

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

**March 22, 2013
2:00 p.m.**

MINUTES

Committee Members Present:

Cliff Altfeld, Chair
J. Thomas House
Charles M. Kill
Jimmy J. Lovelace
Robert O'Toole, Co-Chair

Committee Members Absent:

None.

Others Present:

Yousef Awwad, Chief Financial Officer, Financial Services
Mary Alice Wallace, Director of Staff Services to the Governing Board
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 2:03 p.m.

CALL TO THE AUDIENCE

The following are the names of the individuals who spoke and the subject of their comments:

No action required.

None.

ACTION ITEM

1. Approval of February 15, 2013 Minutes

Jimmy Lovelace moved approval.
Tom House seconded.
Approved 5-0.

STUDY/ACTION ITEMS

2. Introduction of New Governing Board Members

No Action Required,
discussion only.

Cliff Altfeld commented that the item would continue on the agenda as an open invitation for the new Governing Board members Cam Juárez and Kristel Ann Foster.

3. USFR and A133

No Action Required,
discussion only.

Jimmy Lovelace discussed some of the findings from the A133 report. Three of the findings were under Title I.

Robert O'Toole suggested that the Director of Title I be invited to the next scheduled meeting to explain the program.

Yousef Awwad informed the committee that he would make the arrangements for the Title I Director to attend the next scheduled Audit Committee meeting.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House and Chuck Kill.

4. Update on ERP Process

No Action Required,
discussion only.

Yousef Awwad reported on the ERP process with four phases. During the initiation phase they surveyed the staff; then they spoke to all administrators and principals in the district; and finally spoke with the cabinet and asked what they wanted to do. They gathered all that information and wanted to make sure that everybody was supported. The last step was to draft a mandate for the ERP systems.

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

5. State of District Cash Flow and Status of Expenditure vs. Budget

No Action Required,
discussion only.

Yousef Awwad informed the committee that the Legislature is trying to pass their vision for cash on hand, which could be dangerous for the District, especially for bonds; the rating would go down.

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

6. Annual Financial Report and Revisions

No Action Required,
discussion only.

Yousef Awwad had no new information.

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

7. Recent Monthly Financial Report to the Governing Board

No Action Required,
discussion only.

In reference to the board agenda item and handout that was given to the Governing Board during the March 12th meeting, Yousef Awwad explained to the committee the potential of reduction. He added that there are solutions that he is proposing for next year.

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

8. Recommendation for District to Hire Internal Audit Staff

No Action Required,
discussion only.

The letter was sent to the Governing Board. An agenda item will be on for the April 9th Regular Governing Board meeting as a study/action item to recommend the District hire internal audit staff.

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

9. Semi-Annual Report to the Governing Board

No Action Required,
discussion only.

- April 9, 2013 Governing Board Meeting

Chuck Kill volunteered to give the semi-annual report to the Governing Board during the April 9, 2013, Governing Board Meeting.

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

10. Communication with Governing Board

No Action Required,
discussion only.

Cliff Altfeld mentioned that the committee has communicated with the Governing Board by way of letter.

He also suggested that by mid-year they discuss appointing a new Chair person for the committee.

Other persons commenting, asking questions, or providing information were J. Thomas House, Chuck Kill, Jimmy Lovelace and Bob O'Toole.

11. Proposed Agenda Items and/or Additional RFI's

No Action Required,
discussion only.

- 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)

Bob O'Toole requested two items for the next committee meeting: 1) inviting the Director of Title I, and 2) getting an update on Asset Inventory control.

Yousef Awwad informed the committee that he would get the Asset Inventory report together now that he has taken over Asset Management.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, J. Thomas House, Chuck Kill and Jimmy Lovelace.

12. Meeting Date/Time

No Action Required,
discussion only.

The next scheduled Audit Committee meeting is April 26, 2013.

MEETING ADJOURNED 3:28 p.m.

Jimmy Lovelace
moved approval.
Robert O'Toole
seconded.
Approved 5-0.

Approved this 26th day of April, 2013.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____
Clifford Altfeld
Audit Committee Chair

mcg
03-22-13 Audit Committee/Minutes