

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

**May 19, 2017
2:00 p.m.**

MINUTES

Committee Members Present:

Charles Andrade
Jimmy Lovelace
Karla Soto, Chief Financial Officer
Rachel Wall

Committee Members Not Present:

Victoria Soto

Others Present:

Scott Morrison, Chief Technology Officer, Technology Services
Renee Weatherless, Director, Financial Services
Maura Clark-Engle, Director, Exceptional Education
Andrea Marafino, Program Analyst, Technology 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

CALL TO ORDER – 2:01 p.m.

CALL TO THE AUDIENCE

Audit Committee member, Charles Andrade read the protocol for CTA. No action required.
Persons who spoke at Call to the Audience were: Pilar Ruiz re: TUSD Budget reports to the Audit Committee, Internal Auditor and Magnet transition; Lillian Fox re: Time limit for Call to the Audience, unauthorized pay raises to administration and on-line anonymous complaint through Audit Committee.

Audit Committee Member, Charles Andrade asked if committee members wanted to respond to Call to the Audience.

Jimmy Lovelace asked for an item for the next scheduled meeting on time limit for Call to the Audience.

Charles Andrade commented that the role of the Audit Committee was not compliance.

STUDY/ACTION ITEMS

1. Election of Co-Chairs

Charles Andrade nominated Rachel Wall for Chair, seconded by Jimmy Lovelace. Rachel Wall accepted.

Charles Andrade moved approval, Jimmy Lovelace seconded. Approved unanimously in a voice vote. 3 – 0.

Charles Andrade nominated Jimmy Lovelace for Co-Chair, seconded by Rachel Wall. Jimmy Lovelace accepted.

Charles Andrade moved approval, Rachel Wall seconded. Approved unanimously in a voice vote. 3 – 0.

2. E-Rate Audit

- Scott Morrison
- Andrea Marafino

No action required.

Scott Morrison stated that there were no findings from the E-Rate Audit.

Andrea Marafino gave an overview of the E-Rate Audit such as What is E-Rate, What services are eligible, and How has TUSD benefited from E-Rate.

Scott Morrison and Andrea Marafino provided information and responded to the committee members' inquiries. Andrea Marafino will send Ms. Wallace a copy of the letter regarding the E-Rate Audit to forward to the Committee.

Persons commenting/asking questions were Charles Andrade, Jimmy Lovelace and Karla Soto.

3. Medicaid Audit No action required.
- Christina Cruz

Christina Cruz presented the Medicaid Audit results to the Audit Committee. It was the standard 3 to 4 year rotation conducted by The Public Consulting Group. The audit was reviewed for accuracy for the following: Payroll and outside services costs for quarterly and Direct Service Claiming (DSC) Cost Report; Transportation Costs for DSC; and service providers claims. The results of the findings were a recoupment of \$69.63 to be collected on a future interim payment and underreporting of costs resulting in an underpayment of \$167.78.

Christina Cruz and Maura Clark-Engle provided information and responded to the committee member's inquiries.

Persons commenting/asking questions were Charles Andrade, Jimmy Lovelace and Karla Soto.

4. Revision of Fiscal Year 2016-2017 Tucson Unified School District Annual Expenditure Budget No action required.
- Renee Weatherless

Audit Committee reviewed monthly budget update Renee Weatherless presents each month to the Governing Board during the regular board meeting. Renee Weatherless stated that attached presentation was presented to the Governing Board during the May 9th Regular Board meeting.

Renee Weatherless, Karla Soto and Christina Cruz provided information and responded to the committee member's inquiries.

Persons commenting/asking questions were Jimmy Lovelace, Charles Andrade and Rachel Wall.

5. Audit Committee Charter No action required.

Charles Andrade verified that the Audit Committee Charter was Approved by the Governing Board with changes at the May 9, 2017, Regular Board meeting.

Mary Alice commented to the committee that the Audit Committee Charter was revised and reinstated. One of the revisions was to increase Audit Committee membership from five to seven.

Persons commenting/asking questions were Charles Andrade and Jimmy Lovelace.

6. Semi-Annual Report to the Governing Board at the June 13, 2017 Regular Board Meeting No action required.

Charles Andrade requested that the semi-annual report to the Governing Board be presented at the July Board meeting, giving the committee time to summarize their work in a report.

Rachel Wall stated that she would "Draft" a report for the committee members to review and or add to the report. Ms. Wallace will send the last report by Mr. Andrade to the Ms. Wall.

7. Meeting Date/Time No action required.

Charles Andrade inquired if the meeting date should be changed to another day in the week instead of Friday.

The committee decided to leave the meetings on Friday and they would discuss the possibility of changing the day at a later meeting.

Next scheduled meeting is on Monday, June 23, 2017.

Persons commenting/asking questions were Jimmy Lovelace, Rachel Wall and Karla Soto.

8. Future Agenda Item(s) No action required.

New Items for the June meeting will be: Heinfeld, Meech, Inc. presentation on Examination of Expenditures on Desegregation for FY 2015-2016; ERP Implementation Update; Audit Calendar for Review and Call to the Audience – Speaking Time Limit.

ADJOURNMENT – 3:26 p.m.

Jimmy Lovelace moved to adjourn, Charles Andrade seconded. Approved unanimously in a voice vote. 3 – 0.

Approved this 25th day of August, 2017.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____
Rachel Wall
Audit Committee Chair