



Shelia Jackson  
President

Richard Barrera  
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John de Beck  
Trustee

John Lee Evans  
Trustee

Katherine Nakamura  
Trustee

AUDIT AND FINANCE COMMITTEE  
Education Center Conference Room 2226  
September 10, 2009  
MINUTES

Members Present: McAllister, Wright, Stein, Barrera, Evans

Staff Present: Masias, Leighton, Macalos, Simington, Duran, Palkowitz, Windwalker, Freedman

Public: Emily Alpert (Voice of San Diego), Sally Smith, Christy White (Nigro, Nigro, & White)

1. Meeting called to order (McAllister)	Chair McAllister called the meeting to order at 9:10 a.m.
2. PUBLIC COMMENT	<p>Sally Smith reported a variety of fees being charged to students that she believes to be illegal.</p> <p><b>ACTION: Legal will provide an opinion on fees.</b></p> <p><b>ACTION: Masias will provide a report that outlines the range of parking fees at the school sites.</b></p>
3. Approval of Minutes	<b>MOTION:</b> Condensed minutes from the June 11, 2009 meeting were approved unanimously.
4. Report on Procurement Card Usage (Leighton)	<p>Leighton provided information outlining the procurement card program, the users and their usage, and issues that have been raised. The District continues to tighten controls on procurement cards to help prevent misuse and fraudulent activity.</p> <p>“Value-added contracting” and a re-evaluation of purchases with Office Depot were addressed as possible solutions.</p> <p><b>ACTION: Hotline update requested at December meeting.</b></p>
5. Report on Control of Overtime Payments (Masias)	<p>Masias presented an overview of overtime payments and pointed out the following information: 1) Overtime is built into the site budgets; 2) .5% of the total budget is spent on overtime; and 3) Exempt employees can still be paid extra time if they work on days not normally scheduled due to District need.</p> <p>Masias advised he is currently working on a list of items that the District can stop spending on now. The list should be ready within the next 30-60 days.</p>

<p>6. Discussion of Foundation Funded Teachers (Palkowitz)</p>	<p>The Board of Education directed staff to form a committee to review foundation funded teachers on June 16, 2009. One of the main issues is when the foundation money runs out we have employees with no funding.</p> <p>Masias advised we need to have new grant requirements that do not include a “District match” of the funding.</p> <p><b>ACTION: Palkowitz will provide an update at the December meeting.</b></p>
<p>7. Internal Audit Review of District’s Financial Status (Simington for Niehaus)</p>	<p>At the August 4, 2009 Board of Education meeting, the Board requested a review of the Districts Financial status be conducted by our Internal Audit department. Simington advised there have been no findings since they began their review.</p> <p>The committee members agreed that this review is not within the parameters of Internal Audit’s expertise and therefore inappropriate. This is not a valuable use of staff time.</p> <p><b>ACTION: The committee will report their recommendation to the Board at the September 29, Board of Education meeting</b></p>
<p>8. Roundtable</p>	<p><b>ACTION: Add a discussion of the added cost every year for Charter Schools/Cost Recovery to the December meeting.</b></p>
<p>Adjournment</p>	<p>11:05 a.m.</p>

The next meeting of the Audit and Finance Committee will be held in December 2009, TBD.

MAH