

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

**December 16, 2016
2:00 p.m.**

MINUTES

Committee Members Present:

Ricky Hernandez, Chair
Lori K. M. Cox, Co-Chair – *arr @ 2:17 p.m.*
Charles Andrade
Karla Soto, Chief Financial Officer, Ex-Officio
Rachel Wall – *left @ 3:14 p.m.*

Committee Members Not Present:

Adelita S. Grijalva, Governing Board President, Ex-Officio
Victoria Soto

Others Present:

Corey Arvizu, Managing Partner, Heinfeld, Meech & Co.
Casey Good, Senior Good, Heinfeld, Meech & Co.
Andrew Campbell, HR Program Coordinator, Human Resources
Don Lowery, System Integration Specialist, Food Services
Lindsay Aguilar, Administrative Coordinator, Food Services Site Operation
Stephen Protz, Computer System Manager Site, Food Services
Sarah Tarin, Executive Assistant, Financial 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 – 2:15 p.m.

CALL TO THE AUDIENCE

There were no persons wishing to speak.

No action required.

ACTION ITEM

1. November 18, 2016 Minutes

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

STUDY/ACTION ITEMS

2. Heinfeld, Meech & Co. – Draft-CAFR Available Components No action required.

Casey Good and Corey Arivizu and Karla Soto presented the Draft CAFR to the committee and answered questions. Corey Arvizu added that inter fund borrowing within the District's funds is common practice among school districts, since the State is always behind in paying the money out to the school districts. The Committee Chair will advise the Governing Board that the CAFR has been reviewed by the Audit Committee.

Persons commenting/asking questions were Ricky Hernandez, Charles Andrade, Lori Cox and Karla Soto.

3. Food Services Audit No action required.

Karla Soto, Don Lowery, Lindsay Aguilar and Stephen Protz presented to the committee the Food Services Audit conducted by the Arizona Department of Education School Nutrition Programs, January 25-29, 2016. The ADE Review identified areas needing correction. Almost all findings were addressed immediately to correct; all others were implemented shortly afterwards.

Persons commenting/asking questions were Charles Andrade, Lori Cox, Ricky Hernandez and Karla Soto.

4. Conference Call with Recruiter for Internal Auditor No action required.
• Dr. Bill Dean

Dr. Bill Dean gave details on the status of the Internal Auditor position. He shared his thoughts and comments from communicating with a new applicant. A new applicant and a person previously interviewed will be interviewed at the January 27, 2017 Committee meeting.

Persons commenting/asking questions were Ricky Hernandez, Lori Cox, Karla Soto and Charles Andrade.

5. Discussion on Potential Recommended Changes to the Board on Internal Auditor No action required.

Ricky Hernandez informed the committee that he e-mailed the City of Tucson, the City of Phoenix, the University of Arizona and Pima Community College for their internal audit functions to determine their structure, resources, and impact on their entities for the position of Internal Auditor. Ricky Hernandez suggested to the committee that he address the Governing Board to provide an update from the Audit Committee on Internal Auditor Recruitment and Structure of the Internal Audit Functions. He will report to the Governing Board at the January 17, 2017 meeting.

Persons commenting/asking questions were Lori Cox, Charles Andrade and Karla Soto.

6. Committee Membership Allowed by Charter No action required.

Ricky Hernandez inquired how many committee members did the Audit Committee Charter allow and if anyone had applied recently.

Mary Alice Wallace responded that the Charter allows for seven and no qualifying applicants have been received lately for the two vacancies.

Ricky Hernandez expressed the committee's desire is to have seven members.

Charles Andrade commented.

7. Proposed Agenda Items and/or Additional RFI's and Future Agenda Items No action required.

Items that would be on the next scheduled meeting based on discussion of each item throughout the meeting were the recurring items for each meeting.

New item(s) for the January meeting will be to conduct interviews.

8. Meeting Date/Time No action required.

Next scheduled meeting is on Friday, January 27, 2017.

ADJOURNMENT – 4:14 p.m.

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

Approved this 27th day of January, 2017.

TUSD GOVERNING BOARD AUDIT COMMITTEE

By _____
Ricky Hernandez
Audit Committee Chair