

HOUSTON FIRST CORPORATION
MINUTES OF THE
AUDIT AND FINANCE COMMITTEE

November 8, 2013

The Audit and Finance Committee of the Houston First Corporation (the "Corporation"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to TEX.TRANSF.CODE ANN. §431.101 et seq. and TEX. LOC. GOV'T. CODE ANN §394.001 et seq., held a committee meeting in the 1st Floor Conference Room, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Friday, November 8, 2013 commencing at 3:00 P.M. Written notice of the meeting including the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: Katy Caldwell, David Arpin, C.C. Conner, Desrye Morgan and Dawn Ullrich.

Chairperson Caldwell called the meeting to order at approximately 3:50 P.M. and a quorum was established.

1. Public Comments. None
2. Review and Approval of Minutes from Prior Meeting. After a motion duly seconded, the minutes from the May 23, 2013 meeting were approved. (Dawn Ullrich abstained)
3. Consideration of, and possible recommendation with regard to, the approval of Houston First Corporation updated 2013 and proposed 2014 Budget. Katy Caldwell asked if the committee was ready to accept and recommend the presented budget to the Board on November 18, 2013. After a motion duly seconded, the Committee agreed to recommend the updated 2013 and proposed 2014 Budget to the Board of Directors.
4. Consideration of, and possible recommendation on, HFC's Investment Policy. Peter McStravick explained that each year the Investment Policy needs to be reviewed and

accepted for the upcoming year. He advised the committee that there were no changes to the current policy for the upcoming year. After a motion duly seconded, the Committee agreed to recommend the current Investment Policy, without any changes, to the Board of Directors for acceptance.

5. Consideration of, and possible action on, an Audit Services Provider. Brenda Bazan advised the committee that the Corporation had issued an RFQ for outside auditing services and had received responses from twelve firms. After reviewing proposals the selection committee agreed to recommend that Deloitte remain as the outside Audit Services Provider for the Corporation. After a motion duly seconded, the Committee agreed to recommend Deloitte as the outside Audit Service Provider for the Corporation.
6. Revolving Door Clause. Lisa Hargrove presented the committee with the 'Covenant Not to Hire' clause that is now being included in all contracts.
7. Quarterly Investment Report. Peter McStravick advised that the report will be provided to each member.
8. Dawn Ullrich announced the November 18th upcoming board meeting of Houston First Foundation at 11:30 A.M., followed by the Houston First Corporation meeting at 12:00 P.M.

After motion duly seconded, the meeting was adjourned at approximately 4:18 P.M.



Dolores Kerr, Secretary