

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
AUDIT COMMITTEE MEETING
April 19, 2012

Chairman, Lewis H. 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. Members Joe M. Crutcher and Billy R. Bradford, Jr. were in attendance.

The following Board members were also present:

Edward Vaughan, Chairman
Thomas Weir Labatt, III
Monte Cluck

Members of the Texas Water Development Board staff attending included: Chris Adams, Renita Bankhead, Joyce Bourenane, Carolyn Brittin, Kelly Burton, Melanie Callahan, David Carter, Scot Foltz, Edward Garza, Lisa Glenn, Mark Hall, Dan Hardin, Ruben Hernandez, Amanda Jenami, Sandy Kaiser, Merry Klonower, Darryl Lindgens, Ryan Long, Robert Mace, Dave Mitamura, Piper Montemayor, Brenda O'Neill, Ken Petersen, Lisa Petoskey, Samantha Pollard, Debbie Ramirez, Steve Rodriguez, John Steib, Rebecca Trevino, Comer Tuck, Jeff Walker, and Carlton Wilkes.

The following individuals were also present:

Matt Boles, RBC Capital Markets
Anne Burger, First Southwest
Nora Chavez, Stifel Nicolaus
Dale Lehman, Piper Jaffray
Rick Mendrace, BOSCO, Inc.
Dalton Smith, Bank of America
Jennie Zhao, Jefferies

1. CONSIDER APPROVAL OF THE MINUTES OF THE FEBRUARY, 2012 MEETING.

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

REPORTS

2. REPORT ON FISCAL YEAR 2012 SECOND QUARTER BUDGET REPORTS. Renita Bankhead, Director, Budget Division, addressed the Board.

This item was not posted for discussion or action by the Board.

3. REPORT ON FISCAL YEAR 2012 SECOND QUARTER FINANCIAL STATEMENTS.

This item was not posted for discussion or action by the Board.

REGULAR

4. BRIEFING AND DISCUSSION ON THE IMPLEMENTATION OF THE AUDIT IMPROVEMENT PLAN. Amanda Jenami, Director, Internal Audit, presented this item.

No action was taken on this item.

Amanda Jenami then introduced new Internal Auditor, Edward Garza, who presented the next agenda item.

5. BRIEFING AND DISCUSSION ON THE ACTIVITIES OF INTERNAL AUDIT, INCLUDING THE STATUS OF OUTSTANDING AUDIT ISSUES AND CURRENT EXTERNAL AUDITS. Edward Garza, Internal Audit, presented this item.

No action was taken on this item.

6. BRIEFING, DISCUSSION AND CONSIDER APPROVAL OF THE REVISED AUDIT PLAN FOR FISCAL YEAR 2012. Board Consent Item No. 8. Amanda Jenami, Director, Internal Audit, presented this item.

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

7. BRIEFING AND DISCUSSION ON INTERNAL AUDIT 'S MANAGEMENT CONSULTANCY PLAN FOR FISCAL YEAR 2012. Amanda Jenami, Director of Internal Audit, presented this item.

No action was taken on this item.

8. BRIEFING AND DISCUSSION ON FISCAL YEAR 2012 SECOND QUARTER FINANCIAL MONITORING. Carleton Wilkes, Financial Monitoring, presented this item.

No action was taken on this item.

9. THE COMMITTEE MAY DISCUSS ITEMS FROM THE WORK SESSION OF APRIL 18, 2012, OR THE FINANCE COMMITTEE OR THE BOARD MEETING OF APRIL 19, 2012.

The Board did not discuss any other items.

The meeting adjourned at 8:59 a.m.

APPROVED and ordered of record this, the 19th day of July, 2012.

TEXAS WATER DEVELOPMENT BOARD
AUDIT COMMITTEE

Lewis McMahan, Chairman

ATTEST:

Melanie Callahan
Executive Administrator