



Independent Audit and Performance Commission (IAPC)  
Wednesday, February 5, 2025  
3:00 PM

Hybrid Meeting

## Legal Action Report

### 1. Call to Order and Roll Call— 3:03 p.m.

**COMMISSION MEMBERS PRESENT:** Bruce Burke (Ward 2), Robert Clark, Vice Chairperson (Ward 5); Lois Pawlak, Chairperson (Ward 6)

**COMMISSION MEMBERS ABSENT/EXCUSED:** Mayor's Appointee (Vacant); Ward 1 Appointee (Vacant); Ward 3 Appointee (Vacant); Ward 4 Appointee (Vacant)

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**COMMISSION MEMBERS LATE:** N/A

**COMMISSION MEMBERS EXCUSED EARLY:** Vice Chairperson Robert Clark, adjourned at 4:25 p.m.

**A quorum was established.**

**STAFF MEMBERS:** Sarah Denman, Executive Assistant to City Manager Timothy Thomure, City Manager's Office; Aaron Williams, Deputy Director, Business Services Department; Scott Schladweiler, Deputy Director, Tucson Water; James DeGrood, Transportation Administrator, Transportation and Mobility; Silvia Amparano, Deputy Director of Water, Tucson Water

### 2. Approval of the November 6, 2024, IAPC Meeting Minutes – 5 minutes

Motion by Chairperson Pawlak to approve the November 6, 2024 meeting minutes, seconded by Commissioner Burke; approved by Chairperson Clark. The motion passed with three (3) votes in favor.

### 3. Staff Update – 5 minutes

Deputy Director of Business Service, Aaron Williams, provided an update to the commission. Discussion included updates on actively recruiting for vacant finance positions, FY24 financial statements, Single Audit (A-133 Report), monitoring of federal grants, and FY26 budget developments. Chairperson Pawlak inquired about the status of hiring two internal auditors, Mr. Williams confirmed that recruitment is ongoing, and an update will be provided at the next meeting.

### 4. Tucson Water Presentation- 30 minutes

Tucson Water Deputy Director, Scott Schladweiler, led the presentation with Transportation Administrator James DeGrood, providing answers to Commissioner's questions. The presentation provided an overview of its infrastructure replacement budget and plans. Tucson Water mentioned that it is coordinating with DTM to align pipeline replacements with road resurfacing projects (Prop 411- funded).

Commissioners raised concerns about the long-term capital investment needed for water infrastructure and its impacts on road projects—Tucson Water confirmed that full system replacement is not feasible but emphasized prioritizing aging infrastructure while ensuring cost-effective coordination with DTM. The

commission commended the improved collaboration between Tucson Water and DTM, which has reduced disruptions and project delays.

## **5. Subcommittee Report on Internal Audit Function Review – 45 minutes**

Chairperson Pawlak led a discussion on the scope and responsibilities of the internal audit functions. Three key issues that were identified during the discussion: (1) The internal audit division remains understaffed due to prolonged vacancies, (2) there has been no formal internal audit review conducted since 2022, and (3) IAPC's required biannual report to the Mayor and Council on the internal audit function has not been delivered in recent years.

Action taken:

- Subcommittee to research best practices from other cities and draft recommendations for an expanded audit scope.
- Chairperson Pawlak will work with staff liaison to schedule a briefing for the Mayor and Council on audit function challenges.
- Draft annual report will be presented to the commission for review with the help of staff liaison that includes a review of the internal auditing functions and the interview with Tucson Water.

## **6. Call to the Audience – 10 minutes**

No members of the public were present; no action taken.

## **7. Future Agenda Items – 15 minutes**

Future agenda items for the next meeting included subcommittee report on internal audit function review, FY 24 Budget Book Presentation, update on internal auditor recruitment, and discussion of the capital needed for Tucson water to keep up with DTM road projects and review draft report of the annual report to Mayor and Council.

## **8. Adjournment**

Meeting adjourned at 4:52 p.m.

### **Commission Members Representing the Office of:**

**(Mayor)** Vacant; **(W1)** Vacant; **(W2)** Bruce Burke; **(W3)** Vacant; **(W4)** Vacant; **(W5)** Robert Clark, Vice Chairperson; **(W6)** Lois Pawlak, Chairperson

### **Staff Liaison(s):**

Sarah Denman, Executive Assistant to the City Manager, City Manager's Office

### **Note:**

Persons with a disability may request a reasonable accommodation by contacting the City Clerk's Office at 791-4213 or (520) 791-2639 for TDD. Requests should be made as early as possible to allow time to arrange the accommodation.