



Board of Education

San Diego Unified School District

EUGENE BRUCKER EDUCATION CENTER
 4100 Normal Street, Room 2231, San Diego, CA 92103-2682

(619) 725-5550
 Fax: (619) 297-5624

Katherine Nakamura
 President

John de Beck
 Vice President

Luis Acle
 Trustee

Shelia L. Jackson
 Trustee

Mitz Lee
 Trustee

AUDIT AND FINANCE COMMITTEE
 Education Center Conference Room 2249
 September 12, 2008
 MINUTES

Members Present: McAllister, Jackson, Wright, Stein

Members Absent: Nakamura

Staff Present: Masias, Bresee, Leighton, Niehaus, Duran, McRobbie, Macalos, Shakelford, Ward

Meeting called to order	Vice Chair Wright called the meeting to order at 2:15 p.m.
1. Welcome and Opening Remarks (McAllister/Wright)	Wright introduced Chief Financial Officer James Masias. McAllister introduced General Counsel Mark Bresee. McAllister introduced Director of Financial Operations Ami Shackelford.
2. Approval of Minutes	Revised minutes from the June 6, 2008 meeting were approved unanimously.
3. Hotline (Niehaus/Duran)	<p>Duran provided a summary report of the fraud hotline. The hotline was originally set up for employees but parents and community members call as well. Wright suggested sending personnel matters/employee harassment complaints to Legal as well as Human Resources. Masias advised he will look into it.</p> <p>Duran advised the Ethics Office will publicize the hotline again in October. All employees will be required to sign and confirm that they have read and understand the ethics code. Niehaus stated they are currently providing ethics training for the child care administrators.</p> <p>Of the 292 cases reported to the hotline since September 2006, 222 cases have been completed and 70 remain opened. 57 of these reports were for theft of time: overtime, working from home. (These numbers do not reflect reports made directly to the Office of Audits and Investigations or the website reports.)</p> <p>Wright questioned the Managers accountability in regards to overtime. Niehaus advised there are parts of PeopleSoft that we currently do not use that would help with the accountability issue and possibly eliminate the need for timecards.</p>

	<p>Action: Niehaus advised they are currently working with Payroll to recreate the overtime form to include a section to explain why the overtime was required.</p> <p>Of the 222 completed investigations, 36% required corrective or administrative action, 25% were closed due to lack of information, 22% cleared the employee of any wrongdoing, and 16% were false or unsubstantiated. Masias asked if 16% was high, low, or average compared to other agencies.</p> <p>Action: Duran will provide information comparing the District’s percentage of false accusations in relation to other agencies.</p> <p>Duran advised there will be additional trainings to help with Fraud Prevention.</p> <p>Action: Niehaus will work on a written policy regarding working from home.</p>
<p>4. Establishment of 2008-09 Calendar of Meeting Dates (McAllister)</p>	<p>Week of November 17 – Meeting with External Auditors</p> <p>December 5, 2008 @ 2:00 p.m. – Presentation of Report on 2007-08 External Audit</p> <p>Meeting dates in March, June, and September 2009 will be determined at a later date. McAllister instructed staff to check their calendars for possible conflicts.</p>
<p>5. Roundtable</p>	<p>Masias advised the SERP update is not currently available. An update of and findings on NSF would be provided to the Board and Superintendent the following week, presumably. It will be available for the public once the Board and Superintendent have had a chance to review.</p> <p>McAllister addressed the need for committee re-nominations.</p> <p>Action: McAllister requested an oversight report from Legal Counsel on nominations for this committee.</p> <p>Niehaus shared some success stories related to the new Project Recovery Initiative.</p>
<p>Adjournment</p>	<p>3:20 p.m.</p>

The next meeting of the Audit and Finance Committee will be held in January 2009 (TBD).

MAH