

**HOUSTON INDEPENDENT SCHOOL DISTRICT
MINUTES OF THE BOARD AUDIT COMMITTEE
October 16, 2018**

MEETING CALLED TO ORDER 11:35 a.m.

PRESENT:	Committee Members	Holly Maria Flynn Vilaseca Anne Sung Sue Deigaard
	Staff	Garland Blackwell, Chief Audit Executive John Gerwin, Manager, Construction Audit Liping Huang, Audit Manager Glenn Johnson, Manager, Internal Audit Debbi Fincher, Ethics and Compliance Officer Silvia Trinh, Chief of Staff Elneita Hutchins Taylor, General Counsel Rick Cruz, Chief Strategy & Innovation Officer Michael Love, Career Readiness Asst. Superintendent Alexis Licata, Business & Logistics Purchasing Officer Annvi Utter, Student Support Services Officer Willie Spencer, Regional School Business Manager
	Other	Lisa McBride, Thompson Horton Dr. Doris Delaney, Conservator
	Whitley Penn	Celina Ceres

CONSIDERATION AND APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

On motion by Trustee Sung and seconded by Trustee Deigaard, the minutes for the September 20, 2018 meeting were approved 3-0.

ITEMS DISCUSSED

- **AUDIT DEPARTMENT ACTIVITY UPDATE**
Discussed reports recently issued
- **STAFFING STATUS UPDATE**
Three positions filled (Audit Manager); one position for Internal auditor in Education Programs still vacant

- **HURRICANE HARVEY AUDIT UPDATE**

Presented by Whitley Penn, Celina Ceres

There are multiple audits already in progress with regards to Hurricane Harvey expenses, including construction audit and external audit. Whitley Penn contract was approved last week. They are now working with finance department and external auditors to see what already has been tested. The goal is to be done before calendar year end. They will provide updates to Garland Blackwell who will forward to Audit Committee.

- **CAREER AND TECHNICAL EDUCATION (CTE) AT FURR HS AUDIT**

Michael Love explained that his department noticed irregularities regarding CTE coding, pathways and teacher certification at Furr High School which he routed to Internal Audit for review.

- **VICTORY PREP AUDITS UPDATE**

McConnell & Jones LLP is working on the financial statement audit. They are working in conjunction with CPA who worked with Victory Prep. Since the school is officially closed, there has been a little difficulty in scheduling and getting appropriate documents.

- **PLANNED TRAINING EVENTS / PROFESSIONAL DEVELOPMENT**

Garland Blackwell discussed upcoming training for staff which includes

- DATA ANALYTICS
- WORK PAPER PREPARATION
- ASSOCIATION OF CERTIFIED FRAUD EXAMINERS (ACFE) ANNUAL FRAUD CONFERENCE

- **QUALITY ASSURANCE AND IMPROVEMENT PROGRAM (QAIP) MOMENT**

QAIP was launched. Developing a timeline-based strategy for short and long-term items that must be reviewed and corrected, if needed, to successfully pass the 2020 department audit. Current focus is on reviewing and updating the charters which were last issued in 2015 for the Audit Committee and the Office of Internal Audit Created Key Performance Indicators (KPIs) to measure our work performed

- **LEGISLATIVE BUDGET BOARD UPDATE**

Silvia Trinh

Completed

- Initial meetings with all cabinet members
- Initial meetings with three board members
- Submitted 124 of 139 total data requests of

In Progress

- Deadline for submitting outstanding 15 data requests is tomorrow.
- Of the 12 areas that LBB is looking at, 6 are at 100% complete submittal
- Staff, school and parent survey will be up until

- The remaining 15 given an internal deadline of tomorrow; minor things; some missing is from Mr. Blackwell's dept are audits from diff depts.
- Of the 12 areas LBB is reviewing, 6 are 100% submittal; staff/school and parent survey are up until November 2
- LBB agreement is in final stages of review and approval

Next steps:

Once all data requests have been submitted, LBB will begin to coordinate campus visits.

Committee requests include:

Survey participating rate
That e-blasts be done in multiple languages

- **REVIEW AUDIT COMMITTEE BENCHMARKS/TIMELINE**
- **CONTINUED CONVERSATION ON THE AUDIT COMMITTEE CHARTER AND HISD BOARD POLICY ON COMMITTEES**

Lisa McBride will compare CAE's marked up document and compare to current policy with any recommendations

NEXT STEPS

- Next Proposed Meeting: November 5, 2018 11:30 a.m.

Topics:

Activity update
Draft audit plan
Proposed Charter updates
QAIP
Review of CAFR

ADJOURN TO CLOSED SESSION AT 12:46 P.M.

RECONVENE IN OPEN SESSION AT 1:47 P.M.

ADJOURN AT 1:37 P.M.