

**NOTES -- AUDIT COMMITTEE MEETING  
November 11, 2020 – 2:00 P.M.**

**The Board Audit Committee meeting was called to order at 2:03 p.m.**

Present:

<b>Committee Members</b>	<b>Status</b>	<b>Arrived</b>
Holly Maria Flynn Vilaseca, Committee Chair	Remote	
Anne Sung	Remote	
Daniela Hernandez	Remote	
Judith Cruz	Remote	

Staff: Garland Blackwell, chief audit executive  
Silvia Trinh, chief of staff  
Vermeille Jones, director, Board Services  
Glenn Reed, chief financial officer  
Sherrie Robinson, controller  
Elneita Hutchins-Taylor, general counsel  
Scott Gilhousen, chief technology officer  
Liping “Lee” Huang, audit manager, Support Services  
Douglas Moore, senior information technology (IT) auditor, Internal Audit  
Glenn Johnson, manager Internal Audit  
John Gerwin, manager construction audit

Other: Lisa McBride, partner, Thompson & Horton  
Elizabeth Logan, community volunteer  
Doris DeLaney, Texas Education Agency (TEA) conservator  
Laura Lambert, Weaver representative  
Rawan Sakatan, Weaver representative  
Jamey Loupe, BDO representative

Committee Chair Trustee Flynn Vilaseca called the meeting to order at 2:03 p.m. Board members present via Zoom were Trustee Cruz, Trustee Hernandez, Trustee Sung, and Trustee Flynn Vilaseca.

**Consideration and Approval Of Minutes From Meeting Held On August 19, 2020**

There were no minutes for approval. The minutes from the last meeting on August 19, 2020 (that turned into a special meeting) were approved at the agenda review meeting held on October 1, 2020.

**DISCUSSION ITEMS**

Trustee Flynn Vilaseca stated the meeting topics. The items were then discussed, as indicated below.

- **Receive Year-End Update Of Comprehensive Annual Financial Report Audit** (presentation by Laura Lambert, Weaver representative)

Trustee Flynn Vilaseca: Board Services has also sent this report to the full Board of Education.

Laura Lambert: Provided a quick overview of the financial report that had been sent to the full Board of Education indicating that the statement of net position was \$1.6 billion, and the total increase for the year was \$174 million. She then continued with the Audit Committee presentation on audit progress, audit results and communications, financial highlights, and upcoming changes.

Audit Schedule: Interim field work was done in June and July and year-end field work was done in September and October. The report will be issued to the board tomorrow (November 12, 2020), followed by a discussion of developments and preparation for the next season.

#### Audit Process

- Audit Standards. Generally Accepted Auditing Standards and Generally Accepted Government Auditing Standards
- Single Audit. Performed in accordance with the Uniform Administrative Requirements
- Compliance. Tests of the district's compliance with certain provisions of laws, regulations, contracts, and grant agreements
- Follows a risk-based approach
- Tested Internal Controls over financial reporting and compliance
- Tested compliance with major program requirements

#### Audit Results and Communications

- Financial statement: Identified material weaknesses and significant deficiencies.
- Federal and state awards: Three federal major programs were tested: Child Nutrition Cluster, Child and Adult Care Food Program, and Elementary and Secondary School Emergency Relief Fund. Two state major programs were tested: Texas Home Visit Program and School Lunch Matching.
- Findings: *Material weaknesses:* (1) improperly recorded capital leases and (2) some goods and services were marked as received but were not actually received. *Significant deficiencies:* (1) three checks were not deposited in a timely manner and (2) receivables from the City of Houston were not evaluated for collectability.
- New accounting standards. No changes in accounting policies. Due to the COVID pandemic, Governmental Accounting Standards Board (GASB) Statement No. 95 Postponement of the Effective Dates of Certain Authoritative Guidance, extended the effective date of GASB Statement No. 84.

- Management estimates. Found to be reasonable for Allowance for Uncollectible Receivables, and Foundation School Program revenue.
- Financial statement disclosures. The most significant sensitive disclosures: Employees' Retirement Plan, Commitments and Contingencies, and Subsequent Events.
- Corrected misstatements. In the Internal Service Fund and in the General Fund (for capital leases).
- Uncorrected misstatement. Related to the goods received. The adjustments affected the prior year period; however, the entries did not have a material impact and no prior period restatement was recorded. Activity was recorded in the current year so ending account balances as of June 30, 2020, are correct.

