

Houston Forensic Science LGC, Inc.

MEETING OF THE BOARD OF DIRECTORS
MINUTES

September 13, 2013

The undersigned, being the duly appointed Acting Recording Secretary of the Houston Forensic Science LGC, Inc., (the "Corporation"), hereby certifies that the following are true and correct minutes of the September 13, 2013, meeting of the Board of Directors (the "Board"), of the Corporation.

- A. In a manner permitted by the Corporation's Bylaws, the meeting was called by providing all Directors with notice of the date, time, place and purposes of the meeting more than three days before the date of the meeting.
- B. In accordance with Chapter 551, Texas Government Code, which Chapter is made applicable to the Corporation by Section 431.004, Texas Transportation Code, a notice of the meeting was duly filed on September 9, 2013 in the same manner and location as required by law of the City of Houston, Texas (the "City").
- C. The meeting was called to order by Scott Hochberg, Chairman of the Board, at 9:00 a.m. on Wednesday, September 13, in the Council Annex Chambers, 900 Bagby St. Public Level), Houston, Texas 77002.
- D. Chairman Hochberg appointed Ms. Carolyn Lacye as Acting Secretary for purposes of the meeting.
- E. Ms. Lacye called the roll. The following Directors were present: Scott Hochberg, Nicole Casarez, Enrique Barrera, Hiram A. Contreras, William Blackmon, Sandra Thompson, Catherine Lamboley and Tom P. Allen (ex-officio).

Mr. Hochberg announced that a quorum of the Directors was present.

- F. Mr. Hochberg noted that a draft of the minutes of the August 14, 2013 meeting had been distributed to the Board. A motion was made by Mr. Blackman, seconded by Dr. Barrera to approve the minutes. The motion passed unanimously.
- G. Mr. Hochberg asked if any members of the public were present who would like to address the Board. Mr. Hochberg then noted that no one had asked to address the Board, and the meeting continued.

- H. Mr. Hochberg recognized Dr. Garner to present the President's report. Dr. Garner noted a transition team with representatives from the HPD is being formed. He is currently seeking a recruiting firm to identify candidates for the CFO and HR Director positions. Directors will have an opportunity to provide input when the candidate list is narrowed down. If all goes well with the background check he will have an administrative assistant on board soon. Space has been identified on the 20th floor of the HPD building and new locks are being installed and furniture is being ordered.
- I. Mr. Hochberg called for discussion of the vacant Board positions and vacant Vice Chair position. After a discussion, Mr. Hochberg made a motion to appoint Ms. Casarez as Vice Chair. The motion passed unanimously.
- J. Mr. Hochberg recognized Dr. Barrera for a report on the Technical Advisory Group. Dr. Barrera reported they are continuing the search for representatives to serve on the TAG. Recommendations will be presented to the Board at the next meeting. No action was taken.
- K. Mr. Hochberg called for discussion of the current financial report. The report from Doeren Mayhew was distributed. No action was taken.
- L. Mr. Hochberg called for a discussion of the proposed financial controls for the Corporation. He reported the City's Finance Department requested the Board provide written financial control procedures. The draft procedures were presented. Following discussion a motion was made by Mr. Hochberg and seconded by Mr. Blackman to accept the Financial Control Procedures and present them to the City's Finance Dept. for approval. The motion passed unanimously.
- M. Mr. Hochberg called for a discussion of the FY13 audit requirements. Doeren Mayhew has advised that due to the small amount of financial activity, it is likely that the only audit procedure required by the City's auditor, Deloitte and Touche, will be a confirmation of the Corporation's ending cash balance. Mr. Hochberg will report to the Board when he has more specific information from Deloitte and Touche.
- N. There being no other business, the meeting was adjourned at approximately 10:08 a.m.

Houston Forensic Science LGC, Inc.

By:



Acting Secretary

HOUSTON FORENSIC SCIENCE LGC, INC.

Financial Control Procedures

The Houston Forensic Science LGC, Inc. will operate in a prudent manner to assure appropriate control of expenditures. The following procedures, at a minimum, shall be followed for the authorization of payments:

- 1.) All expenditures shall be made by check or electronic transfer (including wire transfer). No cash or debit card expenditures or withdrawals are authorized.
- 2.) All checks and all authorizations for electronic transfer shall be signed by at least one Account Signer as specified in the Banking Resolution adopted by the Board. Checks and authorizations for electronic transfer of more than \$20,000 shall be signed by two Account Signers, of which at least one shall be a Board member.
- 3.) As required by the Banking Resolution, any check or authorization for electronic transfer where the payee is an Account Signer shall be signed by at least one Account Signer who is not a payee. Where two signatures are required, one may be the payee.
- 4.) No expenditures shall be made that are not in accordance with the budget adopted by the Board, which may from time to time be amended by the Board.
- 5.) All checks and authorizations for electronic transfer shall be initiated by the President, Chairman or Vice-Chairman, and shall be prepared by the Treasurer or an assistant reporting to the Treasurer. If the Treasurer position is vacant, preparation shall be by the Chairman or Vice-Chairman. All invoices are approved for payment prior to initiating the payment and such documentation accompanies the check when presented for signature.
- 6.) Monthly bank statements will be reviewed and verified by the Treasurer. If the Treasurer position is vacant, this shall be done by the Chairman. Bank statements shall also be reviewed and reconciled monthly by the CPA firm providing financial accounting services to the Corporation.
- 7.) Signed records of authorization for electronic transfer shall be maintained by the Corporation in similar manner to records for payments made by check.

8.) No advance payments or prepayments shall be made except as authorized in contracts which have been approved by the Board before any such payment is authorized.

Adopted by the Board 9/13/13