

**MINUTES OF THE AUDIT COMMITTEE MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Mohave District Annex, Conference Room D, 8500 E. Jackrabbit Rd, Scottsdale, AZ 85250
December 9, 2022 at 9:00 AM**

The meeting was called to order at 9:05 AM on December 9, 2022.

Call to Order – Mr. Greenburg, called the meeting to order.

One or more members of the Audit Committee and non-Audit Committee members participated in the meeting via video or internet conferencing - Zoom

Roll Call-

Audit Committee members in attendance were Jann-Michael Greenburg, Governing Board Member; Dale Belt; and Sara Regan. Danielle Martinage and Jason Klonoski were absent. Dr. Scott A. Menzel, Superintendent; Shannon Crosier, Chief Financial Officer; and Sharron Walker, City of Scottsdale City Auditor were also present. A quorum was present.

Information/Discussion and Possible Action

3. Approval of Prior Meeting Minutes – March 11, 2022 and July 26, 2022 – Action
Mr. Greenburg moved to approve the Audit Committee Meeting Minutes of March 11, 2022 and July 26, 2022. Mr. Belt seconded the motion. The motion was approved with a vote of 3 – 0.
4. Update from Sharron Walker, City Auditor - City of Scottsdale – Information
 - A brief update on the progress of the Human Resources audit was provided.
 - The auditors have been given access to most of the Human Resources records needed.
 - The audit may end up being later than the original estimate of a February 2023 report.
 - The auditors will provide another update at the next Audit Committee meeting on March 10, 2023.
 - Sharron Walker is retiring at the end of December 2022 from the City of Scottsdale and Lai Cluff will be the Acting City Auditor – Congratulations Sharron!
5. Update on Governing Board Policy DIE – Audits/Financial Monitoring - Information
 - The Governing Board has approved a minor change to policy DIE which governs the Audit Committee as well as internal/external audit policies.
 - The change has to do with the composition of the Audit Committee.
 - Originally up to 2 Governing Board members were required to be on the Audit Committee; that was then revised to 1 Governing Board member; now the new rule states that committee composition can be 5 community members but can still include up to 2 Governing Board members.
 - Jann-Michael Greenburg's term ends December 31, 2022.
 - Review the Audit Committee Charter specific to the composition of the Audit Committee and ensure it is consistent with revised Governing Board Policy DIE – add to the March 10, 2023 agenda.
6. Facilities Update and Final Results from the Hohokam Rebuild – Information
 - Dennis Roehler shared the final change order from Chasse construction.
 - The District received a \$525,855 credit from Chasse.
 - SPS+ architects submitted an 8-page response and credited the project \$97,096.

- The construction manager at risk contract was revised incorporating comments from the audit team into the contract – effective with the new Pueblo and Tavan projects (last 2 big projects of this bond cycle).
- Arcadis was hired for the Pueblo project and Steve Jones with Arcadis is conducting the financial review: focus strictly on dollars, identify vendors, review pay apps, ensure everything is accounted for and provide summaries to the District.
- What is left that was identified in the audit – the architectural contract and to look at fixed fee basis which was suggested by the auditors.

7. Recognition of the Audit Committee Members – Information

- Thank you, Audit Committee members, for your willingness to serve on the committee.
- Each member will receive a Scottsdale Unified School District challenge coin in the mail for your time and work on the Audit Committee.
- Thank you to Mr. Greenburg for your time, effort and all the work that you have done.

8. Selection of New Audit Committee Chair – Action

- Mr. Greenburg's final meeting as a Scottsdale Governing Board Member
- Members present chose not to appoint a Chair at this time – add to the March 10, 2023 agenda.

9. Adjournment

At 9:38 AM, Mr. Greenburg moved to adjourn the Audit Committee meeting. Mr. Belt seconded the motion. The motion was approved with a vote of 3 – 0.

Dated this 9th day of December 2022