

**EXECUTIVE SUMMARY
ADMINISTRATION AND AUDIT COMMITTEE
BRAZOS RIVER AUTHORITY
JUNE 5, 2017**

In accordance with notice of meeting sent to each Director, copy of which is attached, together with a copy of certificates that the public meeting notice was properly posted in accordance with law, a meeting of the Administration and Audit Committee convened at 9:00 a.m., June 5, 2017, at 4600 Cobbs Drive, Waco, Texas. Attendance was as follows:

COMMITTEE MEMBERS PRESENT

Carolyn Johnson, Vice Chairman
Rusty Boles

COMMITTEE MEMBERS NOT PRESENT

Jarrod Smith
(Chairman Position Vacant)

BOARD OFFICERS PRESENT

Dave Scott, Presiding Officer
Richard Ball, Asst. Presiding Officer
LeRoy Bell, Secretary

Notice of Meeting and Announcements – Vice Chairman Carolyn Johnson called the meeting to order and noted that the meeting was properly posted in accordance with law and that each Director had a copy of the meeting agenda (copy attached as Exhibit).

Hear Comments from Members of the Public

There were no comments from the public.

1. Discussion and possible action on Recommendation Regarding Selection of Management Audit Certified Public Accounting Firm for the Five Year Management Audit by David Thompson, Chief Financial Officer.

Presentations were made by five firms.

1. ABIP, PC – presented by Janet A. Pitman and Michael Del Toro
2. Baker Tilly – presented by Aaron W. Worthman, Stacy Gill, and Caitlin Humrickhouse
3. McConnell & Jones LLP – presented by Darlene Brown and Gilbert Hopkins
4. Moss Adams LLP – presented by Mark Steranka
5. RSM US LLP – presented by Mike O'Brien, Sundeep Bablani, and Connie Collins

With a motion made by Presiding Officer Dave Scott and seconded by Director Rusty Boles, the Committee voted to recommend the following resolution to the Board for consideration.

WHEREAS, the Brazos River Authority (BRA) is required by the Texas Commission on Environmental Quality (TCEQ) in Title 30 Part 1, Chapter 292 Subchapter B, Rule §292.13 of the Texas Administration Code (Code) to undergo a Management Audit once every five years unless the river authority has an internal audit function;

WHEREAS, from FY 2003 through FY 2014, the BRA maintained an internal audit function and on October 27, 2014, the Board of Directors of the BRA passed a resolution removing the internal audit position and reverting back to the five-year Management Audit cycle;

WHEREAS, the audit cycle contemplates that the BRA complete the Management Audit on or before December 31, 2017;

WHEREAS, the BRA staff issued a request for proposal to certified public accounting firms for performance of the Management Audit and five responses were received;

WHEREAS, the Administration and Audit Committee reviewed the qualifications and conducted interviews of the responding firms; and

WHEREAS, the Administration and Audit Committee has determined the top two proposing firms, according to their demonstrated competence and qualifications to perform the mandated audit, and ranked them in the following order:

1. RSM US LLP
2. ABIP, PC

NOW THEREFORE, BE IT RESOLVED, that the Administration and Audit Committee hereby recommends that the Board of Directors of the BRA authorize the General Manager/CEO to negotiate and execute a contract in the best interest of the BRA with RSM US LLP. In the event staff is unable to successfully negotiate a contract with RSM US LLP, the Board of Directors authorizes staff to negotiate a contract with ABIP, PC.

Vote was as follows:

Vice Chair, Carolyn Johnson	yes	Presiding Officer Scott	yes
Director Rusty Boles	yes	Asst. Presiding Officer Ball	yes
		Secretary LeRoy Bell	yes
MOTION CARRIED AND WILL BE PRESENTED TO THE BOARD FOR CONSIDERATION			

2. **Adjournment** – There being no further business before the Committee, Vice Chairman Carolyn Johnson adjourned the meeting at 2:08 p.m.



Brazos River Authority

RESOLUTION OF THE ADMINISTRATION AND AUDIT COMMITTEE OF THE BRAZOS RIVER AUTHORITY JUNE 5, 2017

Agenda Item No. 1

Recommendation Regarding Selection of Management Audit Certified Public Accounting Firm for the Five Year Management Audit

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WHEREAS, the audit cycle contemplates that the BRA complete the Management Audit on or before December 31, 2017;

WHEREAS, the BRA staff issued a request for proposal to certified public accounting firms for performance of the Management Audit and five responses were received;


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The aforementioned resolution was approved by the Administration and Audit Committee of the Brazos River Authority on June 5, 2017, to certify which witness my hand and seal.

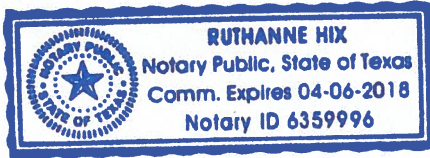


Carolyn Johnson
Vice Chair
Administration and Audit Committee

SUBSCRIBED AND SWORN TO BEFORE ME on this the 5th day of June, 2017, to certify which witness my hand and official seal.



Notary Public in and for the
State of Texas



This is to certify that the Notice of a Meeting, a copy of which is attached hereto, was posted on the official bulletin board at the Courthouse as required by Article 62.52-17 V. T. C. S.

Executed on June 1ST 20 17

J. A. "Andy" Harwell, County Clerk
McLennan County, Texas

By *[Signature]*
Deputy

**ADMINISTRATION AND AUDIT COMMITTEE
BOARD OF DIRECTORS
BRAZOS RIVER AUTHORITY
JUNE 5, 2017**

Notice is hereby given that the Administration and Audit Committee of the Board of Directors of Brazos River Authority will meet at 9:00 a.m. on June 5, 2017, at 4600 Cobbs Drive, Waco, Texas. (A quorum of the Board of Directors of the Brazos River Authority may be present, however this is a committee meeting, not a Board meeting, and only committee members are allowed to take action on matters discussed. Any matters acted on must subsequently be approved by the full Board at the next scheduled Board meeting.)

INTRODUCTION

- Call meeting to order
- Notice of meeting
- Attendance and announcements
- Hear comments from members of the public

REGULAR AGENDA

1. Discussion and possible action on Recommendation Regarding Selection of Management Audit Certified Public Accounting Firm for the Five Year Management Audit
2. Adjourn