

**Houston Independent School District  
Board Audit Committee  
Meeting Minutes: January 12, 2015  
1:05 p.m.**

**Meeting Called to Order by:** Meeting called to order by Ms. Anna Eastman

**Present:** Committee Members: Ms. Anna Eastman, Mr. Mike Lunceford and Mr. Manuel Rodriguez, Jr.

Audit Staff: Mr. Richard Patton

**Proceedings:**

**DRAFT IT RISK ASSESSMENT/2015 IT AUDIT PLAN**

Mr. Patton and a representative from BDO USA provided an in-depth discussion of the IT risk assessment results. After questions and answers, the IT Audit Plan was discussed. The committee was informed that Mr. Lenny Schad and his team were engaged in the process extensively and supported the effort and results.

**AUDIT TRANSFORMATION PROPOSALS**

The proposed re-organization details were submitted to the committee members during closed session and discussed in detail. The transformation effort was conducted by Mr. Patton with assistance by Bridgepoint Consulting. It was stated that the basis for the staffing changes was not based on past performance, but based on the IIA Core Competencies, individual skillsets, and separate interviews conducted by Bridgepoint and the CAE.

**DRAFT 2015 INTERIM AUDIT PLAN (NON-IT)**

A draft interim audit plan for non-IT areas was shared with the committee. Additional input and suggestions were requested.

**ORGANIZATION OF THE ETHICS & COMPLIANCE OFFICE**

The job description and salary grade for the Ethics & Compliance Officer position was discussed. The CAE discussed the improvement opportunities for the district that this position is expected to achieve.

**STATUS OF THE INSTITUTE OF INTERNAL AUDITORS (IIA) REPORT RECOMMENDATIONS**

A detail report of the status of the IIA recommendations was distributed and discussed. The Internal Audit Department hopes to complete the implementation by April 2015 so the department can be in compliance with professional standards.

### **2014 AUDIT PLAN RESULTS**

A detail status update of the 2014 Audit Plan was distributed and discussed.

### **ALERT LINES**

The Global Compliance Alert Line process was discussed with the committee. An example report of types of alerts were distributed, along with key activity results for 2014.

Meeting adjourned at