#### Financial Highlights

- Revenues. Total local programs increased over state programs. Property taxes are the largest part of the district's funding.
- Expenditures. Instruction and Curriculum remain the largest expense. One big decrease this year was water payments.
- Budget-to-actual. Revenues were higher than predicted and expenditures were lower than predicted.
- Fund balance changes. Fund balance has increased as the district looks to save money for potential additional expenditures, i.e., remote learning.

#### Upcoming Changes

- GASB Statement No. 84, Fiduciary Issues. Establishes criteria for identifying fiduciary activities of all state and local government, effective for periods beginning after December 15, 2019.
- GASB Statement No. 87, Leases. Establishes a single model for lease accounting, effective for periods beginning after June 15, 2021.

Liz Logan: Regarding the material weaknesses for leases. Was that primarily because things were recorded as an operating lease and they should have been evaluated to be a capital lease or were they just not recorded at all?

Laura Lambert: The one lease, the \$35 million lease, was recorded in the governmentwide but not the fund-level statement; it was a break in the transaction, not recorded on both sides.

Liz Logan: Thinking ahead to GASB 87, do you think there needs to be some training? Will they have to put a lot of effort into implementing it? What will be the impact around leases?

Laura Lambert: I think it will cause some impact on the capital lease side. We have used data analytics to look for payments because not all leases will come through the controller's office. It will have an impact.

Liz Logan: When you have material weaknesses, what is the process for remediating them? Do you put together a plan to remediate them? Do you root-cause it? Is that something that we, as a committee, need to track quarterly to see if progress is made?

Laura Lambert: We sit down with management and discuss the causes because sometimes processes are in place for training or for reminding people of their responsibilities.

Sherrie Robinson: Regarding the two findings (goods receipt and holding checks), we are going to beef up our notices to departments and campuses and include more emphasis on that in our training. For leases, we have attended training on the new GASB 87. We will reach back out to Weaver at some point to make sure we are getting the accounting and recording down correctly. We always have the accounts receivable from City of Houston for crossing guards at the end of the year; they never pay all that we bill them. This year we received a receipt from them in October and we did not go back fast enough and adjust that receivable in deferred revenue. We will be on the lookout for that next year.

Liz Logan: The issue around the goods receipt, is that something that the three-way match feature in SAP could help with, or is that too much of a manual process that it will be really difficult to automate?

Sherrie Robinson: It would be difficult to automate it because, in this instance, the user was going into a construction project and doing the goods receipt for both the materials and the service before it was completed. The vendor did not provide the service and that is what caused this issue. We have already had meetings regarding waiting until all is complete to enter the goods receipt.

Trustee Sung: Any material weaknesses or significant deficiencies from the prior year you have reviewed and found sufficiently addressed this year?

Laura Lambert: That is correct.

Trustee Sung: I expected to see the decrease in expenditures for the 2019–2020 school year. I was surprised by the increase in revenue. Can you comment on what happened?

Sherrie Robinson: The increase in revenue was state revenue. I need to research which item that was; I can get that to you.

Glenn Reed: Some were pass-through amounts, net zero. Some was from the Coronavirus relief funds from the state and some was from the change in the available school fund rate which generated more available school funds than we had expected.

Trustee Cruz: Significant differences? How significant is significant – what alarm-level?

Laura Lambert: We look at it as there is something in the district's internal controls that would allow them to catch whatever it is that we found. Then we determine could it possibly have an impact on the financial statement.

Trustee Cruz: Asked Lisa McBride what is the role of the board regarding presentations to the Audit Committee. What should be done after the committee has this information?

Lisa McBride: The Audit Committee reports back to the board. The committee, along with the chief audit executive, monitor progress on the identified weaknesses with respect to this comprehensive audit, or any audit that is done. Management normally has a response, Internal Audit has recommendations, and management has adopted those recommendations. After an audit, Internal Audit periodically checks on the implementation of those recommendations and reports back to the committee and the full board. Part of your oversight is making sure of the relationship between the administration and Internal Audit on how to resolve something; what that plan is and is it being implemented.

Trustee Cruz: Did the full board receive this audit report and is it a public document?

Sherrie Robinson: Yes, they did. The auditor's opinion on this is a draft for now; after the board approves it tomorrow, we will insert the final audit opinion and it becomes a public document; we upload it to TEA and to our website.

Trustee Cruz: It is not a public document until we vote on it?

Sherrie Robinson: That is correct.

Liz Logan: Would it be helpful for the trustees to see the plan or the write-up of the material weaknesses and significant deficiencies and then every quarter to see progress to close?

