

AUDIT SUB-COMMITTEE MEETING
SWEETWATER UNION HIGH SCHOOL DISTRICT
BOARD OF TRUSTEES

ADOPTED MINUTES

5:00 p.m.

January 22, 2015

Board: •Paula Hall •Kevin J. Pike • Nicholas Segura • Arturo Solis •Frank A. Tarantino
Interim Superintendent: Timothy D. Glover •Student Board Representative: Isaiah Charles

Order of Business

I. CALL TO ORDER

Member Solis called the meeting of the Audit Subcommittee to order at 5:03 p.m. In attendance were Paula Hall, board vice president, Timothy D. Glover, interim superintendent, Karen Michel, chief financial officer, and Frances Martinez, district auditor.

II. PUBLIC COMMUNICATION

Kathleen Cheers addressed a concern regarding a well-timed posting of the Audit Subcommittee Meeting.

III. ITEMS FOR DISCUSSION

Ms. Michel addressed the Audit Subcommittee and shared the following items being discussed: A presentation as to the role of an audit subcommittee, a review of all the audits, and that the internal auditor will review the financial audit, which is scheduled to be certified by the board on Monday, January 26, 2015.

1. Presentation on purpose of the audit subcommittee

Ms. Michel presented a power point presentation which addressed the district's responsibility for fiscal stability and stewardship of taxpayers' dollars.

Ms. Michel explained that, as required by the California Department of Education, an annual audit of our financials must be completed by December 15 of each year.

She stated that audit committees are defined as a "best practice" for governmental agencies and are endorsed by the association of chief business officials, by the institute of internal auditors and by the American institute of CPAs.

She stated that the purpose is to assist in improving the practices and financial reporting, and specifically, the role for Sweetwater is taken from the 2014-2015 Charter. Ms. Michel reviewed many areas of responsibility noted in the charter.

2. Internal Auditors Role

Internal Auditor Frances Martinez provided an overview of her role and as it relates to the various audits. She stated that she provides trainings and workshops to employees as they relate to internal controls. She reviewed various high risk areas which

involve cash handling, as well as compliance audits, and special audits as requested.

Ms. Michel provided a brief update on the various audits and reviews currently taking place such as the CFD Review and FCMAT Review.

Ms. Martinez shared information regarding the status of the Prop O audits.

3. Review of Internal Audit

Ms. Martinez provided a handout and overview of the external auditors Observations and Recommendations, stating that there were no findings, just observations and recommendations. Ms. Martinez reviewed the handout with the committee.

Ms. Michel shared that the Fiscal Crisis Management Assistance Team (FCMAT) provided a financial training to all ASB Technicians, ASB Advisors and ASB Assistant Principals, and that the training was well received.

Ms. Martinez continued to review the various findings for ASBs. It was shared that she audits 100 percent of the ASBs every year, and that the external auditors conduct a sampling of ASBs.

Ms. Hall commented that she realizes the Charter indicates four meetings per year, but would like to add more, at least for the two extensive audits which are forthcoming. This would give them a sense of what is going on before-hand so that they can report back to the board. Ms. Michel stated she would schedule special meetings to review special audits. Additionally, Ms. Hall requested to have the agendas posted with more time.

Ms. Hall expressed an appreciation for everyone's hard work.

IV. ADJOURNMENT

The meeting was adjourned at 5:47 p.m.

Approved: _____



Deanne Vicedo
Clerk of the Board