

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

**February 16, 2018  
2:00 p.m.**

**MINUTES**

**Committee Members Present:**

Rachel Wall, Chair  
Jimmy Lovelace, Co-Chair  
Darin Guthrie

**Committee Members Not Present:**

Charles Kill

**Others Present:**

Demetrius Lee, Internal Auditor  
Renee Weatherless, Executive Director, Financial Services  
Robert S. Ross, Jr., General Counsel [arr. @ 2:04 p.m.]  
Mary Alice Wallace, Director of Staff Services to the Governing Board  
Michele C. Gutierrez, Senior Staff Assistant I to the Governing Board

**ITEM**

**ACTION**

**CALL TO ORDER – 2:03 p.m.**

Audit Committee attendance was established via self-introductions.

**CALL TO THE AUDIENCE**

There were no persons wishing to speak.

No action required.

**ACTION ITEM**

1. January 26, 2018 Minutes

Darin Guthrie moved approval, Jimmy Lovelace seconded. Approved. 3-0, in a voice vote.

## **STUDY/ACTION ITEMS**

- |                                                                                                   |                     |
|---------------------------------------------------------------------------------------------------|---------------------|
| 2. Internal Auditor Update Report <ul style="list-style-type: none"><li>• Demetrius Lee</li></ul> | No action required. |
| 4. Update on Internal Audit Plan <ul style="list-style-type: none"><li>• Demetrius Lee</li></ul>  |                     |

Both items were addressed together.

Demetrius Lee reported to the Audit Committee that he has been focusing his time on the budget portion of the USP and has been in communication with Rob Ross and Sam Brown. He will update the committee at the next scheduled meeting on the status of the Internal Audit Plan.

Persons commenting/asking questions were Rachel Wall and Jimmy Lovelace.

- |                                                                                                     |                     |
|-----------------------------------------------------------------------------------------------------|---------------------|
| 3. Internal Auditor Policy Revision <ul style="list-style-type: none"><li>• Demetrius Lee</li></ul> | No action required. |
|-----------------------------------------------------------------------------------------------------|---------------------|

Demetrius Lee reported to the Audit Committee that he has been meeting with Board President Stegeman and General Counsel Ross regarding revising the Internal Auditor Policy.

Persons commenting/asking questions were Jimmy Lovelace and Rachel Wall.

Rob Ross provided legal advice and answered questions.

5. Audit Committee Charter Review

- Jimmy Lovelace
- Rob Ross

Jimmy Lovelace and Rob Ross provided information and answered questions.

1<sup>st</sup> Motion

Jimmy Lovelace moved approval to change the wording on the charter to be able to set the next scheduled meeting agenda as a committee at the end of each committee meeting. Items can be added or deleted by Chair and Vice-Chair to finalize agenda. Seconded: Darin Guthrie. Approved 3-0, in a voice vote.

2<sup>nd</sup> Motion

Jimmy Lovelace moved approval to remove the word Co-Chair and replace it with Vice-Chair. Seconded: Darin Guthrie. Approved 3-0, in a voice vote.

3<sup>rd</sup> Motion

Darin Guthrie moved approval to recognize officially Rachel Wall as Chair and Jimmy Lovelace as Vice-Chair. Seconded: Jimmy Lovelace. Approved 3-0, in a voice Vote.

4<sup>th</sup> Motion

Darin Guthrie moved approval to amend the Audit Committee Charter for election of Chair and Vice-Chair positions. The amendment is to have elections yearly at the end of the School Year. Seconded: Jimmy Lovelace. Approved 3-0, in a voice vote.

Persons commenting/asking questions were Rachel Wall, Darin Guthrie, Jimmy Lovelace and Renee Weatherless.

Rob Ross will provide the wording for the changes to the charter.

6. FY18 Expenditure Update

- Renee Weatherless

Renee Weatherless reported to the committee that there was no new information. She provided information and answered questions.

Persons commenting/asking questions were Jimmy Lovelace, Darin Guthrie and Rachel Wall.

7. Up-to-Date Budget to Actual by Function

- Renee Weatherless

Renee Weatherless stated that instead of projecting numbers, the budget is year-to-date at the time of adoption.

Persons commenting/asking questions were Jimmy Lovelace, Darin Guthrie, Rachel Wall and Demetrius Lee.

8. Auditor General Performance Audit

No action required.

- Renee Weatherless

Renee Weatherless reported to the Audit Committee that the Auditor General Performance Audit has not been released and she could not disclose any information.

Jimmy Lovelace commented that he had reached out to Ann Oricle.

Darin Guthrie commented that he contacted the Auditor General's Office and had his name placed on the list to notify when the Auditor General Performance Audit was released.

9. Standing Item: Complaints Received via Various Avenues

No action required.

- Rob Ross

Rachel Wall reported to the Audit Committee that she received two complaints, one was outdated and had been taken care of already and the other was junk mail.

Jimmy Lovelace expressed appreciation to Mary Alice Wallace for addressing the problem immediately.

10. RFP No. 18-53-22 Audit Services – Selection

No action required.

Demetrius Lee reported to the committee that the Governing Board awarded the RFP on February 13, 2018. Mr. Lee highlighted the timeline following the award.

See attachment.

Rachel Wall commented.

11. Meeting Date/Time

No action required.

The next scheduled meeting is on Friday, April 27, 2018.

12. Future Agenda Item(s)

No action required.

Items for the April meeting will be; February Minutes of the Audit Committee; RFP Selection; Internal Auditor Update Report including the revision of Policy DIEA; Up-to-date Budget to Actual by Function; Auditor General Performance Audit; Standing Item: Complaints Received via Various Avenues; and review of the Audit Committee Charter. Mr. Ross will provide advice on the Charter.

Persons commenting/asking questions were Jimmy Lovelace and Demetrius Lee. Rob Ross provided legal advice.

**ADJOURNMENT – 3:22 p.m.**

Darin Guthrie moved approval, Jimmy Lovelace seconded. Approved Unanimously, in a voice vote.

Approved this 18<sup>th</sup> day of May, 2018.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By \_\_\_\_\_  
Rachel Wall  
Audit Committee Chair

**TIMELINE FOR FINANCIAL AND COMPLIANCE AUDIT SERVICES Request for  
Proposal (RFP) Process 2017 – 2018**  
**After Board Award**

<b><i>DATE</i></b>	<b>TASK</b>
February 13, 2018	Board Approval
February 14 - 16, 2018	Notify Vendor of Award  Execution of Auditor General Contract Document by TUSD and Clifton Larson Allen
February 19 – 23, 2018	TUSD to Send Executed Contract Document to AG for Approval  District Offer and Acceptance Executed  Issue Purchase Order for FY2018 Audit Services
February 26 – March 2, 2018	Contract Liaison (Sr. Accounting Manager Christina Cruz) to Schedule Initial Engagement Meeting for FY2018 Audit Process