Trustee Cruz: That makes sense to me.

Trustee Sung: Is there an administrative response included when this document becomes public?

Sherrie Robinson: Yes. It is in the compliance section of the audit. We are required to respond with corrective action plans.

Trustee Flynn Vilaseca: Do the corrective action plans go back to Weaver, TEA, our internal auditor who is monitoring that?

Sherrie Robinson: They are included when we submit our corrective action plan.

Trustee Sung: We could add these to our committee meetings or have a written report from Sherrie Robinson or do both.

Trustee Flynn Vilaseca: Asked Sherrie Robinson if she had a preference on how she would like to share the information.

Sherrie Robinson: Would be glad to prepare a written report for Garland Blackwell to present to the Audit Committee. A verbal report is also okay.

Trustee Flynn Vilaseca: We meet on a quarterly basis. Timeline is probably February, May, August, and November.

Trustee Flynn Vilaseca: Regarding the significant deficiency of \$3.1 million outstanding from the City of Houston. Has that money been recouped? Are we at a loss?

Laura Lambert: That is my understanding, that there is only a certain amount of money for the city.

Sherrie Robinson: That is correct and that happens every year. We bill them 100 percent of our crossing guard costs and they can only pay out a certain percentage each year to the various school districts depending on how much money they receive for that purpose.

Trustee Flynn Vilaseca: We look forward to receiving more updates on a quarterly basis in the future.

- **THE INSTITUTE OF INTERNAL AUDITORS (IIA) ASSESSMENT REPORT – PARTIALLY CONFORMS ITEMS**

Garland Blackwell: We have seven items that are in process from the assessment that was done earlier this year and we have developed a plan to handle each of those items. Our goal is to get all of them remedied by June 30, 2021, and we fully expect to be able to do that. We are in the beginning phases of working on this.

Trustee Flynn Vilaseca: There are seven things to respond to here; there is also the audit plan, the strategic plan, and several other items that you are working on. What is the impact on all the work that is happening in the department?

Garland Blackwell: We are managing our time so that we fully expect to get all those things done. We currently do not see any impediments to getting them done by June 30, 2021.

Trustee Flynn Vilaseca: Once these things get remediated, do you go back and internally monitor or does the Institute of Internal Auditors (IIA) come back and spot check on how things are going or is it done in the next five years when they come back and do a full audit?

Garland Blackwell: We will schedule the IIA to come in five years unless the board or some other authority tells us to do it sooner, but I don't expect that to happen. We are strategically planning to make sure that all the action items are taken care of by June 30. [Requested Lee Huang to share the partially conform items.]

Lee Huang: [Enumerated the Partially Perform Codes] 2010, 2030, 2050, 2060, 2110, 2240, 2340, and 2420

Trustee Flynn Vilaseca: Namely, the partially conform high-level action items are: Planning; Resource Management, Coordination and Reliance; Reporting to Senior Management and the Board; Governance; Engagement Work Programs; Engagement Supervision; and Quality of Communication.

Liz Logan: How intensive (man hours) is it going to be – little fixes or will it take significant effort?

Garland Blackwell: They are very manageable and doable within this performance period. It is a team effort.

Trustee Flynn Vilaseca: Let's keep this as a standing item, integrate it in the summary report recommendations for the upcoming year, have it worked into the calendar as part of the standing agenda items until these get resolved, and get updates as to the corrective action plan for each of the outstanding items.

- **2020 ANNUAL COMMITTEE REPORT TO THE BOARD**

Trustee Flynn Vilaseca: Between this meeting and the full board meeting in December, the Audit Committee prepares a high-level report that highlights the work and yearly accomplishments of the Audit Committee. It provides a list of the internal audits that are approved by the board and includes recommendations for the upcoming year. [She asked Mr. Blackwell to work on the Office of Internal Audit Report List and the department's accomplishments (for all of 2020); she will work on updating everything else.]

- **BOARD MEMBER TRAINING**

Trustee Flynn Vilaseca: Set to go for December 1, 2020; it is an all-day training. Committee members as well as the full board may attend.

Garland Blackwell: The training will be held on December 1 and the topic will be duties and responsibilities of audit committees. That topic was chosen because it is a refresher for existing members and new training for the new trustees on the committee. The start time has not been set, however, in the past trainings the time has been around 8:30 a.m. to 4:30 p.m. The training will be virtual.

