Tucson Unified School District No. 1  
Governing Board Audit Committee Meeting  
Board Conference Room, Morrow Education Center  
1010 East Tenth Street  
Tucson, Arizona 85719

January 25, 2013  
2:00 p.m.

MINUTES

Committee Members Present:  
Cliff Altfeld, Chair  
J. Thomas House  
Jimmy J. Lovelace  
Robert O’Toole, Co-Chair

Committee Members Absent:  
Charles M. Kill

Others Present:  
Yousef Awwad, Chief Financial Officer, Financial Services – arrived at 2:33 p.m.  
Michele C. Gutierrez, Senior Staff Assistant I to the Governing Board  
Alexis Huicochea, Arizona Daily Star

ITEM ACTION

MEETING CALLED TO ORDER – Cliff Altfeld called the meeting to order at 2:06 p.m.

CALL TO THE AUDIENCE  
The following is the name of the individual who spoke and the subject of his comments:  
No action required.  
Franklin Sax – Payroll System, Audits and School Closures

ACTION ITEMS

1. Approval of November 16, 2012 Minutes  
   Robert O’Toole moved approval.  
   Jimmy Lovelace seconded.  
   Approved 4-0.  
   Chuck Kill was not present at the meeting.
STUDY/ACTION ITEMS

6. District to Hire Internal Audit Staff
   • Robert O'Toole

   Robert O'Toole made the motion to draft a letter to send to the Governing Board on hiring an Internal Auditor.

   Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace and Robert O'Toole.

   Robert O'Toole moved approval.
   Jimmy Lovelace seconded.
   Approved 4-0.

9. Communicate with Governing Board

   Robert O'Toole suggested to the committee that they have a joint meeting with the Governing Board but at this time there may not be enough items to make it worth their time.

   Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace and Robert O'Toole.

   No Action Required, discussion only.

2. Status of Business Process Review
3. Update on ERP Process

   Yousef Awwad gave the committee an update and answered questions regarding the Business Process Review and ERP Process. He mentioned that the District might look into outsourcing departments as a way for the budget deficit.

   Yousef Awwad responded to the rumor regarding cash flow problems at the District and provided clarification.

   Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace, Robert O'Toole and Yousef Awwad.

   No Action Required, discussion only.

5. Annual Financial Report and Revisions

   Jimmy Lovelace reported that he had been in contact with Heinfeld, Meech and Co. and suggested they meet with the committee to present the CAFR.

   Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace, Robert O'Toole and Yousef Awwad.

   No Action Required, discussion only.
7. Proposed Agenda Items and/or Additional RFI’s
   a. USFR Compliance – Questionnaire Comments
   b. Accounting Records
   c. Cash Handling
   d. Capital Assets Control
   e. Expenditures
   f. Procurement
   g. Payroll
   h. Financial Reports
   i. Student Attendance Reporting
   j. Students Accounts – Soon
   k. Auditor General Internal Controls
   l. After-the-Fact Purchase Orders
   m. Annual Single Audit Reporting Package (Each Year)

No items were added.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace and Robert O’Toole.

8. Recent Monthly Financial Report to the Governing Board

Robert O’Toole asked Yousef Awwad if a report was given to the Governing Board in December and January. Yousef Awwad stated the most recent report to the Governing Board was at the November 13, 2012 Board meeting.

Yousef Awwad answered questions the committee had from the November 13, 2012, Presentation of Budget Status and update

Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace, Robert O’Toole and Yousef Awwad.

9. Meeting Date/Time

The next scheduled Audit Committee meeting is February 15, 2013.

Robert O’Toole indicated that he would not be able to attend meeting.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace and Robert O’Toole.
10. Future Agenda Item(s)  

Jimmy Lovelace request that Heinfeld, Meech & Co. be invited to the next scheduled meeting.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Jimmy Lovelace and Robert O’Toole.

MEETING ADJOURNED 3:09 p.m.

Approved this 15th day of February, 2013.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By

Clifford Altfeld
Audit Committee Chair

mcg
01-26-13 Audit Committee/Minutes