

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

**October 26, 2012
2:00 p.m.**

MINUTES

Committee Members Present:

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

Committee Members Absent:

Charles M. Kill

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

ITEM

ACTION

MEETING CALLED TO ORDER – Cliff Altfeld called the meeting to order at 2:14 p.m.

CALL TO THE AUDIENCE

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

No action required.

Lillian Fox – Public Records Request Form

ACTION ITEMS

1. Approval of September 28, 2012 Minutes

Robert O'Toole moved approval.
Tom House Seconded.
Approved 3-0. Tom House abstained.
Chuck Kill was not present at the meeting.

STUDY/ACTION ITEMS

2. Welcome to Committee Member, J. Thomas House – Orientation Materials to include
- Copy of CAFR
 - Copy of Audit Committee Charter
 - Sample of RFI Form
 - School Finance Article – Cliff Altfeld
 - Open Meeting Law Brochure and TUSD Map
 - Other Miscellaneous Information
- No Action Required, discussion only.

Tom House introduced himself and explained his interest in serving on the Audit Committee.

Cliff Altfeld briefly described each item in the new committee members packet.

Other persons commenting, asking questions, or providing information were J. Thomas House, Jimmy Lovelace, Robert O'Toole and Yousef Awwad.

3. RFI #58 – Information on Student Fund Raising Activities at Magee Middle School
- No Action Required, discussion only.

The committee discussed the information that Abel Morado, Assistant Superintendent of Secondary Schools, provided to them before the meeting.

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

4. RFI #59 – Information on After the Fact Purchases approved for 2010-2011
- No Action Required, discussion only.

The committee reviewed the 2012 after the fact purchases that Yousef Awwad provided. Yousef Awwad answered questions from the committee.

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

5. Review and Discussion of USFR Compliance Questionnaire for FY Ended June 30, 2011
• Response to 28 CAFR Comments
- No Action Required, discussion only.

Jimmy Lovelace commented that any further questions or discussion was no longer needed. The rest of the committee agreed.

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

6. TUSD Single Audit Reports Package, June 30, 2011
- No Action Required, item not addressed.

Jimmy Lovelace commented that the report was out, and unless the other committee members had questions, the item was closed for more discussion.

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

7. Coordination with Outside Auditors – Jimmy Lovelace
• USFR Compliance 2010
• USFR Compliance June 30 for 2011
- No Action Required, item not addressed.

Jimmy Lovelace reported that he had nothing new to discuss and asked for the item to be tabled to the next scheduled meeting.

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

8. Is there a District Response to 28 CAFR Comments?
- No Action Required, discussion only.

Robert O'Toole asked Mr. Awwad if he had received a response for the twenty-eight comments.

Mr. Awwad responded yes, he had provided the responses to the committee.

Jimmy Lovelace commented that since 2011 is closed and there are no other questions or discussion, the committee was done with item 8.

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

9. Most Recent Special Procurement Audit

No Action Required,
discussion only.

Yousef Awwad provided the final report of the most recent special procurement audit. Period six is almost completed and a copy will be provided to the committee once Yousef meets with the Attorney General.

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

10. Semi-Annual Report to the Governing Board – Robert O'Toole

- October 9, 2012 Governing Board Meeting

No Action Required,
discussion only.

A copy of the report that was presented to the Governing Board during the October 9th Governing Board meeting was given to the Audit Committee. Robert O'Toole reported that Governing Board was interested in the implementation of Lawson and that it impacted so many areas on the system. He added that the District couldn't conduct inventory on Lawson. Overall, he felt it was a good report to the Governing Board

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

11. 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.

No items were added.

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

12. Meeting Date/Time

No Action Required,
discussion only.

The next scheduled Audit Committee meeting is November 16, 2012.

Jimmy Lovelace commented that the committee should discuss in the future of having fewer committee meetings annually.

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

13. Future Agenda Item(s)

No Action Required,
discussion only.

Cliff Altfeld read his list of items for the next scheduled meeting. Keep Coordination with Outside Auditors, Most Recent Special Procurement Audit, Status of Business Process Review, Status of District Cash Flow and the ongoing items

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

MEETING ADJOURNED 3:38 p.m.

Jimmy Lovelace
moved approval.
Tom House
seconded.
Approved 4-0.

Approved this 16th day of November, 2012.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____

Clifford Altfeld
Audit Committee Chair

mcg
10-26-12 Audit Committee/Minutes