Lisa McBride: We want to make sure that a quorum of the board can attend so we want to post, like a workshop posting. Since it is a virtual environment, we need to know, at the time of posting, if it is just going to be a committee meeting, or if it is going to be a board meeting.

Trustee Flynn Vilaseca: [She asked Vermeille Jones to reach out to board members regarding their attendance, indicating that it is OPTIONAL. They should respond by November 18, 2020.]

Trustee Flynn Vilaseca: Are there any continuing education hours for board members?

Garland Blackwell: Eight hours of continuing professional education credits will be provided to everyone who attends and a certificate to show that was awarded.

Trustee Flynn Vilaseca: Who is providing the training.

Garland Blackwell: The same gentleman who provided training last year, Robert Mainardi with Mainardi & Associates.

Trustee Flynn Vilaseca: Asked Mr. Blackwell to coordinate with Mr. Mainardi as this will probably be a public meeting with a Zoom link provided.

Lisa McBride: If a quorum of the board is not present, I would still recommend posting it as a committee meeting. The public would not be invited, but you would have a record of the meeting and can include it in your report. If he can join our Zoom link, it might be safer.

Trustee Cruz: Is it also possible to schedule this training for February or March 2021?

Garland Blackwell: Depends on his calendar; we can try to work with him.

Trustee Flynn Vilaseca: I think that would be a good idea for onboarding new members. Maybe schedule March to be safe.

- **UPDATE ON COVID-19 AUDIT**

Garland Blackwell: This is the most important audit in the audit plan; it is being done across all four audit practices. Because of its breadth, an audit firm has been engaged to serve as overall audit manager; my team members are reporting up to that firm and that firm is reporting to me. We are currently in the planning phase of the audit, which

includes making a formal announcement. The goal is to get it done this year, which ends June 30, 2021.

- **UPDATE ON 2020–2021 AUDIT PLAN**

Garland Blackwell: Should be able to complete our audit plan in all four audit practices including BDO with their IT audits that they do with Scott Gilhousen’s team.

Lee Huang: For 2020-2021, there are currently 36 audits and one placeholder for construction audits. We will have additional IT audits after we have completed the risk assessments for 2021-2022. Risk assessments will be conducted by BDO. So far, there are five construction audits in process and 10 not started; four for application programs and six not started. For Finance and Operations, there are six started and four not started. For IT, there is one in process and one not started. Striving to complete the audit plan by June 30, 2021, and may have some wrap-up in July and August.

Trustee Sung: At our last meeting, you showed us progress of the prior year’s audit plan. Are those complete now?

Lee Huang: Some are carry-forward to the 2020-2021 audits and the rest of them are in the reporting phase.

Trustee Flynn Vilaseca: Can you identify which ones are carried over?

Lee Huang: Education Programs (Teacher Appraisal Development System, Equity and Equality, and Campus Emergency Management); Financial & Operations (Facility Maintenance, E-Rate, Districtwide Activity Fund Reconciliation, Payroll for Terminated Employees, Payroll Overtime, and Accounts Payable).

John Gerwin: Construction Services: Job Order Contracts and the four Harvey schools)

Liz Logan: How many were there on the 2019–2020 plan; how many have carried over for 2020–2021?

John Gerwin: Braeburn, Kolter, Mitchell, Scarborough are in progress right now and they are follow-ups to those done in 2020.

Liz Logan: Outside of Construction Services, how many other audits rolled from 2020 to 2021?

Garland Blackwell: I believe there were three each in the other audit practices (three for Financial and Operations and three for Education Programs).

Glen Johnson: There are six audits that rolled forward from 2019–2020 for Financial and Operations.

Trustee Cruz: Is the dashboard updated with audit progress?

Lee Huang: We have a note that states that if the audit is in not-started phase, it will be carry-forward to the future audit plans when it is applicable. To specifically note each carry forward audit, we would need to enhance the Sharepoint functionality. We can include that as our enhancement plan going forward.

Trustee Cruz: It is up-to-date as far as whether it is completed or in progress?

Lee Huang: Yes.

Trustee Flynn Vilaseca: Can access to the dashboard be given to Ms. Logan?

- Garland Blackwell: We can certainly give her read-only access. We need to follow the rules as to whether that will be allowed.
- Lisa McBride: There is concern with providing access if any of the recommendations or responses delve into personnel/confidential issues or sensitive topics where legal advice is being provided (an issue of waiving attorney-client privilege).
- Liz Logan: A summary of audits and audit status; a snapshot would be okay; don't need details.
- John Gerwin: Concerned with anything related to public exposure of audit workpapers that is exempt from any open record requests. Keep audit workpapers confidential.
- Elneita Hutchins-Taylor: Agreed with Ms. McBride. Anything that might involve existing or potential litigation, personnel, or student issues we would not want to be on the portal. Must protect attorney-client privilege.

