

**MEETING OF THE
AUDIT COMMITTEE
OF THE BOARD OF TRUSTEES
HOUSTON COMMUNITY COLLEGE**

February 16, 2016

Minutes

The Audit Committee of the Board of Trustees of Houston Community College held a meeting on Tuesday, February 16, 2016, at the HCC Administration Building, Second Floor, Auditorium, 3100 Main, Houston, Texas.

MEMBERS PRESENT

Robert Glaser, *Committee Chair*
Dave Wilson, *Committee Member*
Zeph Capo, *Alternate Committee Member*
Carolyn Evans-Shabazz
John P. Hansen
Eva Loreda
Adriana Tamez

ADMINISTRATION

Cesar Maldonado, Chancellor
Melissa Gonzalez, Chief of Staff
Ashley Smith, General Counsel
Teri Zamora, Senior Vice Chancellor, Finance and Administration
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academic Officer
William Carter, Vice Chancellor, Information Technology
Butch Herod, Vice Chancellor, Innovation, Planning and Institutional Analytics
Madeline Burillo, Interim President, Southwest College
Margaret Ford Fisher, President, Northeast College
William Harmon, President, Central College
Zachary Hodges, President, Northwest College
Phillip Nicotera, President, Coleman College
Irene Porcarello, President, Southeast College

OTHERS PRESENT

Jarvis Hollingsworth, Board Counsel, Bracewell & Giuliani
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mr. Glaser, Committee Chair, called the meeting to order at 2:42 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

(The following Trustees present: Capo, Evans-Shabazz, Glaser, Hansen, Loreda, Tamez, and Wilson).

INTERNAL AUDIT QUARTERLY REPORT

Dr. Maldonado informed the Internal Auditor retired and noted he has appointed as interim, Dr. Melissa Gonzalez, Chief of Staff, to provide the Internal Audit report.

Dr. Gonzalez presented the Quarterly Internal Audit report on the following:

- Veterans Affairs, Project 15-17, completed on December 1, 2015.
- Financial Management, Project 15-11, and the IT Governance and Planning, Project 15-18, are awaiting exit meetings.
- Veterans Affairs has four recommendations of which two are completed and two are in progress:

Completed-

- Quality assurance processes on P-cards
- Plan for the utilization of awarded grant funds

In Progress-

- Develop procedures that staff's desktops be properly and periodically backed up;
 - Maintain student records in compliance with Department of Veterans Affairs and the Texas Veterans Commission.
- Business Continuity Plan, Project 14- 14 completed in April 2015 had the following recommendation:

Formalize processes for business continuity plans to function in the aftermath of a disaster. An assembly of stakeholders convened to outline the essential elements is still in progress. Risk management will review the compilation along with General Counsel.

QUARTERLY CONTROL AND COMPLIANCE ATTESTATION

Mr. Ashley Smith, General Counsel, presented a letter to provide assurance in the accuracy of the information provided by the auditors and to establish trust and accountability between the Board and the Chancellor. The effort allows for the accuracy of information presented from the Chancellor to the Board and from the Board to the public.

Mr. Smith presented the following:

An Ecosystem will be in place to include a four-step compliance plan with the following:

- 1) Rules and training;
- 2) Internal controls to include the attestation letter;
- 3) 800 Number for anonymous callers to use; and
- 4) Enforcement

Mr. Wilson stated a trust level between the Board and administration is important. He also stated the importance of trust between the Board and the community.

(Dr. Evans-Shabazz left at 2:51 pm)

UPDATE OF INTERNAL AUDIT PERSONNEL

Dr. Maldonado provided an update on the status of the internal auditor positions and the numerous resignations, and a retirement. He stated the filling of the senior auditor position is in process. The position for Director of Internal Audit will be posted and anticipates it will be filled by the May meeting.

Mr. Glaser stated the position reports to the Board and noted he looks forward to reviewing the applicants.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 2:52 p.m.

Minutes recorded, transcribed & submitted by:
Rose Sarzoza-Pena, Manager, Board Services

Minutes Approved as Submitted: April 21, 2016