

## AUDIT COMMITTEE MEETING November 4, 2022 — MINUTES

### **Committee Members**

#### **Present**

Kim Torres, Chair  
Maverick Crawford, III  
Mary Durham, Council Chair  
Scott McAvoy  
Robert Schier, III

### **Council Members Present**

Andrew Crim

### **Guests Present**

David Butler  
Dan Graves

### **Staff Present**

Beth Stalvey, Executive  
Director  
Kai Brewer  
Mary Rochford  
Rey Valldejuli  
Koren Vogel

### **Call To Order**

The Audit Committee of the Texas Council for Developmental Disabilities convened on Friday, November 4, 2022, at the Royal Sonesta Houston Galleria, 2222 West Loop South, Houston, TX 77027 as well as virtually using the Zoom platform. Committee Chair Kim Torres called the meeting to order at 8:33 a.m. A quorum was present.

#### **1. Introductions**

Committee members, staff and guests were introduced.

#### **2. Public Comments**

No public comments were offered to the Committee.

#### **3. Consideration of Minutes**

The minutes were reviewed, and no additions or corrections were noted.

**MOTION:** To approve the minutes of the August 5, 2022, Audit Committee meeting as presented.

**MADE BY:** Robert Schier, III

**SECOND:** Scott McAvoy

The motion **passed** unanimously. (November 2022, Meeting Materials, Tab 16)

#### **4. FY 2022 Annual Internal Audit Activities – Budget and Finance**

Dan Graves, Weaver and Tidwell, presented audit activities for FY 2022. The audit focused on the budget and planning processes of the Council. Procedures for appropriate risk coverage, compliance with state requirements, and compliance with Council policies and procedures were reviewed. The key areas that were evaluated were budget and planning processes, budget monitoring, review and adjustment, and capital expenditures. Graves reported that based on their evaluation, TCDD has procedures and controls in place to conduct effective management of its budget and planning processes.

## 5. Internal Activities Follow-Up FY 2020 – FY 2021

Graves reported that follow-up activities for FY 2020 – FY 2021 were delayed and will be included as part of the FY 2023 audit activities.

## 6. FY 2022 Annual Internal Audit Report

Graves presented the draft FY 2022 Annual Internal Audit Report. This report is due to the State Auditor's Office (SAO), the Legislative Budget Board, and the Governor's Office on November 1 but an extension was requested until Council approval. The report is in the format prescribed by the SAO and includes:

- Compliance with Texas Government Code 2102.015
- Internal Audit Plan for Fiscal Year 2022
- Consulting Services and Nonaudit Services Completed
- External Quality Assurance Review
- Internal Audit Plan for Fiscal Year 2023
- External Audit Services Procured in Fiscal Year 2022
- Reporting Suspected Fraud and Abuse

**MOTION:** To recommend Council approval of the FY 2022 Annual Internal Audit Report.

**MADE BY:** Scott McAvoy

**SECOND:** Robert Schier, III

The motion **passed** unanimously.

## 7. FY 2023 Internal Audit Plan

Audit Committee members reviewed audit activities conducted over previous years and discussed potential areas for review in 2023. Based on the number of years since previous review and significant changes to the TCDD website since that review, members recommended an audit of website maintenance in FY 2023.

**MOTION:** To recommend Council approval of the focus area of website maintenance for FY 2023 audit activities.

**MADE BY:** Scott McAvoy

**SECOND:** Robert Schier, III

The motion **passed** unanimously.

Graves noted that the addition of the FY 2023 audit activities to the Annual Internal Audit report would require an amended motion for Council approval since the content has changed.

**MOTION:** To recommend Council approval of FY 2022 Annual Internal Audit Report with the addition of FY 2023 Audit Plan on website maintenance.

**MADE BY:** Scott McAvoy

**SECOND:** Robert Schier, III

The motion **passed** unanimously.

**8. Council Policies and Procedures Regarding Internal Audit**

Committee members reviewed Council Policies and Procedures regarding internal audit activities and after consideration, determined that no changes were needed at this time.

**9. Future Agenda Items**

Members did not recommend future agenda items.

**10. Other Discussion Items**

No additional items were discussed.

**Adjourn**

Committee Chair Torres adjourned the Audit Committee at 9:03 a.m.

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Beth Stalvey, Secretary to the Council    Date