



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes - Draft

Audit Committee

Tuesday, September 24, 2024

11:00 AM

Council Chambers

PUBLIC NOTICE

AUDIT COMMITTEE MEMBERS:

Gil Hernandez, Chair

Jim Klein

Everett Roy

Dan Suckley

A. Audit Committee Chair Gil Hernandez to call meeting to order and call the roll.

Audit Committee (AC) Chair Gil Hernandez called the meeting to order at 11:00 A.M., called roll, and verified the quorum of the Audit Committee.

AC Member Jim Klein arrived at 11:04 A.M.

B. Public Comment:

Mr. John Weber made comment about the desalination contract.

Ms. Rachel Caballero made comment about the recent 5th floor news story regarding the City Manager.

Ms. Elena Martinez made comment about the AC Meeting minutes, the 5th floor news story and the City Auditor being on Paid Leave.

C. Agenda Items:

1. [24-1526](#) Motion to approve minutes for February 28, 2024, June 18, 2024, July 12, 2024, and August 6, 2024

AC Chair Gil Hernandez mentioned the minutes were delayed.

The motion to approve was made by AC Member Jim Klein and seconded by AC Member Dan Suckley. The motion was carried by unanimous vote.

2. [24-1527](#) Motion to accept AU24 - 005 Engineering - Packery Channel and Sidewalk Restoration Talson Audit Report and Provide a Preview of Upcoming Projects

A motion was made by AC Member Dan Suckley and seconded by AC Member Jim Klein. The motion was carried by unanimous vote.

3. [24-1525](#) Motion to accept the FY2024 Weaver and Tidwell, LLP Audit Engagement Letter

A motion was made by AC Member Jim Klein and seconded by AC Member Everett Roy. The motion was carried by unanimous vote.

4. [24-1061](#) Motion to accept AU24 - 002 Emergency Management - Disaster Recovery Audit Report

A motion was made by AC Member Everett Roy and seconded by AC Member Jim Klein. The motion was carried by unanimous vote.

5. [24-1475](#) Motion to amend and approve the 2024 Revised Annual Audit Plan

A motion was made by AC Member Everett Roy and seconded by AC Member Dan Suckley. The motion was carried by unanimous vote.

6. [24-1600](#) Motion to recommend City Council conduct a 2024 Market Salary Study for all positions in the City Auditor's Office

A motion to postpone the item until additional information is received for the November Audit Committee Meeting was made by AC Member Everett Roy and seconded by AC Member Dan Suckley. The motion was carried by unanimous vote.

7. [24-1604](#) Motion and possible action to establish further direction for the City Auditor

A motion was made by AC Member Jim Klein and seconded by AC Member Dan Suckley. The motion was carried by unanimous vote.

D. Briefings:

8. [24-1605](#) City Auditor's Memo - P-Card Allegation

The City Auditor began discussing the memo stating the allegation was presented to the City Auditor's Office staff on August 6, 2024, by the Audit Committee, titled "Abuse of procurement cards and spending of city funds for meals." Mr. Holland stated that significant gaps were found in the policy that did not address best practices. Following test work, the CAO couldn't determine the allegations of abuse of procurement cards. Further review and analysis are required to decide. The City Auditor then handed over the presentation to Senior Auditor, Wendy Pullin, who performed the detailed testing.

Ms. Pullin then read the memo, addressing the field work that was completed. After the memo was read, the committee then discussed the information presented.

The final recommendation made by the City Auditor was that additional testing needs to be performed. It was also recommended the allegation become an audit and added to

the audit plan which was approved earlier in the meeting. AC Chair Gil Hernandez recommended the City Manager have a procurement card for City related purchases.

9. [24-1578](#) City Auditor's Update

The City Auditor, George Holland, began his update by informing the committee that the City Auditor's Office currently has 3 job vacancies. Mr. Holland mentioned the current Audit Services Associate would be moved into the vacant Auditor position. Mr. Holland then made mention of the CAO Continuing Professional Education (CPE) Tracking Log, stating all staff have met the CPE requirements, and updated the council that most of the CAO staff are pursuing the Certified Internal Auditor (CIA) certification. The committee was updated with the audit projects completed or in progress.

E. **Executive Session:**

1. **Executive Session pursuant to Texas Gov't Code § 551.071 and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to personnel matters and the City Auditor and Texas Gov't Code § 551.074 (personnel matters) to deliberate the duties of a public officer or employee (including the City Auditor)**

The Audit Committee went into Executive Session at 1:16 P.M and returned from Executive Session at 1:54 P.M. No action taken.

F. **Adjournment**

Audit Committee Chair Gil Hernandez adjourned the meeting at 1:55 P.M.