

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

**January 24, 2014
2:00 p.m.**

MINUTES

Committee Members Present:

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

Committee Members Absent:

None.

Others Present:

Alexis Huicochea, Arizona Daily Star
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 2:09 p.m.

CALL TO THE AUDIENCE

The following is the name of the individual who spoke and the subject of her comments:

No action required.

Lillian Fox – Comments on the International Corporate Apparel (ICA) contract utilized for purchasing school uniforms by the TUSD Clothing Bank. Ms. Fox was asked to e-mail information to Mrs. Wallace who will forward to the whole Committee.

ACTION ITEM

1. Approval of December 20, 2013 Minutes

Cliff Altfeld moved approval. Jimmy Lovelace seconded. Approved 5–0.

STUDY/ACTION ITEMS

2. Audit Committee Charter Review: Legal Counsel's

No Action Required,
discussion only.

Cliff Altfeld suggested to the committee that they review the charter and to write any issues to discuss for next month's committee meeting.

At the request of TUSD's Legal Counsel, item was postponed for the next Committee meeting. Legal Counsel was going to get an outside opinion.

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

3. Open Audit Committee Role in TUSD Efficiency Audit

No Action Required,
discussion only.

Robert O'Toole informed the committee that he along with Mr. House met with Mr. Greg Gibson the Efficiency Auditor. Mr. Gibson asked a lot of questions and was given a copy of the Audit Committee's Charter. Regarding an Internal Auditor, Mr. Gibson commented the reporting structure should be to the Board or the Audit Committee. He also indicated the Committee should have a Board Member on the Committee. The Committee discussed the practice of contracting internal auditing services.

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

4. Discussion on Self Evaluation

No Action Required,
discussion only.

The Committee decided to conduct a self evaluation. Cliff Altfeld volunteered to create the questions and send to Mr. O'Toole for review before sending to the Committee Members before the next meeting. He will report the results at the next committee meeting.

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

5. Recent Monthly Financial Report to the Governing Board – Fiscal Year-to-date Expenditure

No Action Required,
discussion only.

With no representation from Finance, no report or update was given. It was reported that Mr. Gibson noted the lack of a monthly report

6. 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 - discussion
 - 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 Update

No Action Required, discussion only.

Cliff Altfeld will submit to Mary Alice Wallace two RFI's one on actions taken to prevent overpayments and the other on the status of the fixed asset inventory and software.

Robert O'Toole will to submit to Mary Alice Wallace an RFI on the Status of Key Control.

Other titles that would be carried over from the previous meeting(s): RFI No. 69 – Audit Committee Role in Selection of Outside Auditors, Audit Committee Charter Review, and Self Evaluation Forms and Results.

8. Meeting Date/Time

The next scheduled meeting is on February 28, 2014.

MEETING ADJOURNED 2:51 p.m.

Jimmy Lovelace moved to adjourn.
Tom House seconded.
Approved 5–0.

Approved this 28th day of February, 2014.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____
Robert O'Toole
Audit Committee Chair