



# Audit Committee Meeting

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# Call Open Meeting To Order

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# Public Comments

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B R O W N S V I L L E  
P U B L I C U T I L I T I E S B O A R D

# **1. Presentation, Discussion, and Possible Recommendation to Review and Update the Audit Committee Charter**

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B R O W N S V I L L E  
P U B L I C U T I L I T I E S B O A R D

## **2. Presentation, Discussion, and Possible Recommendation to Review and Update the Internal Audit Charter**

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B R O W N S V I L L E  
P U B L I C U T I L I T I E S B O A R D

# **3. Presentation, Discussion, and Possible Recommendation to Review and Update the Fiscal Year 2024-2025 Annual Audit Plan**

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# Proposed Annual Audit Plan FY 2024-2025

- Accounting – Accounts Payable (Y)
- Accounting – Petty Cash Count (Y)
- Calpine - Hidalgo Power Plant (Y)
- Cashiers – Cash Counts (Y)
- Legal Services – Contracts (Y)
- Warehouse Annual Inventory (Y)
- Electric T&D Construction & Maintenance (H)
- General Manager (H)
- Wastewater Lift Stations (H)
- Board of Directors (M)
- Call Center (M)
- Communications & Public Relations (M)
- Compensation & Benefits (M)
- Customer & Support Services (M)
- Electric Operations (M)
- Finance (M)
- NERC Compliance - Review (M)
- Potable Water Transport Services (M)
- Purchasing (M)
- Revenue Recovery (M)
- W&WW Engineering & Capital Planning (M)
- W&WW Plant Maintenance (M)
- W&WW Sludge Management (M)
- Warehouse (M)
- Accounting & Treasury – Accounts Receivable (L)
- Accounting & Treasury – Investments (L)
- Analytical Lab (L)
- Asset Management & CIP Delivery (L)
- Cross Connection Control (L)
- Digital Information Platforms (L)
- Environmental Compliance (L)
- Facility Maintenance - Annex (L)
- Meter Services (L)
- Overtime – Companywide (L)
- Payroll (L)
- Pre-Treatment (L)
- Raw Water Supply (L)
- Training & Organizational Development (L)
- W&WW Operations (L)

**Y – Yearly**

**M – Moderate**

**H – High**

**L – Low**





## **4. Presentation and Discussion of Audit Reports With No Findings**

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# Audit Reports With No Findings

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**Opinion:** Key internal controls are satisfactory.

- a. Billing
- b. CIS Support
- c. Environmental Services
- d. Financial Services – Grants
- e. Geographic Information Systems
- f. Meter Reading
- g. Natural Gas Utility Management
- h. Operations Office
- i. Unannounced Cash Count 4<sup>th</sup> – 6<sup>th</sup>





# 5. Presentation and Discussion of Audit Reports With Findings

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# Audit Reports With Findings

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**Opinion:** Key internal controls are satisfactory and/or need improvement.

- a. Accounting & Treasury – Training & Travel (3)
- b. Collections (3)
- c. Customer Service (4)
- d. Electric Meter Shop (4)
- e. Energy Efficiency & Conservation (3)
- f. Fleet Management (13)
- g. Talent Acquisition & Staffing (2)
- h. Warehouse Annual Inventory Count (4)





B R O W N S V I L L E  
P U B L I C U T I L I T I E S B O A R D

## **6. Presentation and Discussion of Follow-up Audits – All Recommendations Implemented**

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# Follow-up Audits Implemented

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- a. Accounting & Treasury – Accounts Payable
- b. Accounting & Treasury – Accounts Receivable\*
- c. SCADA & Electrical Support Services\*
- d. Water & Wastewater Operations & Maintenance

*\*Completed after follow-up report was finalized.*



# **7. Presentation and Discussion of Follow-up Audit – Recommendations In Progress**

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# Follow-up Audits In Progress

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- a. Legal Services – Contracts
- b. Safety & Security Operations
- c. Warehouse Annual Inventory Count
- d. Water Plant I
- e. Water Plant II
- f. Water & Wastewater Operations & Construction

# Legal Services – Contracts

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**Objective:** To report status of management's responses to audit issued September 2023.

**Status:** One recommendation is implemented, and three are still in progress.

**Implemented:**

- Job Descriptions

**In Progress:**

- Procedure
- Expired Contracts
- Vendor Performance Questionnaire Forms





# Safety & Security Operations

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**Objective:** To report status of management's responses to audit issued October 2023.

**Status:** Seven recommendations are implemented, and two are still in progress.

## Implemented:

- Safety Committee Charter & Program
- Job Descriptions
- Destruction of Records
- Records Retention Process
- Inaccurate Invoice Approval
- Inventory Controls/Storage Unit
- BPUB Intranet Content

## In Progress:

- Policy, Procedures & Work Instructions
- Fire Extinguisher Process



# Warehouse Annual Inventory Count

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**Objective:** To report status of management's responses to audit issued November 2023.

**Status:** Three recommendations are implemented, and one is still in progress.

## Implemented:

- Excess Material
- Obsolete Commodities
- Records Retention

## In Progress:

- Monthly Fuel Process

# Water Plant I

**Objective:** To report status of management's responses to audit issued November 2023.

**Status:** Six recommendations are implemented, and one is still in progress.

## Implemented:

- Work Instructions
- Inaccurate Invoice Approvals
- Inventory Controls
- Contractor Job Safety Analysis Forms
- Verifications of Chlorine Dioxide Analysis
- Collection Sample Process

## In Progress:

- Records Retention Process



# Water Plant II

**Objective:** To report status of management's responses to audit issued November 2023.

**Status:** Four recommendations are implemented, and one is still in progress.

## Implemented:

- Work Instructions
- Inventory Controls
- Verifications of Chlorine Dioxide Analysis
- Collection Sample Process

## In Progress:

- Records Retention Process



# W&WW Operations & Construction

**Objective:** To report status of management's responses to audit issued July 2023.

**Status:** Eight recommendations are implemented, and one is still in progress.

## Implemented:

- Procedure & Work Instructions
- Job Descriptions
- New Draft Job Descriptions
- Non-Compliance (APPA & Safety Policy)
- Capital Assets
- Inventory Controls
- Sand & Limestone Process
- Budget Process

## In Progress:

- Contracts Administration





# Closed Meeting

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# Reconvene Open Meeting

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# Questions

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# Adjournment

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