



NEWARK UNIFIED SCHOOL DISTRICT  
Audit Committee

NUSD District Office, Board Library  
5715 Musick Avenue, Newark, CA 94560

September 27, 2017  
5:00 p.m.

**MINUTES**

**I. Call to Order**

Nancy Thomas called the meeting to order at 5:00 p.m.

**II. Roll Call**

In attendance at 5:00 p.m. were Nancy Thomas, Lynne Klein, Aaron Weisz, Kim Lola, Sarah Wilson and Sarah Fiehler. Francisco Preciado arrived at 5:10 p.m. Bryan Richards was out sick.

**III. Introduction of Aaron Weisz, non-voting member**

Mr. Weisz introduced himself. He said that he moved to Newark three years ago. He has almost completed the requirements for becoming a Certified Public Accountant.

**IV. Adoption of Agenda (for September 27, 2017) (Discussion/Action)**

Ms. Klein moved, Ms. Thomas seconded approval of the agenda for this meeting. The motion passed with 2 AYES (Lynne Klein and Nancy Thomas).

**V. Public Comment**

Ms. Thomas suggested moving the Audit Committee web pages to a different (more prominent) part of the NUSD web site.

**VI. Approval of the Minutes of the April 28, 2017 Meeting (Discussion/Action)**

Ms. Klein moved, Ms. Thomas seconded approval of the minutes of the April 28, 2017 meeting. The motion passed with 2 AYES (Lynne Klein and Nancy Thomas).

**VII. Annual Audit 2016-17 (Discussion/Action)**

Sarah Fiehler, auditor from Christy White & Associates (CW), provided an update on the 2016-17 Engagement Letter and Scope of Work (Internal Controls, State Compliance, Federal Compliance), including interim findings and recommendations.

Ms. Fiehler described the site visits they did in in the Spring (April 10-13, 2017). They did attendance and ASB (Associated Student Body) audits. They reviewed internal controls at the District Office (DO) regarding deposits, collections, payroll and expenditures. They did credit card testing and reviewed revolving cash payments.

Ms. Fiehler discussed the state compliance areas they review. Currently they're doing the year end balances from unaudited actuals. This review will culminate in the Audit Opinion that goes to Board in January 2018.

Ms. Thomas asked about the state audit guide, including a long term independent study. Ms. Fiehler explained they don't audit everything listed in the guide, based on the size of attendance in a given program.

Ms. Fiehler said the preliminary results from their audit of the DO's internal controls resulted in *no recommendations*, meaning everything is going well.

There were some notes re attendance and ASB. Teachers review attendance contemporaneously. There were two attendance reports with no signature. There were two reports dated at beginning of the week instead of the end of the week.

Ms. Fiehler said ASB has greatly improved over the years. The trainings that CW did have helped. CW is willing to do these trainings annually. Issues: One receipt at NJHS that didn't have proper documentation. Two ASB transactions at NMHS did not have administrative signatures.

Ms. Thomas recommended that Principals get ASB training. Ms. Lola said they have been invited but the response has been minimal.

Ms. Thomas had two 3-page handouts. She raised the following issues:

She had questions about core curricula materials out of lottery funds. Ms. Lola explained that printing done in-house does not fall under materials object codes but rather service object codes, per SACS code requirements. Ms. Thomas recommended using restricted funds for instructional materials.

Mr. Preciado clarified that it's a question of whether things are being reported correctly, not a question of whether things are being coded correctly.

Ms. Thomas asked about the budgeting of wish list items for Fund 40 (sale of Ruschin Elementary).

#### **VIII. NUSD Communications / Comments**

There were none.

#### **IX. Audit Committee Member Communications / Comments**

There were none.

#### **X. Adjournment**

The meeting adjourned at 5:45 p.m. due to the Budget Reduction community input meeting being held at Schilling Elementary at 6:00 p.m.