



Independent Audit and Performance Commission (IAPC)
Wednesday, July 16, 2025, 3:00 p.m.

Hybrid Meeting

Legal Action Report

Location: 255 W. Alameda St., Tucson, Arizona, 85701; City Hall, 5th floor

1. Call to Order and Roll Call— 3:10 p.m.

COMMISSION MEMBERS PRESENT: Michel Lahiti (Ward 3), Robert Clark, Vice Chairperson (Ward 5); Lois Pawlak, Chairperson (Ward 6)

COMMISSION MEMBERS ABSENT/EXCUSED: Mayor's Appointee (Vacant); Ward 1 Appointee (Vacant); Ward 2 (Bruce Burke), Ward 3 Appointee (Vacant), Ward 4 Appointee (Vacant)

COMMISSION MEMBERS LATE: N/A

COMMISSION MEMBERS EXCUSED EARLY: N/A

A quorum was established.

STAFF MEMBERS: Angele Ozoemelum, Director of Business Services Department; Aaron Williams, Deputy Director, Business Services Department; Dennis McLaughlin, Principal Assistant City Attorney, City Attorney's Office.

2. Approval of the June 6, 2025, IAPC Meeting Minutes – 5 minutes

Action Taken:

- Motion by Commissioner Clark to approve June 6, 2025, meeting minutes as presented
- Seconded by Commissioner Lahti.

Motion passed unanimously

3. New IAPC Member Introductions – 5 minutes

Action Taken: Information Only – No Vote Required.

Chairperson Pawlak introduced herself and invited fellow commissioners to do the same:

- Chairperson Lois Pawlak shared her professional background in quality management systems auditing and service with the Garden District Neighborhood Association.
- Commissioner Michael Lahti shared his experience in public and private sectors in data analysis and program evaluation, as well as his recent move to Tucson and family updates.
- Commissioner Robert Clark described his background in law and family court, his prior service on the IAPC from 2009 to 2017, and his recent reappointment.

4. Staff Updates – 5 minutes

Action Taken: Information Only – No Vote Required.

Key Updates:

- Director Angele Ozoemelum clarified that internal audit is overseen by the City Manager's Office, not BSD.
- BSD has been involved in recent meetings with bond rating agencies to fund water bonds.

- June 30 marked the end of FY25; BSD is working on year-end projections, financial closeout, and preparing for the external audit.
- Revenue projections are being revisited due to reduced state shared income.
- Aaron Williams provided updates on the internal audit functions:
 - Internal Audit is housed in the City Manager's Office.
 - The position remains unfilled; prior recruitments did not yield qualified candidates.
 - The City requires executive authorization before recruitment begins.
 - A formal request to authorize recruitment was submitted the week prior.
 - Clarified position development process and qualifications; discussion of challenges with the existing job description.
 - Past audit staffing included two auditors; currently only one position is budgeted.
 - Aaron Williams now oversees internal audits in a broader role as Executive Management Advisor.

Commission Questions:

- Commissioners asked about the appeal process, position development, and budgeting.
- Chairperson Pawlak emphasized the value of internal audit in identifying inefficiencies and cost-saving opportunities.
- Commissioner Clark inquired about recruitment flexibility and IT issues affecting attendance.

5. Review Sections of the Tucson City Charter Regarding IAPC Functions and Reporting Requirements– 35 minutes

Action Taken: Information Only – No Vote Required.

City Attorney Dennis McLaughlin presented on the hierarchy and structure of the IAPC as defined by the Charter, Code, and Bylaws. Group reviewed the Tucson Code Sections 10A-120 through 10A-125:

- 10A-120: Establishes the IAPC.
- 10A-121: Defines composition and terms.
- 10A-122: Outlines IAPC duties (e.g., reviewing audit plans, evaluating controls, etc.).
- 10A-123: Meeting requirements (monthly or more often), reporting obligations.
- 10A-124: Limitation of powers (no authority to obligate city resources).
- 10A-125: Staff support delegated to City Manager's Office.

Additional Review:

- Reviewed quorum rules (10A-140) and meeting frequency per bylaws and ordinance.
- Discussed differences between internal and external audit responsibilities.
- Commissioners discussed attendance policies, terms, authority to recommend external audit, and the difficulty of meeting quorum.

Follow-Up Actions:

- Legal counsel to return if needed; discussion flagged to inform bylaw revisions.

6. Review of IAPC Bylaws and Meeting Frequency – 30 minutes

Action Taken: Information Only – No Vote Required.

Chairperson Pawlak proposed amending bylaws to allow flexible meeting dates/times to improve attendance. Attorney McLaughlin presented draft language options to enable weekday flexibility and hybrid formats.

- Discussion clarified that changes to meet frequency (e.g., less than monthly) would require amending Tucson Code §10A-123(D).
- Commissioners supported further review of bylaw amendment language

Follow-Up Actions:

- Staff to send proposed bylaw amendment language to all commissioners.
- Bylaws to be formally reviewed and voted on at the next meeting.

7. Call to the Audience – 10 minutes

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

8. Future Agenda Items – 15 minutes

Confirmed Topics for Next Meeting:

- Review possible amendment of IAPC Bylaws.
- Review of Internal Audit Plan structure and methodology.
- Continued discussion on internal audit staffing and priorities.
- Distribution of last two internal audit plans for comparison.
- Future review of benchmark cities' internal audit programs.

9. Adjournment

Meeting adjourned at 5:04 p.m.

Next Meeting Scheduled: TBD; date to be confirmed and posted no later than 24 hours prior.

Commission Members Representing the Office of:

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

Staff Liaison(s):

Sarah Denman, Executive Assistant & Aaron Williams, Executive Management Advisor, 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.