8:30 a.m. – MEETING CALLED TO ORDER

Welcome & Introductions:
- Chance Watson, SAIAF Chair, welcomed attendees

State Auditor's Office - Audrey O'Neill
- Per Senate Bill 65, the SAO is required to assign ratings to the contracting function of the 25 largest state agencies as determined by the LBB.
- The list of the 25 largest agencies (including Higher Ed) is posted on the SAO’s website. Agencies on the list should have already received a letter from the SAO.
- Agencies should include a section on contracting work performed in their Internal Audit Annual Report.
- The SAO will review agency information over the next year. The SAO must assign ratings by July 1 and state which areas require monitoring.
- Ratings will indicate whether additional, standard, or reduced monitoring of contracts is warranted. The SAO is developing a methodology on which rating to assign.
- The SAO compares the annual reports to the audits they receive from agencies during the year. If anything requires additional information they will call agencies.
- Contact Matt Owens or Audrey O'Neill with any questions.

Peer Review Committee - Craig Otto, TxDOT
- The Peer Review Committee is making updates to the Peer Review Manual to incorporate Yellow Book changes.
- If anyone would like to help the committee with administrative tasks or updates, notify Craig.
- The committee would like to hold Peer Review training in November/December.
- A discussion was held regarding points balances. Some agencies have significant negative balances. A proposal was made to eliminate the negative balances when a new CAE starts at an agency. In addition, a proposed listing of other ways to earn points was presented. This will be discussed and put to a vote in an upcoming SAIAF meeting.

Presentation: The Future of Work and Workforce Agility
Laura Hume, Executive Director, People Advisory Services, Ernst & Young LLP
- Organizations have issues with attracting, retaining, and developing people and keeping morale high.
- Organizations should look at aligning organizational and workforce capabilities to execute the organization's strategy.
- Learning, leadership and the workforce drives how to get the best people performing in each role.
- **Megatrends:**  
  - Advances in technology and data  
  - New workplace - how office is structured, tech needs  
  - New workforce - how to blend across the workforce  
  - New operating models and organizing yourself for the work  
  - Purpose matters - employees want to make a difference  
  - Work-life integration  
  - Office space reimagined  
  - Teams over individuals - how do teams work together?  
- Automation will redraw the shape of organizations based on function or sector impact.  
- Agile work environments require new approaches to talent.

**Minutes from May 17, 2019 meeting for approval:**  
- No changes offered by attendees  
- Vote by Acclamation = unanimous AYE, zero NAY, zero ABSTAIN  
- RESULT = ACCEPTED

**Committee Updates**

**State Auditor’s Office - Jo Dale Guzman**  
- Fiscal Year 2020 classes are posted on the SAO's website. Writing classes and IT classes are part of the available classes.  
- The annual conference will be held on August 5 & 6, 2020 at the Pickle Center. The cost will be in the $249 - $329 range.  
- The Classification team has been asked to provide training in the past. They will be working with agency Human Resources staff and hope to provide some training in the Spring.  
- Yellow Book revisions have narrowed the type of training that can be considered governmental. If you attend a class not classified as governmental and the instructor does focus on governmental issues during most of the class, let Jo Dale know and the class can possibly be reclassified as governmental.  
- DIR is offering free training to state agencies through Access University.  
- The next Texas Fiscal Officers Academy is coming up. All auditors are invited and a potential candidate must be nominated by their agency. Thirty participants will be selected.

**IT Committee - Zoi Kondis**  
- If anyone is interested in serving on the IT Committee, let Zoi know.  
- Zoi discussed the IT survey results.

**SACC - Chance Watson**  
- No updates. The next SACC meeting will be in November.

**Open Comments**  
- Chance Watson would like to have an internal audit booth at job fairs.  
- The next SAIAF meeting will be November 15 in the Winters Building.

10:10 a.m. – MEETING ADJOURNED