

July 24, 2020

NOTICE OF MEETING
OF THE
AUDIT COMMITTEE
OF THE
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY

In accordance with the official practice of the Port Commission, there is attached hereto a copy of the Agenda of the meeting of the Audit Committee of the Port Commission of the Port of Houston Authority, to be held on July 29, 2020. The Audit Committee meeting will begin at 1:15 p.m., or thereafter, immediately following the adjournment of the Pension and Benefits Committee meeting. Pursuant to Governor Abbott's action of March 16, 2020 to allow virtual and telephonic open meetings to maintain government transparency, the Port Commission will meet via Webex webinar, which can be accessed as provided on the following page.

PORT OF HOUSTON AUTHORITY
of
HARRIS COUNTY, TEXAS

Erik A. Eriksson
Secretary



Please note that the Pension & Benefits Committee will be held first, starting at 1:00 pm. The Audit Committee meeting will follow immediately after.

Please note the following to help the meeting run smoothly:

- The meeting will begin at **1:00 p.m.**
- **Please dial in via phone for the audio portion** and use your attendee number to merge your phone and computer presence.
- **All participants will be muted upon entry.** Please stay muted unless speaking.
- **Please turn off your video** to help the call run more smoothly.

-- Do not delete or change any of the following text. --

When it's time, join your Webex meeting here.

Meeting number (access code): 146 073 8165

Meeting password: RbmXW2pdQ68

Tap to join from a mobile device (attendees only)

[+1-720-650-7664](tel:+1-720-650-7664),[1460738165##](tel:+1-469-210-7159) United States Toll (Denver)

[+1-469-210-7159](tel:+1-469-210-7159),[1460738165##](tel:+1-469-210-7159) United States Toll (Dallas)

Join by phone

+1-720-650-7664 United States Toll (Denver)

+1-469-210-7159 United States Toll (Dallas)

[Global call-in numbers](#)

Join from a video system or application

Dial [1460738165@porthouston.webex.com](tel:+1-469-210-7159)

You can also dial 173.243.2.68 and enter your meeting number.

Join using Microsoft Lync or Microsoft Skype for Business

Dial [1460738165.porthouston@lync.webex.com](tel:+1-469-210-7159)



Formal Public Meeting Notifications.

1. This virtual meeting is permitted by Governor Abbott's order suspending certain provisions of the Texas Open Meetings Act to minimize the impact of the coronavirus outbreak.
2. In accordance with the Port Commission's usual practice:
 - a. Members of the public may speak during the posted public comment section.
 - Please register to speak no later than an hour before the meeting by emailing to Liana Christian lchristian@porthouston.com or Erik Eriksson eriksson@porthouston.com
 - Please provide name and the organization the speaker represents, if applicable.
 - Comments are limited to three minutes.
 - b. An audio recording of the meeting is being made, as also required by the governor's order, and will be available to the public, as will written minutes after Port Commission approval.

**AGENDA
AUDIT COMMITTEE
of the
PORT COMMISSION
of the
PORT OF HOUSTON AUTHORITY**

**July 29, 2020
1:15 p.m.
111 East Loop North
Houston, TX 77029**

A. CALL TO ORDER

B. APPROVAL OF MINUTES

Audit Committee Meeting – January 28, 2020

C. GENERAL

1. Staff briefing, discussion and action regarding the Port of Houston Authority financial statements as of June 30, 2020.
2. Staff briefing, discussion and possible action regarding proposed ranking of vendors and recommendation to award a professional services contract in an amount not to exceed \$275,000 to conduct audits of the Port Authority 2020 financial statements, Retirement Plan, and Promotion and Development Fund for a three year term with options to renew for two additional one-year terms. Staff ranking of proposers – first BKD, LLP; second Deloitte & Touché LLP, and third, RSM, LLP.
 - a. Request for Commission Action/Scoring Matrix
 - b. Partner Review -BKD
 - c. Partner Review -Deloitte
 - d. Partner Review -RSM
3. Annual review of the Port of Houston Authority Investment Policy, Internal Controls for Investments and Public Funds Investment Act Compliance Checklist, for consideration and possible action regarding amendment of the Investment Policy and Internal Controls for Investments.
 - a. Investment Policy Draft
 - b. Internal Controls for Investments Draft
 - c. Public Funds Investment Act Compliance Checklist
4. Annual review of the Port of Houston Authority Travel and Business Entertainment Expense Policy, and consideration and possible action regarding amendment of the Port of Houston Authority Travel and Business Entertainment Expense Policy.
5. Audit Committee Responsibilities
 - a. Review of compliance with Audit Committee Charter; Audit Committee Calendar.
6. Annual review of Port Authority Internal Audit's compliance with:
 - a. Texas Special District Local Laws Code Chapter 5007
 - b. Texas State Government Code Chapter 2102
 - c. Internal Audit Charter

7. Annual review of Charters and Internal Audit Policies and consideration and possible action regarding amendments:
 - a. Audit Committee Charter
 - b. Internal Audit Charter
 - c. Internal Audit Policies

8. Internal Audit Reports
 - a. Audit Regulations and Standards Compliance Review 2020
 - b. Code of Ethics Compliance Review
 - c. Promotion and Development Fund Review – 4th Quarter 2019
 - d. Promotion and Development Fund Review – 1st Quarter 2020
 - e. Misconduct Reporting Executive Summary: as of June 30, 2020

(Recess Committee Open Meeting and convene Executive Session)

D. EXECUTIVE SESSION

1. Consultation with Attorneys (Section 551.071, Texas Open Meetings Act)
2. Security-Related Matters (Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act)
3. Employment and Evaluation of Public Employees (Section 551.074, Texas Open Meetings Act), including deliberations regarding Internal Audit Department staff and other public employees.

E. ADJOURN EXECUTIVE SESSION AND RECONVENE OPEN MEETING

(Announce any items from Executive Session requiring Committee action)

Next planned meeting October 27, 2020

F. ADJOURN