

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

**May 27, 2010
2:30 p.m.**

MINUTES

Committee Members Present:

Jeffrey Abbott
Deborah S. Corcoran
Sandy Parker, Co-Chair
Robert O'Toole

Committee Members Absent:

Cliff Altfeld, Chair

Others Present:

Bonnie Betz, Chief Finance Officer, Financial Services-arrived at 3:17 p.m.
Michele Gutierrez, Senior Staff Assistant I to the Governing Board

ITEM

ACTION

MEETING CALLED TO ORDER – Sandra L. Parker called the meeting to order at 2:34 p.m.

CALL TO THE AUDIENCE

No one requested to speak.

No action required.

ACTION ITEMS

1. Approval of April 22, 2010 Minutes

Deborah S. Corcoran moved approval. Jeffrey Abbott seconded. Approved 4-0.

STUDY/ACTION ITEMS

2. RFI Tracking List

Sandy Parker commented that the RFI Tracking list was up to date and the committee would be discussing RFI-49 later in the meeting.

No Action Required, discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker and Robert O'Toole.

3. Semi-annual Report to Governing Board
Cliff Altfeld presented to the Governing Board the committee's semi-annual report at the May 11th Governing Board meeting. Sandy Parker also attended the Governing Board meeting on May 11th.

No Action Required, discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker and Robert O'Toole.

4. Anonymous Complaint and Investigation Form
Discussion from the committee members from their findings when reviewing the Anonymous Complaint and Investigation form on TUSD's website. A motion was made to request to relocate link on TUSD's website.

Robert O'Toole moved approval. Jeffrey Abbott seconded. Approved 4-0.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker and Robert O'Toole.

5. Risk Management
- Deborah Corcoran

Deborah Corcoran gave a presentation on "Fraud Risk Management". The committee discussed the different elements of Fraud Risk Management in the District.

No Action Required, discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

6. RFI-48 – District Cash Handling Policy to include Electronic Cash Collections via Commercial Vendors–Bonnie Betz
- Report on Conversation with Wells Fargo – Deborah Corcoran

Deborah Corcoran met with a representative from Wells Fargo Bank regarding cash collections handlings for school sites. Bonnie Betz' contact information was given to the Wells Fargo representative for follow-up. Bonnie Betz reported on creating an RFI for commercial vendors regarding electronic payments to vendors.

No Action Required, discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

7. RFI-49 – Latest Procurement Dispute

Bonnie Betz gave the committee an update and asked that they contact Leon George in Purchasing to attend the next meeting to answer any questions. The individual who submitted a dispute to the Attorney General had previously contacted Bonnie Betz directly.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

8. Wi-Fi Procurement Investigation

Bonnie Betz gave the committee an update with the Wi-Fi Procurement dispute. There was one complaint sent to the Attorney General but TUSD was not told who placed the complaint. At this time the contract is on hold.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

9. USFR Compliance Questionnaire Comments Appendix A

Robert O'Toole is going to fill out a request for the district cash receipt procedures and submit it to Sandy Parker if after reviewing information he still has questions or concerns.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

10. Compliance Questionnaire Follow-up

Item was discussed with Item #9.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Cliff Altfeld, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

11. Audit Reports and USFR

The committee and Bonnie Betz reviewed and discussed the most recent audit report.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

12. Update on Procurement Audit
Bonnie Betz gave the committee an update with vendors being contacted, the audit is ongoing and E-Rate is on hold.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

13. Status of Self Insurance
Bonnie Betz presented as information the draft employee benefits trust document item that was presented to the Governing Board during the May 11th Governing Board Meeting.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Cliff Altfeld, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

14. Monthly Budget Update and ERP Status
Audit Committee reviewed the monthly budget update that Bonnie Betz presents each month to the Governing Board during the regular board meeting.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Cliff Altfeld, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

15. Proposed Agenda Items and/or Additional RFI's
Agenda items for June 24th meeting: RFI-50 – Web Site Postings, 1-hour Workshop-Risk Assessment Audit Committee Planning and Electronic Cash Collection.

No Action Required,
discussion only.

Persons commenting, asking questions, or providing information were Jeffrey Abbott, Cliff Altfeld, Deborah S. Corcoran, Sandy Parker, Robert O'Toole and Bonnie Betz.

MEETING ADJOURNED 4:48 p.m.

Robert O'Toole moved
approval. Deborah S.
Corcoran seconded.
Approved 4-0.

Approved this 24th day of June, 2010.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____
Clifford Altfeld
Audit Committee Chair