

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

**February 19, 2009  
2:30 p.m.**

**MINUTES**

**Committee Members Present:**

Cliff Altfeld, Chair  
Loretta Peto, Co-Chair  
Mary Matiella  
Robert O'Toole  
Sandy Parker

**Committee Members Absent:**

None.

**Others Present:**

Bonnie Betz, Director, TUSD Finance Department  
Michele Gutierrez, Senior Staff Assistant I to the Governing Board  
Michael G. Stelpstra, CPA, Manager, State of Arizona Office of the Auditor General  
Meghan L. Gouker, Accountant, State of Arizona Office of the Auditor General  
Sara Thomas, Accountant, State of Arizona Office of the Auditor General

**ITEM**

**ACTION**

**MEETING CALLED TO ORDER** – 2:35 p.m.

**ACTION ITEMS**

1. Approval of January 22, 2009 Minutes

Sandy Parker moved approval. Loretta Peto seconded.  
Approved 3-0. Two newly appointed committee members Mary Matiella and Robert O'Toole did not vote.

## STUDY/ACTION ITEMS

2. Welcome to Committee Members – Orientation  
Materials included
  - Copy of CAFR
  - Copy of Audit Committee Charter
  - Pamphlet on Internal Controls – Sandy Parker
  - School Finance Article – Cliff Altfeld
  - Open Meeting Law Brochure and TUSD Map

No Action Required,  
discussion only.

Each committee member introduced themselves. Cliff Altfeld briefly described each item in the new committee member's packet.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

3. Study Session with State Auditor General Attorney
  - Topic for Audit Committee

No Action Required,  
discussion only.

Three representatives from the State Auditor General Attorney's Office presented to the committee Common School District Deficiencies.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

4. RFI Tracking – RFI 35 and RFI 36

No Action Required,  
discussion only.

RFI 35 – Latest Asset Management Reports  
Committee will request through an RFI a quarterly Asset Management Report.

RFI 36 – Cash Control Procedures and Compliance  
Committee discussed information that was provided.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

5. Hiring Internal Auditor Proposal

- Loretta Peto

Loretta Peto moved to resubmit the Internal Auditor proposal to the Governing Board.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

Loretta Peto moved approval. Sandy Parker seconded. Motion to resubmit the Internal Auditor Proposal to the Governing Board. Approved 5-0.

6. Changes to Complaint Procedure

- Cliff Altfeld

Members wanted more time to study item. Tabled for discussion for the March committee meeting.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

No Action Required, discussion only.

7. Regarding RFP for External Auditor

- Sandy Parker and Loretta Peto

Loretta Peto attended the committee reviews for RFP for External Auditor. Heinfeld, Meech & Co. was selected by committee and approved by the Governing Board at its February 10, 2009, Regular Board meeting.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

No Action Required, discussion only.

8. Status of External Audit

Bonnie Betz informed committee that the Comprehensive Annual Financial Report (CAFR) is done.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

No Action Required, discussion only.

9. Equipment Tracking Policy Modification

No Action Required,  
discussion only.

Asset Management provided the committee through RFI 35 the change in Asset Management Tagging/Inventory Procedures and the Asset Management Retirement Report.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

10. Discussion of ERP Systems

No Action Required,  
discussion only.

Bonnie Betz has three providers scheduled to present to Finance Department. Audit Committee members were invited to attend to give their input.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

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

No Action Required,  
discussion only.

Discussion of future items such as monthly budget report and cash management at the high schools.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Loretta Peto, Mary Matiella, Robert O'Toole, Sandy Parker and Bonnie Betz.

MEETING ADJOURNED 5:13 p.m.

Loretta Peto moved adjournment. Robert O'Toole seconded. Approved 5-0.

Approved this 26th day of March, 2009.

TUSD GOVERNING BOARD AUDIT COMMITTEE

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

mg  
2-19-09 Audit Committee/Minutes