

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

**June 26, 2015
2:00 p.m.**

MINUTES

Committee Members Present:

Jimmy J. Lovelace, Chair
Lori K. M. Cox
Ricky Hernandez
Karla Soto, Chief Financial Officer
Bill Tong

Committee Members Not Present:

Adelita S. Grijalva, Governing Board President
Charles M. Kill

Others Present:

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.

CALL TO THE AUDIENCE

There were no persons wishing to speak.

No action required.

ACTION ITEM

1. March 27, 2015 Minutes
2. April 24, 2015 Minutes

Both items were addressed together.

Karla Soto moved approval, Lori Cox seconded. Not Approved due to a lack of a quorum of the members present at the March 27, 2015 and April 24, 2015 meeting.

3. May 22, 2015 Minutes

Bill Tong moved approval, Ricky Hernandez seconded. Approved 3-0. Karla Soto and Lori Cox abstained.

4. June 5, 2015 Minutes

Bill Tong moved approval, Karla Soto seconded. Approved 4-0. Lori Cox abstained.

STUDY/ACTION ITEMS

5. Cash Flow Projections (Projection of Subsequent Funds)

No action required; discussion only.

Karla Soto provided to the committee a Summary Cash Balance Projections for FY14-15 and answered questions and concerns from the committee.

Persons commenting, asking questions, or providing information were Bill Tong, Jimmy Lovelace and Ricky Hernandez.

6. Schedule of Current Debt

No action required; discussion only.

Karla Soto provided a handout on Net Debt Service-Outstanding Bonds Class A to the committee and answered questions.

Persons commenting, asking questions, or providing information were Jimmy Lovelace, Ricky Hernandez and Bill Tong.

7. Update on Internal Auditor Position

No action required; discussion only.

Mary Alice Wallace gave the committee an update on the status of the Internal Auditor position. Also, she stated the different places that the position advertisement was posted. She will contact the Audit Committee to schedule an executive session if there is another group of applicants by July 20, 2015, that the committee could screen and interview applicants.

Lori Cox suggested posting the position in the Institute of Internal Auditors, www.iaa.org, comprised of over 150,000 members.

Jimmy Lovelace commented.

8. Semi-Annual Report to the Governing Board July 14, 2015
Governing Board Meeting
- No action required;
discussion only.

Bill Tong, Ricky Hernandez and Lori Cox requested to see the previous reports given to the Governing Board at previous Board meetings. Mary Alice Wallace will send.

Jimmy Lovelace commented.

9. Proposed Agenda Items and/or Additional RFI's
- No action required.

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

Jimmy Lovelace commented that this is a continuous item.

10. Meeting Date/Time

There's no meeting scheduled for the month of July. The next meeting will be on Friday, August 28, 2015

ADJOURNMENT – 2:45 p.m.

Karla Soto moved approval, Lori Cox seconded. Approved unanimously in a voice vote.

Approved this 28th day of August, 2015.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____

Ricardo Hernandez
Acting Audit Committee Chair