

Houston Independent School District
Board Audit Committee
Meeting Minutes: May 11, 2015
1:24 p.m.

Meeting Called to Order by: Meeting called to order by Ms. Juliet Stipeche

Present: *Committee Members:* Ms. Juliet Stipeche, Mr. Manuel Rodriguez, Ms. Anna Eastman
Non-Members: Ms. Rhonda Skillern-Jones
Audit Staff: Mr. Richard Patton, Lauro Garza, Glen Johnson, John Gerwin, Stephanie Sandifer.
Other Staff: Shonda Huery, Monika Harris, Sherrie Robinson

Proceedings:

INTRODUCTION OF NEW AUDIT TEAM

ELEMENTARY STUDENT ACTIVITY FUNDS (Pending Management's Response due by 3/13/15)

Mr. Patton recommended that the district should substitute controls for deficiency of how the elementary school activity funds should be used, and proposed that these activity funds be treated like secondary school funds and that they use the central office bank. After questions and answers, between Trustees Stipeche and Rodriguez, Ms. Huery and Ms. Harris, it was decided that the Chief School Support Officer and the Chief Financial Officer need more time to investigate before an action plan and implementation date is set. Trustee Stipeche requested a report by May 31, 2015.

ENTERPRISE RISK ASSESSMENT - FINAL REPORT AND APPROVAL

Mr. Patton presented the draft of the Enterprise Risk Assessment report. Trustee Stipeche recommended that the investigations need to be made readily available to the public. Mr. Patton responded that his department is currently working with Media Relations to build a website. Mr. Patton presented the seven-month audit plan.

Trustee Eastman made the motion to approve the risk assessment. Trustee Rodriguez seconded the motion and it passed unanimously (3 for – 0 opposed).

Trustee Eastman made the motion to approve the seven month audit plan. Trustee Rodriguez seconded the motion and it passed unanimously (3 for – 0 opposed).

FOLLOW-UP JOC DESIGN AND SELECTION

Mr. Patton said that auditing did not plan to do a follow-up any time soon in order to give procurement time to implement changes. The difference between JOCs & CO-OPs was discussed by Trustee Stipeche and Monika Harris, and which way is best to use each one of them. Trustee Stipeche asked Monika Harris to find out how much of \$6 million approved by the board in November to go to CO-OPs is left. Trustee Skillern-Jones asked when there will be a re-bid for the CSPs, to which Monika Harris responded August 2015 but will ask Ken Hewitt to confirm.

STATUS OF CURRENT INVESTIGATIONS & SUGGESTED POLICY REVISIONS

Mr. Patton explained that the secondary Westbury report will be delayed until the beginning of the next school year. There was discussion about what the investigation protocols are and what the correct way to report allegations is.

ACTION ITEMS & UPDATE

Trustee Anna Eastman made the motion, Trustee Manuel Rodriguez seconded to renew the audit committee charter. Motion passed unanimously (3 for -0 opposed).

Trustee Anna Eastman made the motion, Trustee Manuel Rodriguez seconded to approve/renew the internal audit activity charter. Motion passed unanimously (3 for – 0 opposed).

Meeting adjourned at 3:30 p.m.