

# Charter Audit Committee Minutes

Tuesday, April 24, 2018

Department of Education  
700 East Fifth Street  
Board Conference Room  
Carson City, NV

## MEMBERS IN ATTENDANCE

Michael Shafer, Audit Chairman, Department of Education  
Rebecca Feiden, Director, Achievement School District  
William Harty, Vice Chair, Somerset Academy of Las Vegas  
C.J. Manthe, Director, Business & Industry  
Steve Weinberger, Administrator, Division of internal Audit  
James Smack, Chief Deputy Controller, Office of State Controller

## STAFF PRESENT

Nate Hanson, Director of District Support Services  
Gregg Ott, Deputy Attorney General, Office of Attorney General  
Suzanne Richards, Nevada Department of Education

## GUESTS

Duffy Chagoya, State Public Charter School Authority  
Beth Kohn-Cole, Kohn and Company  
Michael Davis, Barnard Volger & Co

## I. CALL TO ORDER

Chairman Smack called the meeting to order at 9:10 am

## II. PUBLIC COMMENT

There was no public comment

## III. APPROVAL OF MINUTES

The Minutes were unanimously approved and accepted.

## IV. ADOPTION OF COMMITTEE BYLAWS

The Bylaws were read and a motion was made by Chairman Smack that they be accepted and opened for discussion. Ms. Manthe seconded.

Mr. Weinberger motioned that wording be changed in section 2.3 from "standard" to "criteria". Mr. Shafer seconded the motion. With no further discussion the motion was unanimously accepted.

Ms. Manthe suggested that a Vice Chairman be elected to the committee and reflected in 4.2 of the Bylaws. After a revision was written and read, Ms Manthe motioned for the change which was seconded by Mr. Weinberger. The Committee voted and unanimously accepted the rewording of the Bylaws.

Ms Feiden pointed out the term "Advisory Committee" in section 2.1 noting that it could confuse the reader Mr. Smack suggested removing the word from the document. Mr. Weinberger motioned to remove the wording and it was seconded by Ms Feiden. The committee unanimously agreed to remove the wording. The changes were made and the Bylaws were unanimously voted on and accepted.

## **V. REVIEW AND DEFINE AUDIT LIST CRITERIA**

The Chairman asked for any comments regarding the criteria. Several comments were offered by both committee members and the general public for clarification of the wording. Nate Hanson read the final document after the changes were made. Chairman Smack asked for a motion to accept the changes. A motion was made by Mr. Weinberger and seconded by Mr. Shafer. The committee unanimously voted in favor of the rewording and changes made to the list of criteria.

## **VI. REVIEW AND APPROVAL OF AUDIT GUIDE**

Mr. Smack began by reviewing the Audit Guide.

Nate Hanson stated that the committee only needed to review the guide. A formal approval from the committee was not necessary.

The committee and public reviewed and commented on the guide while suggestions for changes and revisions were heard and acted on.

Ms. Kohn specifically asked the committee to review the portion of the guide with regard to the Year End Financial Report. She asked if a separate compliance report would be required and found the guide confusing in its requirement. She also commented that some of the required policies were not related to a financial audit and asked if they were truly necessary.

Mr. Weinberger questioned if a reference needs to be made in the criteria that all auditors which are approved by the committee will be able to function within the stated guidelines. After the deliberation and comments from everyone, the committee felt that initially, during the first year of implementation, the requirements should be eased to allow the schools to come into compliance.

## **VII. OUTLINE TIMEFRAMES FOR AUDITOR LIST CREATION**

Mr. Smack commented on the timelines regarding creating a list of Auditors.

Mr. Ott explained that the NRS specifies only that list be created. He felt that the committee could create one list for a period of time during which only minimal requirements would have to be met, whereas in the years following, all requirements would have to be met.

The committee agreed that a minimum threshold requirement of eligibility criteria for the list be implemented the first year and points be assessed for future years.

## **VIII. PUBLIC COMMENT #2**

Ms Kohn asked the Committee what the reasoning was for the NAC and questioned if there had been issues with what has previously been submitted by auditors.

Greg Ott responded and she was also referred to consult with Patrick Gavin from the State Public Charter School Authority.

## **IX. ADJOURNMENT**

The meeting adjourned at 11:45 am