

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
AUDIT COMMITTEE MEETING
July 21, 2011

Chairman Lewis McMahan called to order the meeting of the Audit Committee of the Texas Water Development Board at 8:30 a.m. in the Stephen F. Austin Building, Room 170, Austin, Texas. The following members were present:

Lewis H. McMahan, Chairman
Joe M. Crutcher, Member
Billy Bradford, Jr., Member

The following Board members were also present:

Edward Vaughan, Chairman
Monte Cluck, Member

Board member, Thomas Weir Labatt, III, was not in attendance.

Members of the Texas Water Development Board staff attending included: Chris Adams, Renita Bankhead, Joyce Bourenane, Carolyn Brittin, Kelley Burton, Melanie Callahan, Kathy Calnan, David Carter, Shari Daffern, Wendy Foster, Dan Hardin, Samantha Heng, Ruben Hernandez, Merry Klonower, Amanda Lavin, Kathleen Ligon, Darryl Lindgens, Mireya Loewe, Ryan Long, Robert Mace, Issa McDaniel, David Meeseey, Dave Mitamura, Gilbert Mokry, Piper Montemayor, Matt Nelson, Javier Pena, Ken Petersen, Lisa Petoskey, Debbie Ramirez, Steve Rodriguez, Jim Scott, Shawn Snyder, John Steib, Rebecca Trevino, Comer Tuck, Jeff Walker, Gilbert Ward, Carleton Wilkes, Michael Wright, Leila Wurst, and Larry Zamzow.

The following individuals were present:

Crista Bromley, Director of Economic Development, City of Burnet
D. Martin Stary, K.C. Engineering, Inc.

1. CONSIDER APPROVAL OF THE MINUTES OF THE MAY 2011 MEETING.

Mr. Crutcher moved to approve the minutes as submitted. Mr. Bradford seconded the motion; it passed unanimously.

2. BRIEFING AND DISCUSSION ON THE ACTIVITIES OF INTERNAL AUDIT, INCLUDING THE STATUS OF OUTSTANDING AUDIT ISSUES AND STATUS OF OUTSIDE AUDITS. Shari Daffern, Director of Internal Audit presented this item.

No action was taken on this item.

3. BRIEFING AND DISCUSSION ON THE AUDIT OF THE AGRICULTURAL WATER CONSERVATION DEMONSTRATION INITIATIVES. Gilbert Mokry, Internal Auditor, presented this item. Comer Tuck, Director, Water Science & Conservation, also addressed the Committee.

No action was taken on this item.

4. BRIEFING AND DISCUSSION ON FISCAL YEAR 2011 THIRD QUARTER BUDGET REPORTS. Renita Bankhead, Budget Director, Finance Office, presented this item.

No action was taken on this item.

5. BRIEFING AND DISCUSSION ON FISCAL YEAR 2011 THIRD QUARTER FINANCIAL STATEMENTS. Rebecca Trevino, Director of Accounting, presented this item.

No action was taken on this item.

6. BRIEFING AND DISCUSSION ON FISCAL YEAR 2011 THIRD QUARTER FINANCIAL MONITORING. Carleton Wilkes, Team Lead in Financial Monitoring, presented this item.

No action was taken on this item.

7. BRIEFING AND DISCUSSION ON FISCAL YEAR 2011 THIRD QUARTER PERFORMANCE MEASURES. Leila Wurst, Governmental Relations, presented this item.

No action was taken on this item.

8. BRIEFING, DISCUSSION, AND POSSIBLE ACTION CONCERNING PROCESS FOR SELECTING A DIRECTOR OF INTERNAL AUDIT FOR THE TEXAS WATER DEVELOPMENT BOARD. Chris Adams, Director of Human Resources, presented this item.

No action was taken on this item.

9. THE AUDIT COMMITTEE WILL RECESS INTO EXECUTIVE SESSION TO DISCUSS THE EVALUATION AND DUTIES OF THE DIRECTOR OF INTERNAL AUDIT, PURSUANT TO GOVERNMENT CODE §551.074, AND WILL RECONVENE IN OPEN SESSION FOR ANY APPROPRIATE ACTION.

The Committee recessed into executive session beginning at 9:10 a.m. The Committee reconvened in open meeting at 9:24 a.m.

No action was taken on this item.

10. THE COMMITTEE MAY DISCUSS ITEMS FROM THE WORK SESSION OF JULY 20, 2011, OR THE FINANCE COMMITTEE AND BOARD MEETINGS OF JULY 21, 2011.

The Board did not discuss any other items.

The meeting adjourned at 9:25 a.m.

APPROVED and ordered of record this, the 19th day of October, 2011.

TEXAS WATER DEVELOPMENT BOARD
AUDIT COMMITTEE

Billy Bradford, Jr.

ATTEST:

Melanie Callahan
Interim Executive Administrator