditors compared the student data to the SAIS data. Specifically, auditors tested the entry and exit dates, as well as the total membership days. Auditors did not identify any discrepancies.

- **FTE**—Auditors obtained student class schedules for high school level students for the three fiscal years audited. Auditors received the student schedules for each of these

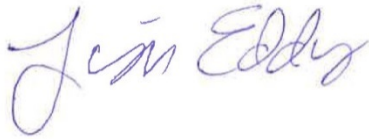
students. Auditors compared the calculated FTE to the FTE that was reported to SAIS. Auditors did not identify any material discrepancies.

- **Instructional Hours**—Auditors obtained the bell schedules and calendars for all grade levels for the three fiscal years audited. Auditors determined that each grade level for each fiscal year met or exceeded the minimum annual instructional hours' threshold as required by statute.

Since no material discrepancies were identified for the three areas examined, no findings or adjustments to Basic State Aid are required. As a result, no further action from the School is necessary.

We appreciate your cooperation and assistance throughout this review. If you have any further questions, please contact me at 602-364-4061.

Sincerely,



Lisa Eddy
Chief Auditor