

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
AUDIT COMMITTEE MEETING  
April 18, 2013

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, and a quorum was present.

All other Board members were also present with the exception of Mr. Rylander.

Members of the Texas Water Development Board staff attending included: Chris Adams, Angela Ash, Joyce Bourenane, Carolyn Brittin, Kelly Burton, Melanie Callahan, David Carter, Cory Farnham, Lisa Glenn, Mark Hall, Dan Hardin, Ruben Hernandez, Clinton Hill, Amanda Jenami, Sandy Kaiser, Merry Klonower, Randy Lara, Ryan Long, Robert Mace, Dave Mitamura, Piper Montemayor, Tina Newstrom, Daniel Palacios, Ken Petersen, Samantha Pollard, Debbie Ramirez, Alexander Reichle, Ed Roush, Sunny Sadler, Robert Sahm, Clay Schultz, Phyllis Thomas, Rebecca Trevino, Comer Tuck, Jeff Walker, Carlton Wilkes, and Hyunji Yoon.

The following individuals were also present:

Danielle Bradford, Piper Jaffray  
Courtney Costello, Hutchinson Shockey Erley & Co.  
Mark Ellis, Jefferies  
Anne Burger Entrekin, First Southwest  
Jose Gaytan, Bank of Texas  
Dale Lehman, Piper Jaffray  
Tilman Naylor, Jefferies  
Keith Richard, Morgan Stanley  
Dalton Smith, Bank of America

1. CONSIDER APPROVAL OF THE MINUTES OF THE JANUARY 31, 2013 MEETING.

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

REPORTS

2. REPORT ON FISCAL YEAR 2013 SECOND QUARTER BUDGET REPORTS.

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

3. REPORT ON FISCAL YEAR 2013 SECOND QUARTER FINANCIAL STATEMENTS.

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

REGULAR

Amanda Jenami, Director, Internal Audit, introduced the interns from the University of Texas at Austin, who are working in the Internal Audit Division, and who will be assisting in the presentation of Audit Agenda Item No. 4. The interns are Hyunji Yoon, Alexander Reichle, and Cory Farnham.

4. BRIEFING AND DISCUSSION ON INTERNAL AUDIT'S REVIEW OF THE TEXAS WATER DEVELOPMENT BOARD'S PROCUREMENT AND ACCOUNTS PAYABLE PROCESSES. Robert Sahm, Internal Audit, and the interns, Hyunji Yoon, Alexander Reichle, and Cory Farnham, presented this item.

No action was taken on this item.

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

No action was taken on this item.

6. BRIEFING AND DISCUSSION ON FISCAL YEAR 2013 SECOND QUARTER FINANCIAL MONITORING. Carleton Wilkes, Financial Monitoring, presented this item.

No action was taken on this item.

7. THE COMMITTEE MAY DISCUSS ITEMS FROM THE WORK SESSION OF APRIL 17, 2013, AND THE FINANCE COMMITTEE AND BOARD MEETINGS OF APRIL 18, 2013.

No action was taken on this item.

The meeting adjourned at 8:49 a.m.

APPROVED and ordered of record this, the 18<sup>th</sup> day of July, 2013.

TEXAS WATER DEVELOPMENT BOARD  
AUDIT COMMITTEE

---

Lewis McMahan, Chairman

ATTEST:

---

Melanie Callahan  
Executive Administrator