



**DISTRICT OF COLUMBIA
Water and Sewer Authority
Board of Directors**

Audit Committee

**Thursday, May 24, 2012
9:30 a.m.**

Meeting Minutes

COMMITTEE MEMBERS PRESENT

Bradford Seamon, Chairman
Timothy Firestine
Dawn Hawkins-Nixon

SC&H Group, LLC

Joseph Freiburger

STAFF PRESENT

Chris Carew, Chief of Staff
Randy Hayman, General Counsel
Linda R. Manley, Board Secretary

Call to Order (Item 1)

Mr. Seamon called the Audit Committee meeting to order at approximately 9:35 a.m. Mr. Seamon then turned the meeting over to Mr. Joseph Freiburger, Director, SC&H Group LLC.

Summary of Internal Audit Activity – Internal Audit Status (Item 2)

Mr. Freiburger reported that Internal Audit has performed work in seven areas since the previous committee meeting. Of these seven projects four are complete and three are currently in the fieldwork stage. He informed the committee that there are two remaining projects on the current year plan which have not been started.

Mr. Freiburger then walked through the Internal Audit update document and explained that Internal Audit is on target to complete the plan, and that projects completed and hours used to-date are slightly ahead of target.

Mr. Freiburger provided summaries of the results from the four completed projects (IT Governance, Maintenance Services, Customer Service Operations, and Accounts Payable). The Committee suggested that the Maintenance Services area may need to be reviewed again in the near future in response to the observations identified.

Lastly, Mr. Freiburger walked through the follow-up of audit observations. He explained that there were 20 new observations added from the four recently completed projects, 22 observations in which the expiration date had not yet expired and two observations in which the due date had expired. One of the expired due dates related to the hiring of an individual in the Office of The General Counsel for compliance oversight. Mr. Hayman informed the board that a candidate had been selected and that hiring negotiations were underway. The other expired item related to the acquisition of a software package for the monitoring and reporting of safety activity. Mr. Carew informed the committee that a vendor had been selected and the software should be implemented shortly.

The meeting was called into executive session at 10:30 a.m.

Hearing no other business, the meeting was adjourned at approximately 11:05 a.m.