

**MINUTES OF THE AUDIT COMMITTEE  
SCHOOL BOARD  
HOUSTON INDEPENDENT SCHOOL DISTRICT**

**March 16, 2026**

**MEETING HELD - MEMBERS PRESENT**

The School Board of the Houston Independent School District (HISD) held an Audit Committee meeting on March 16, 2026, beginning at 2:00 p.m. in the Board Services conference room of the Hattie Mae White Educational Support Center, 4400 West 18th St., Houston, TX 77092.

Present:

<b>Committee Member</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>	<b>Departed</b>
Janette Garza Lindner	Chair	Remote		
Ric Campo	Member	Present		
Paula Mendoza	Member	Present		
Elizabeth Logan	Community Volunteer	Present		

Staff:

Catosha Woods, General Counsel (Remote)  
 Erica Graham, Deputy General Counsel (Remote)  
 James Terry, Chief Finance and Operations Officer  
 Teresa Corrigan, Sr. Exec. Dir., Ethics & Compliance  
 Monica Zdrojewski, Chief of Staff  
 Norma Castillo, Chief Human Resources Officer  
 Kerri Holt, Chief Technology Officer  
 Patrice Humphries, Sr. Exec. Dir., FMO Finance & Accountability  
 Alisha Jolivet, Chief of Facilities, Maintenance & Operations  
 E.J. Machicek, Deputy Chief Technology Officer (Remote)  
 Rochelle Nwosu, Dep. Chief of Public Affairs & Board Engagement  
 Eugene Salazar, Deputy Chief of FMO  
 Jennifer Stumbaugh, Dep. Chief of Talent & Employee Relations  
 Steven Jackson, Exec. Dir. of Talent Acquisition & Management  
 Steven Kieff, Exec. Dir. IT Security & Audit  
 Tony Warfield, Exec. Dir., Inventory Management  
 Emily Smith, Exec. Dir., Board Relations  
 Janet Conroy, Manager, Board Services

Other:

Anastasia Lindo Anderson, Texas Education Agency (TEA) conservator  
 Laura Manlove, RSM (Remote)  
 Weiss Campbell, RSM  
 John Hughes, RSM

Chip Stewart, RSM  
Ryan Rosado, RSM  
Tyler Lesniak, RSM  
Robert Armstrong, The Armstrong Group Certified Public Accountants

### **MEETING CALLED TO ORDER — PURPOSE**

Committee Chair Janette Garza Lindner called the Audit Committee meeting to order at 2:04 p.m. and declared the committee convened to consider matters pertaining to HISD as listed on the posted meeting agenda.

### **CONSIDERATION AND APPROVAL OF MINUTES FROM PREVIOUS MEETING**

On motion by committee member Paula Mendoza, with a second by committee member Ric Campo, the minutes of the Audit Committee meeting held on November 11, 2025, were approved.

### **DISCUSSION OF DRAFT MAINTENANCE AND REPAIRS REPORT**

Representatives of the district's outsourced internal audit firm, RSM US LLP, presented their draft report on maintenance and repairs. The objective of RSM's procedures was to evaluate the design and control structure, including adherence to policies, procedures, and relevant laws and regulations for the operating effectiveness of the district's maintenance and repairs and work order processes. RSM performed detailed testing over a sample of 40 maintenance work orders. Committee member Ric Campo asked whether 40 was enough given that 66,000 work orders were in the scope of the audit. RSM representatives responded that they use a judgmental risk-based sampling approach in line with industry best practices for sampling, and 40 was an appropriate representation and highlighted key risk factors.

The audit resulted in four observations: three high-risk and one of moderate risk. Issues included an inconsistent work order process that negatively impacted parts inventory tracking; untimely work order completions; gaps and data integrity issues in the maintenance work order system; and shortcomings caused by a decentralized system for tracking asset warranty information. RSM indicated that HISD management is already working to address and adopt recommended improvements as part of the current Phase 1, and these will be carried into Phase 2 with the implementation of the Oracle database management system. Chief Technology Officer Kerri Holt indicated the transition from SAP to Oracle is scheduled to be completed July 1, 2026.

### **DISCUSSION OF DRAFT HUMAN RESOURCES SELECTION AND ONBOARDING REPORT**

RSM representatives presented their draft report on employee selection and onboarding. The objective of RSM's procedures was to evaluate the design and control structure, including adherence to policies, procedures, and relevant laws and regulations for the operating effectiveness of the district's employee selection and onboarding processes. RSM selected a sample of 51 hires, including 25 new hires, 25 rehires, and one Teacher Retirement System (TRS) hire.

The audit resulted in five observations: two high-risk, two of moderate risk, and one low-risk. Issues included inconsistencies in rehire eligibility information review, evaluation, and documentation; ineffective controls for verifying payroll and salary verification; inconsistent

documentation of job interviews; lack of segregation of talent coordinator duties; and the need to strengthen onboarding controls to ensure timely I-9 completion requirements. RSM indicated that HISD management is already working to address and adopt recommended improvements in Phase 1 to be continued in Phase 2, which will also involve exploring new system capabilities and enhancements.

#### **FOLLOW-UP TESTING UPDATE**

RSM provided an update on follow-up testing of audit projects, stating as of March 16, 2026, there were a total of 47 observations, 24 of which were closed; 19 action plans were implemented according to management. Management has indicated that the action plans associated with these observations are ready for evaluation. Internal Audit has initiated follow-up procedures, and the associated action plans are currently under evaluation, in detailed testing, or pending sufficient time for a complete population of transactions to accrue before testing can be performed.

#### **CONFIDENTIAL DISCUSSION OF INTERNAL PENETRATION TESTING RESULTS** **CONFIDENTIAL DISCUSSION OF RISK ASSESSMENT PLAN**

The committee held a confidential discussion of internal penetration testing results and a risk assessment plan.

#### **ADJOURNMENT**

There being no further business, the meeting adjourned at 3:28 p.m.