Trustee Sung: Is there a way to give access to dashboard numbers without access to click on links?

Douglas Moore: This version of the dashboard does not allow external users access. If the user has a Houston Independent School District (HISD) email address, they can be provided read-only access.

Trustee Flynn Vilaseca: For the next audit plan update, please include a percentage of progress to plan -- completion for the audits.

- **INTERNAL AUDIT STRATEGIC PLAN**

Garland Blackwell: This strategic plan was created at the request of Trustee Wanda Adams. Timeline is July 1, 2020–June 30, 2023. Focus is on five Critical Success Factors (CSF): (1) Focus on the Organization's Highest Risks, (2) Provide Timely and Impactful Reporting to Stakeholders, (3) Maintain Efficient and Efficient Audit Processes, (4) Attract and Retain Professional & Competent Audit Workforce, and (5) Sustain Quality of Internal Audit Activity.

Trustee Cruz: Do you have a timeline of benchmarks for the three-year plan?

Lee Huang: Yes, we have a suggested timeframe for each critical success factor. For example, for the CSF 3: Maintain Efficient and Efficient Audit Processes, by June 30, 2021.

Garland Blackwell/Lee Huang: We can give the full board the short version of this plan. Will send out after this meeting.

- **REVIEW INTERNAL AUDIT DEPARTMENT CHARTER**

Garland Blackwell: We have developed this draft Internal Audit Department Charter and Board Counsel Lisa McBride has reviewed it and recommended changes. Once those changes have been incorporated, the charter can be finalized.

Lisa McBride: Changes suggested in the following areas: (1) Chief audit executive reports to the full board rather than to the Audit Committee, (2) the Audit Department and the chief audit executive would comply with relevant board policies, deleted “relevant”; (3) the section on roles and responsibilities of the Audit Committee was deleted and replaced with “reference the actual charter”, (4) access to people and documents, indicated “will comply with any restrictions that are imposed by federal and state law or any court or administrative order”.

Trustee Flynn Vilaseca: To clarify, outside of the internal review of this document for the Internal Audit Department, what is required of this committee and what is required of the board?

Lisa McBride: The Audit Committee’s charter says that annually you will review the charter for the internal audit function and recommend changes to the full board. These changes could be part of your year-end report, but we probably would want this to be a separate stand-alone item because the board would need to act to accept these changes. One of the changes I made on the last page of the document was to add a signature block for the board president.

Trustee Flynn Vilaseca: This is a separate item that will be going to the full board for approval. Prepare two documents, one with all recommended changes and one that is a clean copy.

Garland Blackwell: I have reviewed Lisa McBride’s changes and I agree with each one, so we can just accept those changes. I can add my signature on the one that we give to the board or can just leave it blank.

Lisa McBride: Your signature can already be on the document to show that you approve it, but no other signatures can be on it until the board approves it.

Trustee Sung: If this is going to be a December agenda item, it would be helpful to have an introduction stating the purpose of the proposed updates and recommendations.

- **OFFICE OF INTERNAL AUDIT STAFFING UPDATE**

Garland Blackwell: Our Office of Internal Audit has two departments: Internal Audit and Ethics and Compliance. There are also two individuals who report to me, Lee Huang and Douglas Moore. The Internal Audit division is fully staffed. The Ethics and Compliance Division has three vacant positions: manager, senior internal auditor, and investigator. A candidate for the manager, Ethics & Compliance has been identified; possible start-date is in November.

Trustee Flynn Vilaseca: Concerned with the vacancies in Ethics and Compliance. We need to advocate for the resources that you need to fill these positions in a timely manner. What support do you need from the committee and what needs to be identified to the administration?

Garland Blackwell: The manager, Ethics & Compliance was an officer-level position until last year. It is important that we try to get that put back to a grade 35, where it was before. Also, CAA(LOCAL) requires the position to be an officer-level position. For the other two positions that are vacant, my preference is to wait until we get the manager or officer position filled and let that person be engaged in recruiting team members.

Trustee Flynn Vilaseca: What is the process, what have you done so far to try to get that changed?

Garland Blackwell: It was lowered last year; I don't know why specifically. I would advocate for it being put back to where it was and comply with CAA(LOCAL) because we have no stability, the grade is too low.

