February 22, 2016
3:30 p.m.

MINUTES

Committee Members Present:
Charles Andrade, Chair
Lori K. M. Cox
Adelita S. Grijalva, Governing Board President (via telephone)
Ricky Hernandez
Karla Soto, Chief Financial Officer

Committee Members Not Present:
None.

Others Present:
Dr. Bill Dean, McPherson & Jacobson, L. L., Executive Recruitment and Development
Anna Maiden, Chief Human Resources Officer
Mary Alice Wallace, Director of Staff Services to the Governing Board
Michele C. Gutierrez, Senior Staff Assistant I to the Governing Board
AZ Daily Star

ITEM ACTION

CALL TO ORDER – Charles Andrade called the meeting to order at 3:36 p.m.

CALL TO THE AUDIENCE
The following is the name of the individual who spoke and the subject of his comments:

Dick Bayse – Comments on former Keen Elementary School and the sale of the school.

No action required.
ACTION ITEM

1. January 22, 2016 Minutes
   Ricky Hernandez moved approval, Lori Cox seconded. Approved Unanimously in a voice vote.

STUDY/ACTION ITEMS

2. Update on Internal Auditor Position
   • Bill Dean
   No action required.

   Dr. Dean updated the committee on the Internal Auditor position. He circulated to the committee a folder which included a brochure outlining the position and two application summaries. The brochure was posted on the McPherson & Jacobson, L. L., Executive Recruitment and Development's website on December 8, 2015 and the week of January 13th, the brochure was posted to varies position related websites including National Association of School Board Officials, it ran for 30 days. McPherson & Jacobson has 1,000 plus registered people. Information about the position was sent to them that included a comment if they were not interested to please forward to anyone who might be interested. He reviewed the applicants with the committee.

   Anna Maiden informed the committee that the interview questions were standard and requested that the committee submit interview questions by e-mail Mary Alice Wallace. She will try to arrange interviews with two of the applicants for the March 18, 2016 scheduled Audit Committee meeting. Because one of the applicants did not have one of the minimum requirements, Ms. Maiden will review previous applications to ensure no one was screened out because that sole reason.

   Persons commenting were Charlie Andrade, Ricky Hernandez, Lori Cox and Karla Soto.

3. Recent Monthly Financial Report to the Governing Board – Fiscal Year-to-date Expenditure
   No action required.

   Karla Soto presented the most recent budget update to the committee. The same information was presented to the Governing Board members at the January 26, 2016 Special Board meeting. She reported on the Audit Management letter and will provide all correspondence on audits to the Committee.

   Persons commenting were Charlie Andrade, Ricky Hernandez and Lori Cox.
4. Internal Auditor Language of the Charter – Lori Cox

Lori Cox handed out to the committee members two documents: Austin Independent School District Internal Auditor Charter and a sample Model Audit Committee Charter. She pointed out the scope of work, the Internal Auditor plan and briefly discussed the charter for her position of Internal Auditor at Pima Community College. She suggested that as one of the questions to submit for the interviews for the Internal Auditor position was the development of the charter for that position. The revision of the Charter for the Audit Committee to include language about the Internal Auditor will be considered after the Internal Auditor is hired.

Mary Alice Wallace informed the committee that two Audit Committee member applications are scheduled for consideration at the March 8, 2016 Regular Governing Board meeting.

Persons commenting were Charlie Andrade, Ricky Hernandez and Lori Cox.

5. Proposed Agenda Items and/or Additional RFI’s and Future Agenda Items

- Internal Control Issues
  a. USFR Compliance – Questionnaire Comments
  b. Accounting Records
  c. Cash Handling
  d. Capital Assets Control
  e. Expenditures
  f. Procurement
  g. Payroll
  h. Monthly Financial Reports
  i. Student Attendance Reporting
  j. Student Accounts
  k. Auditor General Internal Controls
  l. After-the-Fact Purchase Orders
  m. Annual Single Audit Reporting Package (Each Year)
  n. Update on ERP Process
  o. Consolidation of Advertising
  p. Internal Auditor Status

Items that would be on the next scheduled meeting based on discussion of each item throughout the meeting were the recurring items for each meeting.

New items for the March 18, 2016 will be Audit External Engagement 2016-2017 schedule, to be provided by Karla Soto, or interviews with the two applicants for the Internal Auditor position. Future agenda items will be an update on the Correction Action plans (semi-annual), and the single audit package.
6. Meeting Date/Time

The next meeting will be on Friday, March 18, 2016.

ADJOURNMENT – 5:00 p.m.

Ricky Hernandez moved approval, Lori Cox seconded. Approved Unanimously in a voice vote.

Approved this 18th day of March, 2016.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By ____________________________
Charles Andrade
Audit Committee Chair