

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

**February 28, 2014  
2:00 p.m.**

**MINUTES**

**Committee Members Present:**

Robert O'Toole, Chair  
J. Thomas House, Co-Chair  
Cliff Altfeld – left at 3:05 p.m.  
Charles M. Kill  
Jimmy J. Lovelace

**Committee Members Absent:**

None.

**Others Present:**

Paula Stilwell, Payroll Manager, Financial Services  
Karla Soto, Chief Financial Office, Financial Services  
Yousef Awwad, Deputy Superintendent of Operations  
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 2:01 p.m.

**CALL TO THE AUDIENCE**

The following is the name of the individual who spoke and the subject of his comments: No action required.

**Dick Basye – Employees selling TUSD equipment, numbers of bids on contracts and no local companies allowed bid on Strategic Conference.**

## **ACTION ITEM**

1. Approval of January 24, 2014 Minutes

Tom House moved approval. Jimmy Lovelace seconded. Approved 5–0.

## **STUDY/ACTION ITEMS**

2. RFI No. 69 – Audit Committee Role in Selection of Outside Auditors
  - Legal Counsel

Julie Tolleson was unable to attend the Audit Committee meeting and emailed a response to Mary Alice Wallace. Mary Alice Wallace read the response to the committee. She also advised the Audit Committee to present a request to the Agenda Committee to place an item on an agenda for the Board to approve a request from the Audit Committee for TUSD Legal Counsel to give the Audit Committee advice and to be able to seek legal advice from an outside counsel at District expense.

Robert O’Toole moved approval to request the Board to authorize Legal Advice by District Counsel and to authorize the Audit Committee to retain outside legal counsel at District expense. Cliff Altfeld seconded. Approved 5–0.

Persons commenting, asking questions, or providing information were Cliff Altfeld, Tom House, Chuck Kill, Jimmy Lovelace and Robert O’Toole.

3. RFI No. 72 – Status of Key Control

The committee reviewed the information that Jeff Coleman sent to the committee regarding the status of key control. Also, he informed the Director of Staff Services that he would attend the next Audit Committee meeting if the committee had any questions after reviewing the information.

No Action Required, discussion only.

Mr. O’Toole requested that someone from Key Control attend the next committee to answer questions.

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

4. Update on RFI No. 68 – Consolidation of Advertising

No Action Required, discussion only.

Chuck Kill asked if there was an update.

Yousef Awwad replied that the District has not done a lot of advertising, and advertising for this school year has been centralized.

Robert O’Toole commented.

7. Recent Monthly Financial Report to the Governing Board – Fiscal Year-to-date Expenditure No Action Required, discussion only.

The committee reviewed the Presentation of Budget Status and Update for Fiscal Year 2014 that Yousef Awwad presented to the Board during the February 11, 2014 Regular Board meeting.

Yousef Awwad answered questions.

Persons commenting, asking questions, or providing information were Tom House and Jimmy Lovelace.

8. Audit Committee Charter Review No Action Required, discussion only.

Robert O'Toole asked the committee if they wanted to review anything else in the charter before removing the item from the agenda for the next scheduled meeting.

No comments were made, item will be removed.

9. Role of School Board Members on Audit Committee No Action Required, discussion only.

Robert O'Toole commented there are a number of school district committees that have one or more School Board members that serve on a committee. The semi-annual report to the Governing Board members was coming up in April. He would include this in his report.

Other persons commenting, asking questions, or providing information were Tom House and Chuck Kill.

10. Self Evaluation Forms and Results No Action Required, discussion only.

Due to Cliff Altfeld leaving the meeting early for a prior commitment, the item was postponed to the next scheduled meeting.

11. Discussion of Clothing Bank Procurement Contract No Action Required, discussion only.

Robert O'Toole informed the committee at the meeting last month during Call to the Audience a community member spoke on the RFP for the Clothing Bank Procurement Contract. Information on the RFP was emailed to the committee by the Purchasing Director.

Other persons commenting, asking questions, or providing information were Tom House, Chuck Kill and Yousef Awwad.

12. 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 to Date
  - 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.

Other titles that would be carried over from the previous meeting(s):  
 RFI No. 72 – Status of Key Control, Update on ERP Process and District Staff Recommendations, Self Evaluation Forms and Results; and District Efficiency Auditor Report.

13. Meeting Date/Time

The next scheduled meeting is on March 28, 2014.

Tom House informed the committee, he would not be able to attend the March meeting.

**MEETING ADJOURNED** 3:26 p.m.

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

Approved this 23rd day of May, 2014.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By \_\_\_\_\_  
 Robert O'Toole  
 Audit Committee Chair