Lisa McBride: When I look at CAA(LOCAL), I don't necessarily see that being used in a salary/pay-grade sense in terms of the compensation manual. You have a certain process for ensuring that individuals performing certain duties are placed in certain compensation levels. I don't know if the board used the word officer under the compensation system. I recommend that there be a position review.

Garland Blackwell: We are working with the Compensation Department to have that position reviewed.

Elneita Hutchins-Taylor: The process that Lisa McBride described would be consistent with how other jobs within the district are evaluated. The title, Ethics and Compliance officer, was not necessarily related to the pay grade. For example, it is no different from saying that we have a police officer. Officer is part of the title of their job, but we don't pay them at the officer level. There are specific forms (i.e., JAQ) that you complete that describes the responsibilities, supervising duties, etc. and the

Compensation Department looks at that to determine where it falls within the organization and they sometimes look at similar jobs in the marketplace.

Silvia Trinh: Connect with the chief of Human Resources, Ms. Julia Dimmitt; she will be glad to navigate you through the process.

Trustee Cruz: What is the difference in the pay grade salaries?

Garland Blackwell: Using the mid-point levels: Grade 32: \$94,519 and Grade 35: \$125,804, a significant difference.

Trustee Vilaseca: Do you know why the position went from Grade 35 to Grade 32?

Garland Blackwell: I don't know why the position was downgraded.

Trustee Flynn Vilaseca: Keep us up to date on progress.

- **ETHICS AND COMPLIANCE UPDATE**

Garland Blackwell: Cases come in primarily through the Alert Line, they are assessed, and are then assigned (for investigation and finalizing) to departments across the district. There were 395 (241 through School Offices) cases closed August 16, 2019 – November 3, 2020. As of November 3, 2020, there are 21 open cases (13 assigned to School Offices).

Trustee Sung: Do you have anyone assigned to do investigations?

Garland Blackwell: We have one individual assigned for investigations.

Liz Logan: Is there something that you could get external help on?

Garland Blackwell: We do have some operational funds that the district provides. I use those funds to engage external firms, i.e., for the e-Rate Audit.

- **LEGISLATIVE BUDGET BOARD (LBB) EXTERNAL REVIEW MONITORING**

Trustee Flynn Vilaseca: This has not been a standing agenda item for some time. Recommends that the Audit Committee continue to monitor the implementation reports from the administration regarding LBB recommendations. Suggested creating a list of the recommendations and incorporate updates to discuss on a quarterly basis.

Trustee Cruz: Agrees to having the list as a standing item for the Audit Committee, administrative as well as the board items.

Trustee Flynn Vilaseca: All recommendations from the performance review would be listed.

Trustee Sung: How can we make sure the full board has access to this information? This seems to fit as part of our duties as the Audit Committee.

Lisa McBride: It does. The only thing that I would suggest is that maybe this be a board discussion because I know that there had been reports to the full board from the administration regarding progress on the LBB. The question would be are those duplicative efforts or how do you want to leverage that so that they are not duplicative efforts?

Trustee Sung: I think it makes sense to check with the full board. Either way, I support the idea of getting regular updates on the progress.

Silvia Trinh: In January 2020, we shared a projected timeline of the different phases for the 94 recommendations, implementation phases and updates to the full board. The next scheduled update to full board is January 14, 2021. Currently, we are on-track to have over one-half of the recommendations implemented by the end of the school year. We have completed 41 out of 94 recommendations and by the end of the school year we are expected to complete another seven by December 2020.

#### **Action Items:**

- 2020 Annual Committee Report To The Board  
Mr. Blackwell to send this year's Office of Internal Audit Report List and the department's accomplishments to Trustee Flynn Vilaseca by close of business Friday, November 13. Trustee Flynn Vilaseca to send the consolidated report to Vermeille Jones by 3:00 p.m. on Monday, November 16, 2020, for the December board meeting.
- Board Member Training  
Vermeille Jones to send an email to full board to determine attendance at the training that is scheduled for December 1, 2020; estimated time is 8:30 a.m. to 4:30 p.m. Indicate that the training is optional and request a response by Wednesday, November 18, 2020.
- Audit Department Charter  
Mr. Blackwell will prepare two documents, the original audit charter and the proposed charter with the changes made by the board counsel and the Audit Department. An agenda item will be prepared for the December meeting.

#### **ADJOURNMENT**

The meeting adjourned to closed session at 4:28 p.m.