

**TEXAS ANIMAL HEALTH COMMISSION  
AUDIT SUBCOMMITTEE MEETING MINUTES  
September 10, 2013**

**Item 1: Welcome and Call to Order by Chair**

Chairman Ralph Simmons called the meeting to order at 8:00 am. All members of the Audit Sub Committee were in attendance.

**Item 2: Approval of Minutes**

A motion to APPROVE the May 21, 2013 minutes of the Audit Subcommittee was made by Commissioner Brown and seconded by Commissioner Jordan. Motion carried.

**Item 3: Follow up Audit of Program Records Management (Original report October 31, 2007)**

Follow-up on prior internal audit recommendations. Prior audit identified 2 issues:  
Finding #1 – Include and document actual E-Permit verification date in Permit Tracker System Database.  
Finding #2 – Accredited veterinarian database needs to be kept current.  
Recommendations in these areas have since been implemented in the Program Records Dept. No further audit work is deemed necessary in Program Records at this time.

**Item 4: Follow up Audit of Region 1 Office (Original report June 4, 2008)**

Follow-up on prior internal audit recommendations. Prior audit identified 2 issues:  
Finding #1 – Enhance reliability of input forms.  
Finding #2 – Enhance E-Permit verification process.  
Recommendations in these areas have since been implemented in the Region 1 Office. No further audit work is deemed necessary in Region 1 at this time.

**Item 5: Follow up Audit of Federal Funds Management Process (Original report January 8, 2009)**

Follow-up on prior internal audit recommendations. Prior audit identified 2 issues:  
Finding #1 – Lack of USDA final budget revision approval for 2007 Brucellosis Eradication Cooperative Agreement.

Finding #2 – Commission lacks written procedures/guidelines for federal funds management. Recommendations in these areas have since been implemented in the Finance Department. No further audit work is deemed necessary in the Finance Department at this time.

**Item 6: Follow up Audit of Payroll and Personnel (Original report December 23, 2009)**

Follow-up on prior internal audit recommendations. Prior audit identified 3 issues:  
Finding #1 - Improve the enforcement of the Employment Discrimination Training Program  
Finding #2 – Background investigations are not being conducted on new employees  
Finding #3 – Higher Education degrees and other licenses required as part of the qualification in job postings are not being verified.  
Recommendations in 2 of the 3 areas have since been implemented in the Human Resources Department. No further audit work is deemed necessary in these areas at this time. The remaining issue has been partially implemented and the department will continue to strive to implement recommendation fully.

**Item 7: Fiscal Year 2014 Audit Plan**

Mr. Monday Rufus prepared a risk assessment to determine the areas in the Texas Animal Health Commission that should be considered for audit. Based on that risk assessment, the following areas are recommended for audit in Fiscal Year 2014:

- Region 5 Office – Beeville
- Travel
- Budgeting
- Follow-up on prior internal audit recommendations:
  - Emergency Management Process: Policies and Procedures (April 17, 2008)

A motion to APPROVE the Fiscal Year 2014 Audit Plan was made by Commissioner Jordan and seconded by Commissioner Brown. Motion carried.

**Item 8: Public Comment**

There was no public comment.

**Item 9: Adjournment**

Commissioner Brown moved and Commissioner Jordan seconded the motion to adjourn. The motion carried. The meeting was adjourned at 8:20 am.