

Houston Independent School District  
Board Audit Committee  
Meeting Minutes: August 10, 2015  
2:09 p.m.

Meeting Called to Order by: Juliet Stipeche

Present: Committee members: Juliet Stipeche, Manuel Rodriguez,  
and Anna Eastman

Legal Counsel: Arturo Michel

Staff: Richard Patton, Lauro Garza, Debbi Fincher, Stephanie  
Sandifer, John Gerwin, Ken Huewitt (CFO)

Proceedings:

**CONSIDERATION AND APPROVAL OF MINUTES FROM PREVIOUS MEETINGS**

On motion by Mr. Rodriguez, seconded by Ms. Eastman, the motion to approve the May and June minutes passed unanimously. (3 for, 0 opposed)

**GRADING INTEGRITY INVESTIGATIVE RESULT AUDIT REPORT – STATUS UPDATE**

Management's responses to the interim report issued in May were discussed. Trustee Stipeche requested a timeline in which the responses would be implemented.

**AUDIT PLAN – STATUS UPDATE**

Lengthy discussion regarding the status of the Information Technology Audit Plan and the Non-IT Audit Plan. The completion of the Non-IT Audit Plan is negatively impacted by the number of investigations, the increased volume of the AlertLine allegations and the implementation and training of staff regarding TeamMate audit management tool. The members discussed and agreed with the changes to the Audit Plan resulting from special consultation requests.

As a result of the increase volume, the members agreed for the chief audit executive to pursue board approval of three annual retainer contracts with a limit of \$200,000 each (\$600,000 cumulative total).

**PROPERTY TAX ADMINISTRATION AND PROCESS**

Ken Huewitt acknowledged that the finance group will be coordinating the property value studies going forward. Don Boehm and Laura Camarillo have been appointed to work on the tax process.

**2013 HISD IIA INTERNAL AUDIT QUALITY ASSESSMENT REPORT – STATUS UPDATE**

The audit department provided an update of key deliverables currently in process and future plans. The Audit Department Policy and Procedures Manual will be submitted at the next committee meeting for approval.

### **GENERAL**

On motion by Ms. Eastman, seconded by Mr. Rodriguez, the motion to approve compensation raises for the chief audit executive and his team, in line with what the board approved for the rest of the district, passed unanimously. (3 for, 0 opposed)

The members were provided a status of the two E-Rate audits being performed by USAC and Deloitte.

A summary of proposed policy/regulation revisions submitted to the Board Policy Committee was discussed.

Reminded the members that the committee needs to perform the annual evaluation of the chief audit executive.

Discussed the negative impact of sharing investigation summaries outside of closed session due to potential sensitive data.

### **OFFICER OF ETHICS AND COMPLIANCE ROLE**

Debbie Fincher, the new officer of Ethics and Compliance, was introduced. The mission and vision for success were also discussed.

### **CLOSED SESSION**

Entered closed session at 3:43 p.m. Meeting adjourned at 4 p.m.