

**MEETING MINUTES OF THE  
AUDIT COMMITTEE  
FORT WORTH INDEPENDENT SCHOOL DISTRICT**

The Audit Committee of the Fort Worth Independent School District held a meeting on August 17, 2010 with a quorum present. A copy of the notice of the meeting was posted in compliance with the Open Meetings Law.

**1. CALL TO ORDER**

Mr. Robbins called the meeting to order at 4:00 p.m. in Room NE229B of the Administration Building with a quorum present to elect a co-chair person for the Audit Committee. The meeting was also attended by the following individuals.

**Audit Committee Members Present**

Norman Robbins, Chair  
Christene Moss, Co-Chair  
Dr. Ann Sutherland

**Other Board Members Present**

Dr. Carlos Vasquez, Board Member

**Audit Advisory Members**

Aljon Lovelace

**Private Citizen**

Don Anderson

**Weaver & Tidwell, L.L.P**

Kerry Caves, Partner  
Jackie Gonzalez, Sr. Auditor

**District Personnel Present**

Steve Shepherd, Chief Internal Auditor  
Jannis Morgan, Sr. Internal Auditor  
Holly Kephart, Audit Administrative Associate  
Jonathan Bey, Executive Director Purchasing  
Deborah Cooper-Boone, Director Mgmt & Budget

Charles Hoffman, Assistant Superintendent  
Hank Johnson, Chief Financial Officer  
Bertha Whatley, Chief Legal Counsel  
Elsie Schiro, Controller

**2. ACTION ITEMS**

**A. Election of Co-Chairperson**

Motion was made by Mr. Robbins to elect Christene Moss as Co-Chair for the Audit Committee. Dr. Sutherland seconded the motion. The motion carried.

**B. Approve Minutes of July 20, 2010 meeting**

Mr. Robbins requested a motion to approve the July 20, 2010 meeting minutes. Ms. Moss made a motion to approve the minutes and Dr. Sutherland seconded the motion. The motion carried. Mr. Robbins signed the minutes and returned them to Steve Shepherd to be filed.

### **3. DISCUSSION ITEMS**

#### **A. External Auditors Work Plan, Q&A**

External Auditors will begin field work September 7 – October 1. Dr. Sutherland expressed concerns about changes taking place during the drafting process of the audit report. Mr. Caves indicated that any misunderstandings will be specified to the committee. The results will be discussed at the next Audit Committee meeting. Mr. Johnson will meet with the external auditors weekly for status updates on their progress to ensure that the deadlines and timelines are met. Mr. Caves is very confident that this audit will go more smoothly.

#### **B. Board Policy BDB Local**

Revisions to Board Policy BDB Local, which deals with the Audit Committee responsibilities, were discussed, including changing those responsibilities from approving to recommending approval to the Board. The policy will be brought to the Board for approval once TASB has completed their review of the changes.

#### **C. TEC 11.170**

Mr. Shepherd was asked at the last meeting to clarify TEC 11.170 regulation and its requirements.

TEC11.170 states that if a school district employs an internal auditor, the Board of trustees shall select the internal auditor; and the internal auditor shall report directly to the Board.

Board Policies DC (Legal) and BAA (Legal) restate that the internal auditor shall report directly to the Board.

#### **D. RFQ Procedures & Recommendations**

Mr. Johnson and Mr. Bey presented a scorecard to help the committee members evaluate the responses gathered from outside firms to consider doing a forensic audit. The firms were chosen based on qualifications and scope of work proposed.

RFQ submittals will be presented to the full Board and a group decision will be made whether or not to move forward with the forensic audit. If the majority decides to go forward, the Board will then decide on which firm to retain.

#### **E. Agenda Items, Date, and Time for Next Meeting**

The next BAC meeting is scheduled for **Tuesday, October 19, 2010, at 4:00 p.m.** in Room NE229B. Agenda items should include:


**Financial Reporting and Formats**  
**Grant Information**

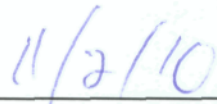
**4. COMMENTS**

Mr. Robbins made a recommendation to seek additional expertise outside of the District to join the Audit Committee meetings. He would also like meeting material distributed to potential and new members prior to each meeting. Mr. Lovelace recommended using the Executive Director of the Fort Worth Chapter of TSCPA for referrals.

Mr. Robbins adjourned the meeting at 5:45 p.m. Minutes recorded by Holly Kephart.

**Attest:**

  
\_\_\_\_\_  
Norman Robbins, Chair  
Audit Committee

  
\_\_\_\_\_  
Date