

**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 29, 2012
2:00 p.m.**

MINUTES

Committee Members Present:

Cliff Altfeld, Chair
Charles M. Kill
Jimmy J. Lovelace

Committee Members Absent:

Jeffrey Abbott
Robert O'Toole, Co-Chair

Others Present:

Yousef Awwad, Chief Financial Officer, Financial Services – arrived at 2:24 p.m.
Adrienne Sanchez, Director, Financial Services
Jim Burns, Business Office Coordinator, Operations
Michael Ortiz, Warehouse, Distribution & Inventory Manager, Operations
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 – Cliff Altfeld called the meeting to order at 2:03 p.m.

CALL TO THE AUDIENCE

No members of the public requested to speak.

No action required.

ACTION ITEMS

1. Approval of April 27, 2012 Minutes

Jimmy Lovelace moved approval. Chuck Kill seconded.
Approved 3-0.
Jeffrey Abbott and Robert O'Toole were not present at the meeting.

STUDY/ACTION ITEMS

2. RFI #57 – Status Report on Property Control submitted by Robert O’Toole

No Action Required,
discussion only.

Mike Ortiz updated the Audit Committee with the status on property control. They identified a vendor called Destiny Asset Manager. The schools have been using Destiny Library for bar coding and textbooks. Most high schools are using the program for asset management.

The committee mentioned that during the last status report on property control was given to the Audit committee, proposal was submitted to Operations to hire a lead person that would be in charge of property control. Jim Burns informed the committee that the original plan that was submitted to Chief Operations Officer Candy Egbert was to hire one lead person in charge of property control and a team of ten employees to conduct the inventory throughout the District.

Yousef Awwad informed the committee that at this time the District does not have the budget or personnel. May have to contract out.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, Chuck Kill, Jimmy Lovelace, Yousef Awwad, Mike Ortiz and Jim Burns.

3. RFI #58 – Information on Student Fund Raising Activities at Magee Middle School

No Action Required,
discussion only.

Robert O’Toole submitted an RFI from a confidential complaint that was submitted to the committee. The item was moved to the next scheduled Audit Committee meeting since Mr. O’Toole was not present at the meeting.

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

4. Coordination with Outside Auditors – Jimmy Lovelace

- USFR Compliance 2012
- USFR Compliance June 30 for 2011

No Action Required,
discussion only.

Adrienne Sanchez reported to the committee that the District has been assigned three different employees from Heinfeld, Meech & Co. She has been trying to contact Heinfeld, Meech partners to go over the timelines and deadline but has not been successful.

Jimmy Lovelace volunteered to assist in contacting Cory Arvizu at Heinfeld, Meech & Co.

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

5. Review and Discussion of USFR Compliance Questionnaire for FY Ended June 30, 2011

No Action Required,
discussion only.

Jimmy Lovelace discussed with Yousef Awwad that he wants to attend any future meetings when the Finance employees review and discuss the USFR Compliance Questionnaire with the Heinfeld, Meech & Co. Auditors.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, Chuck Kill, Jimmy Lovelace, Yousef Awwad and Adrienne Sanchez.

6. Audit FY 2011-12 Calendar Review

Not Addressed.

Adrienne Sanchez explained to the committee the calendar she created that had projected timelines and completion dates. She briefly covered the different audits that are conducted throughout the fiscal year. She indicated she would send the calendar to Mr. Lovelace.

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

7. Monthly Budget Update

No Action Required,
discussion only.

Adrienne Sanchez reported that the proposed budget is scheduled for the July 2 and July 14 Board Meetings for approval.

Adrienne reported that any requests the auditors may have from other departments must go through Finance first. Before, requests were being made to employees directly from the auditors so Finance had no way of knowing what was being given to them.

Other persons commenting, asking questions, or providing information were Cliff Altfeld, Chuck Kill, Jimmy Lovelace and Adrienne Sanchez.

8. Update on the RFP on the Payroll and Timekeeping Software

No Action Required,
discussion only.

Timekeeping Software: Yousef Awwad reported that the bids that came in were assessed and Finance has a good idea of who they want if the District continues with Lawson. Then the next step would be to submit it to the Governing Board for approval.

ERP System: Yousef Awwad informed the committee that continuation of the implementation has been suspended at this time. A decision will be made by no later than November 1st. on whether to continue with Lawson.

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

9. ERP Status and Milestones and Monthly Reports

No Action Required,
discussion only.

Item was covered in #8.

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

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

No Action Required, discussion only.

- a. USFR Compliance
- b. Accounting Records
- c. Cash
- d. Capital Assets
- e. Expenditures
- f. Procurement
- g. Payroll
- h. Financial Reports
- i. Student Attendance Reporting
- j. Students Accounts – Soon
- k. Auditor General Internal Controls

No items were added.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Charles M. Kill, and Jimmy Lovelace.

11. Audit Committee Calendar for 2012-2013 – Draft

Jimmy Lovelace moved approval. Chuck Kill seconded. Approved 3-0. Jeffrey Abbott and Robert O'Toole were not present at the meeting.

Meeting Schedule/Discussion of 2012-2013 Calendar

September 28, 2012	March 22, 2013
October 26, 2012	April 26, 2013
November 16, 2012	May 24, 2013
December 21, 2012	June 28, 2013
January 25, 2013	July, 2013 – No Meeting Scheduled
February 15, 2013	August 23, 2013

All Audit Committee meetings are scheduled for 2:00 p.m. on Fridays.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Chuck Kill and Jimmy Lovelace.

12. Semi-annual Report to Governing Board – Cliff Altfeld

No Action Required, discussion only.

- May 8, 2012 Governing Board Meeting

A copy of the report that was presented to the Governing Board during the May 8th Governing Board meeting was given to the Audit Committee. Cliff Altfeld reported that Governing Board Member Mark Stegeman inquired about asset management.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Chuck and Jimmy Lovelace.

13. Meeting Date/Time

No Action Required,
discussion only.

The next scheduled Audit Committee meeting is August 24, 2012.

Persons commenting, asking questions, or providing information were
Cliff Altfeld, Chuck Kill and Jimmy Lovelace.

14. Future Agenda Item(s)

No Action Required,
discussion only.

Chuck Kill requested an organizational chart. Mary Alice Wallace
gave him instructions where to find the chart on the TUSD website
and provided him with copy.

Persons commenting, asking questions, or providing information were
Cliff Altfeld, Chuck Kill and Jimmy Lovelace.

MEETING ADJOURNED 4:15 p.m.

Jimmy Lovelace moved
approval. Chuck Kill
seconded.
Approved 3-0.

Approved this 24th day of August, 2012.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____

Clifford Altfeld
Audit Committee Chair

mcg
06-29-12 Audit Committee/Minutes