

Charter Audit Committee Minutes

Tuesday, June 19, 2018
Department of Education
700 East Fifth Street
Carson City, NV

MEMBERS IN ATTENDANCE

James Smack, Chief Deputy Controller, Office of State Controller
C.J. Manthe, Director, Business and Industry
Rebecca Feiden, Director, Achievement School District
Steve Weinberger, Administrator, Division of Internal Audit
Michael Shafer, Audit Chairman, Department of Education

STAFF PRESENT

Suzanne Richards, Nevada Department of Education
Greg Ott, Deputy District Attorney, District Attorney Office

I. ROLL CALL/CALL TO ORDER

Chairman Smack called the meeting to order at 9:00 am. Mr. Weinberger and Ms. Feiden joined the meeting later after the roll call was taken.

II. PUBLIC COMMENT I

Mr. Smack asked if there was any public comment. There was no public comment.

III. COMMITTEE MEMBERSHIP UPDATE

Mr. Smack updated the Committee regarding the number of persons on the board. He asked Mr. Ott if the quorum could be established with just three members present given that the committee currently consisted of only five members. Mr. Ott concurred. He stated however, that any regulations in the by-laws would have to be met. After checking the by-laws, Mr. Smack declared that according to by-laws, there must be four members present in order to reach a quorum. Mr. Smack stopped the meeting in order for Mr. Weinberger to arrive in order to meet the quorum requirement. The meeting resumed at 9:10 after Mr. Weinberger's arrival.

IV. APPROVAL OF MINUTES

The minutes from the meeting of June 13, 2018 were approved. Mr. Weinberger noted that the date on the minutes was incorrect. Mr. Weinberger motioned that besides changing the date of the earlier meeting that the committee accepts the minutes as written. Mr. Shafer seconded. The committee voted to pass the minutes.

V. REVIEWS AND DISCUSSION OF SUBMITTED RFQ'S

Mr. Smack read the names of the "Provisionally Approved" RFQ submissions from the meeting on June 13, 2018. The firms in question were PKF O'Connor-Davies, and Hafen, Bruckner, Everett and Graff. He confirmed with Mr. Ott that once the firms met the

requirements set by the Committee, they could be included on the list without having another vote or meeting from the Committee.

He then listed the applicants which had additional requirements that the committee felt needed to be addressed further. They included the following applicants.

1. Houldsworth, Russo and Co – The committee felt that the firm could not meet the required minimum points in order to be considered to the list of approved auditors.
2. Piercy Bowler Taylor and Kern – The committee was satisfied with the response received for the inquiry.
3. Watkins Jackson CPA's – The committee decided to keep the firm to the "Provisional list" pending receipt of the final peer review.
4. Rife Silva and Co. – The committee agreed to move the firm to the "Accepted list" because of the submission which the committee received from the firm.
5. Michael Coulson – While the committee felt that they could not include Mr. Coulson on the list at this time, they agreed that a firm or auditor that currently has a contract with a school could continue the contract for the remainder of the year. This statement had been emphasized throughout all of the previous meetings. In 2019, however, the approved Auditor List would have to be used and enforced.

VI. FINAL VOTE OF ACCEPTANCE OF APPROVED RFQ'S

Mr. Smack called for a vote to include Piercy Bowler Taylor and Kern, and Rife Silva and Co. to the list due to them having satisfied the conditions set by the committee. Mr. Shafer motioned for approval and C.J. Manthe seconded. The Committee approved the motion. Next, he called for a vote to provisionally approve Watkins Jackson pending receipt of their Final Peer review. Mr. Shafer motioned to accept the firm and Mr. Weinberger seconded. The Committee voted in favor of the motion.

He then asked the Committee if feedback should be sent to those who did not meet qualifications. Mr. Shafer suggested and then motioned for a vote to send a letter to those who did not meet the qualifications. It was seconded by Mr. Weinberger. Ms. Feiden asked if additional remarks pertaining to the rejections should be included in the letters to be sent. Mr. Shafer clarified that it would not be necessary to include additional comments because the criteria for inclusion to the list this year could change for the next year. The committee agreed and voted in favor of the motion.

VII. PUBLIC COMMENT II

There was no public comment.

VIII. ADJOURNMENT

The meeting adjourned at 10:56: am