

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

**May 24, 2013  
2:00 p.m.**

**MINUTES**

**Committee Members Present:**

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

**Committee Members Absent:**

Cliff Altfeld, Chair

**Others Present:**

Michael Hicks, Governing Board Member  
Dr. Mark Stegeman, Governing Board Member  
John J. Pedicone, Jr., Ph.D., Superintendent  
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

**ITEM**

**ACTION**

**MEETING CALLED TO ORDER** – Robert O'Toole called the meeting to order at 2:01 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 April 26, 2013 Minutes

Chuck Kill moved approval. Tom House seconded. Approved 4-0.

## **STUDY/ACTION ITEMS**

### 2. Introduction of New Governing Board Members

No Action Required,  
discussion only.

Governing Board Members Michael Hicks and Mark Stegeman attended the meeting.

### 3. Coordinate with Outside Auditors

No Action Required,  
discussion only.

Jimmy Lovelace discussed and answered questions with the committee on the attached TUSD Audit Calendar for Fiscal Year 2013

Other persons commenting, asking questions, or providing information were Tom House, Chuck Kill and Yousef Awwad.

### 4. Update on ERP Process

No Action Required,  
discussion only.

Yousef Awwad reported that there no changes have been made.

Other persons commenting, asking questions, or providing information were Tom House, Jimmy Lovelace, Tom House and Chuck Kill.

### 5. Recent Monthly Financial Report to the Governing Board

No Action Required,  
discussion only.

Yousef Awwad reported to the committee that no revision had been made and a predicted carryover of \$500,000.

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

### 6. Report on the Recommendation for District to Hire Internal Audit Staff and Semi-Annual Report to the Governing Board April 9, 2013 Governing Board Meeting

No Action Required,  
discussion only.

Mark Stegeman commented that the item was rescheduled to the June 25<sup>th</sup> Special Board meeting.

The committee discussed in length the functions of the positions and whom the position would report to.

Other persons commenting, asking questions, or providing information were John Pedicone, and Mike Hicks.

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 Action Required,  
discussion only.

Bob O'Toole requested two items for the next committee meeting: 1) Election of Chair and Co-Chair, and 2) Student Attendance Reporting – Instructional Hours Report.

Other persons commenting, asking questions, or providing information were Tom House, Jimmy Lovelace, Chuck Kill and Yousef Awwad.

8. Meeting Date/Time

No Action Required,  
discussion only.

The next scheduled Audit Committee meeting is June 28, 2013.

**MEETING ADJOURNED** 3:06 p.m.

Approved this 28<sup>th</sup> day of June, 2013.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By \_\_\_\_\_  
Clifford Altfeld  
Audit Committee Chair

## **TUSD - Audit Calendar for Fiscal Year 2013**

### **Week of April 18**

Site visits at multiple schools to perform the following USFR compliance testwork:

- Attendance
- Student activities cash receipts and disbursements
- Auxiliary operations and community schools

### **Week of June 24 - USFR Compliance and disbursements**

*TUSD: (5/24) provide prelim GL and SEFA end of May*

*Provide expense reports for procurement*

*H&M: (5/31) Major Federal Program determination, send requests to District*

*TUSD: (6/7) provide Lawson reports for selections*

*H&M: (6/10) send selections (including procurement)*

*TUSD: 1-2 weeks to pull selections*

- Procurement
- Disbursements
- Wrap up student activities, auxiliary, community schools
- Misc. disbursements and receipts
- Credit cards, building renewal, ECTC, travel, JTED
- Control questionnaires/memos

### **Week of July 22 - Payroll and Federal Grants**

*H&M: will provide selections 3 weeks prior*

- Review of programmatic grant compliance (grants TBD)
- Review of payroll expenditures, HR process and procedures

### **Week of October 21 – Financials**

*H&M: will provide requests 3 weeks prior*

- Cash in bank
- Cash Reconciliations
- Internal Service Funds (Workers Compensation and Employee Benefit Trusts)
- Revenues (all)

### **Week of November 4 – Financials**

### **Week of November 11 (Contingency)**

*TUSD: Complete transmittal letter updates prior to this week*

- Capital Assets
- Bonds, leases, and other debt
- Compensated leave, payroll expenses
- Final USFR testwork (AFR, Journal Entries, etc.)
- Final financial statement tie off
- Financial reporting compliance for federal programs
- Final wrap-up