

**HOUSTON INDEPENDENT SCHOOL DISTRICT  
MINUTES OF THE BOARD AUDIT COMMITTEE  
February 25, 2019  
12:00 P.M.**

**MEETING CALLED TO ORDER 12:07 p.m.**

**PRESENT:**

Committee Members	Holly Maria Flynn Vilaseca Sue Deigaard Anne Sung
Staff	Garland Blackwell, Chief Audit Executive Elneita Hutchins Taylor, General Counsel Silvia Trinh, Chief of Staff
Other	Lisa McBride, Partner, Thompson Horton Dr. Doris Delaney, Conservator

**ITEMS DISCUSSED**

On motion by Trustee Sung and seconded by Trustee Deigaard, the minutes for the November 5, November 12, and December 3, 2018 meetings were approved as amended 3-0.

• **DISCUSS LEGISLATIVE BUDGET BOARD PERFORMANCE REVIEW**

Ms. Trinh gave a brief update. The LBB are in the last phase of interviews. They have interviewed teachers, board, community members, parents, departments. This week they are interviewing the human resources department.

They should be finished interviewing by the end of March and will look at data collected in April. The month of May will be a “fact finding” month where they will invite department heads to look at data that they have gathered and make any corrections to any facts of statement. They estimate that a report may be ready by the middle of summer.

They do not do a board presentation. They will do a written summary, but no formal presentation of the report will be done.

The LBB will be here next week with Educational Service delivery and would like to talk to two board members around educational service delivery. Ms. Vermeille Jones will send an invitation to board members.

- **DEPARTMENT PROFESSIONAL DEVELOPMENT PLAN FOR CY 2019**

Holders of the CPA, CIA, CISA and other credentials are required to complete 40 hours of CPE annually. Government Auditing Standards requires all audit professionals (certified or not) to complete 80 hours of CPE every 2 years, 24 of which must be government related.

The department currently has a staff of 17 positions with a goal of 40 hours of professional development per year. The goal is to get at least 40 hours of professional development within the current and future budget constraints.

There is also a proposed Governance, Risk and Control training given by Mainardi and Associates that the Audit Committee is invited to attend, along with any other interested board member. Proposed date is May 2.

- **POTENTIAL BUDGET CUT FOR INTERNAL AUDIT AND IMPACTS**

Of \$1,617,404 total original budget, approximately 6.5% will be cut, or \$104,414. Last year's cut was approximately 5%. Last year's cut included one vacant position and operating funds and non-payroll funds.

Impacts of the \$104k cut include:

- There is a soon to be vacant Internal Auditor position in the 4 person Financial & Operational audit team. The salary for the current auditor is about \$49k. Because of the cut, 3-5 audits would have to be removed from the 2019 audit plan or use operating funds to extent possible to fill the void.
- The remaining \$55k would be from operational funds, meaning less funds to hire consultants to conduct audits. Reduction in spending on professional development.

- **AUDIT DASHBOARD STATUS**

Mr. Blackwell stated they originally considered working with Gibson Consulting, but it was more cost effective to go inhouse and working with the IT department. The platform will be on Share Point. They intend to demo that at the next audit meeting.

- **DISCUSS FIRST-QUARTER ITEMS FROM THE RECOMMENDED CALENDAR OF ACTIVITIES AND DELIVERABLES FOR 2019 (FROM THE ANNUAL AUDIT COMMITTEE REPORT TO THE HOUSTON INDEPENDENT SCHOOL DISTRICT BOARD OF EDUCATION, NOVEMBER 13, 2018)**

- **CONFIRM/RECRUIT COMMUNITY MEMBERS FOR COMMITTEE AS DEFINED IN CHARTER**

There are 2 possibilities for community members for the committee. Resumes are to be forwarded to Legal so that any Conflict of Interest may be vetted. Once they

are vetted, then committee makes the recommendation to the President and the Board once a person or persons have been chosen.

- MEETING CALENDAR FOR THE YEAR

**Upcoming meetings:**

April 16, 2019      9:00 a.m.  
May 16, 2019      11:00 a.m. (after hearings)

- PROFESSIONAL DEVELOPMENT PLAN FOR THE COURSE OF THE YEAR

May 2, 2019      Tentative Professional Development (take poll of board members)

- FINALIZE AND RECOMMEND CAE EVALUATION PROCESS AND INSTRUMENT

Continued review and discussion of proposed usage of Dallas ISD's evaluation instrument. Discussion of timelines with regards to goal setting, performance reviews and self-evaluation.

**ADJOURN TO CLOSED SESSION AT 1:20 P.M.**

**RECONVENE IN OPEN SESSION AT 1:35 P.M.**

**ADJOURN AT 1:35 P.M.**