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Richard Barrera President	John Lee Evans Vice President	John de Beck Trustee	Shelia Jackson Trustee	Katherine Nakamura Trustee
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AUDIT AND FINANCE COMMITTEE  
Education Center Conference Room 2249  
June 24, 2010  
MINUTES

Members Present: McAllister, Wright, Barrera

Members Absent: Stein, Evans

Staff Present: Kowba, Bresee, Stover, Macalos, Deguzman, Polley, Niehaus, Duran, NNW External Auditors – Christy White, Heather Daud, John Dominguez

Public: Emily Alpert – Voice of San Diego, Sally Smith – parent

1. Meeting called to order (McAllister)	Chair McAllister called the meeting to order at 2:08 p.m.
2. PUBLIC COMMENT	Parent Sally Smith shared her concerns regarding schools generating extra revenue by charging illegal fees for parking, ASB cards, and cheerleading uniforms.
3. Approval of Minutes	<b>MOTION:</b> Approve Minutes of Regular Meeting April 8, 2010; approved unanimously.
4. 2009-10 External Audit Status Report (Christy White – Nigro, Nigro and White)	Christy White provided a progress report for the 2009-10 external audit. The major audit areas and preliminary audit findings were discussed specifically ASB funds, overtime reporting, and school fees.  Bresee advised fees are now being monitored, principals received guidance and a checklist, and a webpage outlining fees has been developed as a reference.  <b>ACTION:</b> McAllister requested follow-up from staff on efforts to reduce and eliminate overtime reporting errors.
5. 2010-11 Budget Status Update (Stover)	Stover provided information on the 2010-11 District budget which will be adopted by the Board on June 29, 2010, as well as the potential deficit for the next two fiscal years. Advised a lawsuit was filed against the state by CSBA/ACSA alleging the cuts to public education is unconstitutional.
6. Grand Jury Reports (Bresee)	Bresee provided a summary of the three grand jury reports along with an explanation of the response process.  <b>ACTION:</b> McAllister asked that copies of the District responses be sent to the Committee members prior to submitting to the Grand Jury. Wright asked that the responses be placed on the next agenda for discussion.

7. Hotline Update (Niehaus/Duran)	<p>Duran advised there have been 147 total reports. The courts have ordered restitution of \$50,000 to the District on 2 felony counts. An additional \$3,400 in restitution was received in April 2010. Wright advised this kind of data shows that the hotline is working.</p> <p><b>ACTION:</b> Wright requested staff devise a plan to advertise the hotline using real-life scenarios without disclosing confidential information.</p>
8. Committee Charter (McAllister)	<p>Breese suggested Board ratification. Will bring to the Board at the next regular Board of Education meeting.</p> <p><b>MOTION:</b> Approve revised Audit &amp; Finance Committee Charter and send to the Board for Ratification; approved unanimously.</p>
9. Roundtable	<p>McAllister shared information on the County's Fraud Protection Seminar scheduled for July 23, 2010.</p>
Adjournment	<p>4:02 p.m.</p>

The next meeting of the Audit and Finance Committee will be held October 22, 2010 8:00 a.m. in Room 2226.

MAH