

**MINUTES OF THE AUDIT COMMITTEE MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Online Platform – Microsoft Office Teams
August 8, 2024 at 9:00 AM**

The meeting was called to order at 9:02 AM on August 8, 2024.

Call to Order – Ms. Regan, 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.

Roll Call-

Audit Committee members in attendance were Sara Regan, Chair; Carine Werner, Governing Board Member; and Jeanne Beasley. Jason Klonoski, Vice Chair and Patty Beckman were absent. Dr. Scott A. Menzel, Superintendent; Shannon Crosier, Chief Financial Officer; Dr. Heather Cruz, Assistant Superintendent of Human Resources; and Lai Cluff, Acting City Auditor – City of Scottsdale, were also present. A quorum was present.

Information/Discussion and Possible Action

4. Approval of Prior Meeting Minutes – June 13, 2024 - Action

Ms. Beasley moved to approve the Audit Committee Meeting Minutes of June 13, 2024. Mrs. Werner seconded the motion. The motion was approved with a vote of 3 - 0.

Jason Klonoski joined at 9:06 AM

5. Annual Audit Plan Proposal for 2024-2025 – Discussion

- The committee was surveyed – the top five proposed audit areas were discussed.
- High areas of concern: Physical Security, Technology and Transportation.
- There was one write in area: Governing Board turnover/orientation process – orientation process to onboard new Governing Board members. The current new Governing Board member orientation process was satisfactory to the group. This was a low priority item.
- Physical Security – ensure our campuses are as safe as possible for our students and staff. The committee requested to view the Auditor General's security report, once finalized, before moving forward with a physical security audit. Dr. Menzel will provide a follow up on the Auditor General's security report and timeline at the September meeting.
- Technology (phones, computers, network, specific system) – areas of audit: cyber security, systems lock down, loss of student records/information, shut down of school technology/systems and security systems. There was a suggestion to have Dr. Michelle Watt, Chief Systems Officer, present in Executive Session with the Audit Committee, an outline of the security steps SUSD has in place. Set aside time for Dr. Watt to speak with the committee.
- Transportation – areas of audit: cost, hire/retain bus drivers, policies and processes, what can we do to keep cost down and keep students safe, why we outsource, how are we structured, what are the challenges we are facing, operational efficiencies, market comparison with neighboring districts and opportunities for improvement.
- Curriculum (at various levels) – areas of audit: benefits of the curriculum being used, is it effective (based on proficiency of students, grades, test scores), utilization of curriculum, results/evidence/are students demonstrating mastery of concepts, vendor management and curriculum approval process. Not a top tier priority item, but will remain on the list.

- Purchasing/Procurement – conduct a periodic review of the procurement process within the organization - possibly every 2 or 3 years. Recommend this item be in the top 5.
- Insurance – focus on health insurance, cost, burden on employees, other options.
- Top 3 audit areas discussed: Transportation, Health Insurance, Purchasing/Procurement
- Mrs. Werner's top audit areas are: Transportation, Insurance, Maintenance and Procurement.
- Ms. Beasley's top audit areas are: Transportation, Insurance, Maintenance and Procurement.
- Mr. Klonoski's top audit areas are: Transportation, Insurance, Maintenance and Procurement.

6. Year-End Report to the Governing Board – Discussion

- Board approval of the audit plan is conducted annually.
- Ms. Regan will finish drafting the year-end report to the Governing Board as well as the proposed plan for next year and will circulate to the committee to review.
- Ms. Regan will send the draft to the committee by Monday, August 12th. Please reply to Ms. Regan only.

The next Audit Committee meeting is September 13, 2024 at 9am, in-person

On the September agenda:

- Discussion of Auditor General's security report audit
- Update from HR on the progress of the HR audit (management deadlines)
- Assuming the Governing Board approves the proposed plan – begin the transportation audit

7. Adjournment

At 10:32 AM, Mr. Klonoski moved to adjourn the Audit Committee meeting. Mrs. Werner seconded the motion. The motion was approved with a vote of 4 – 0.

Dated this 8th day of August 2024