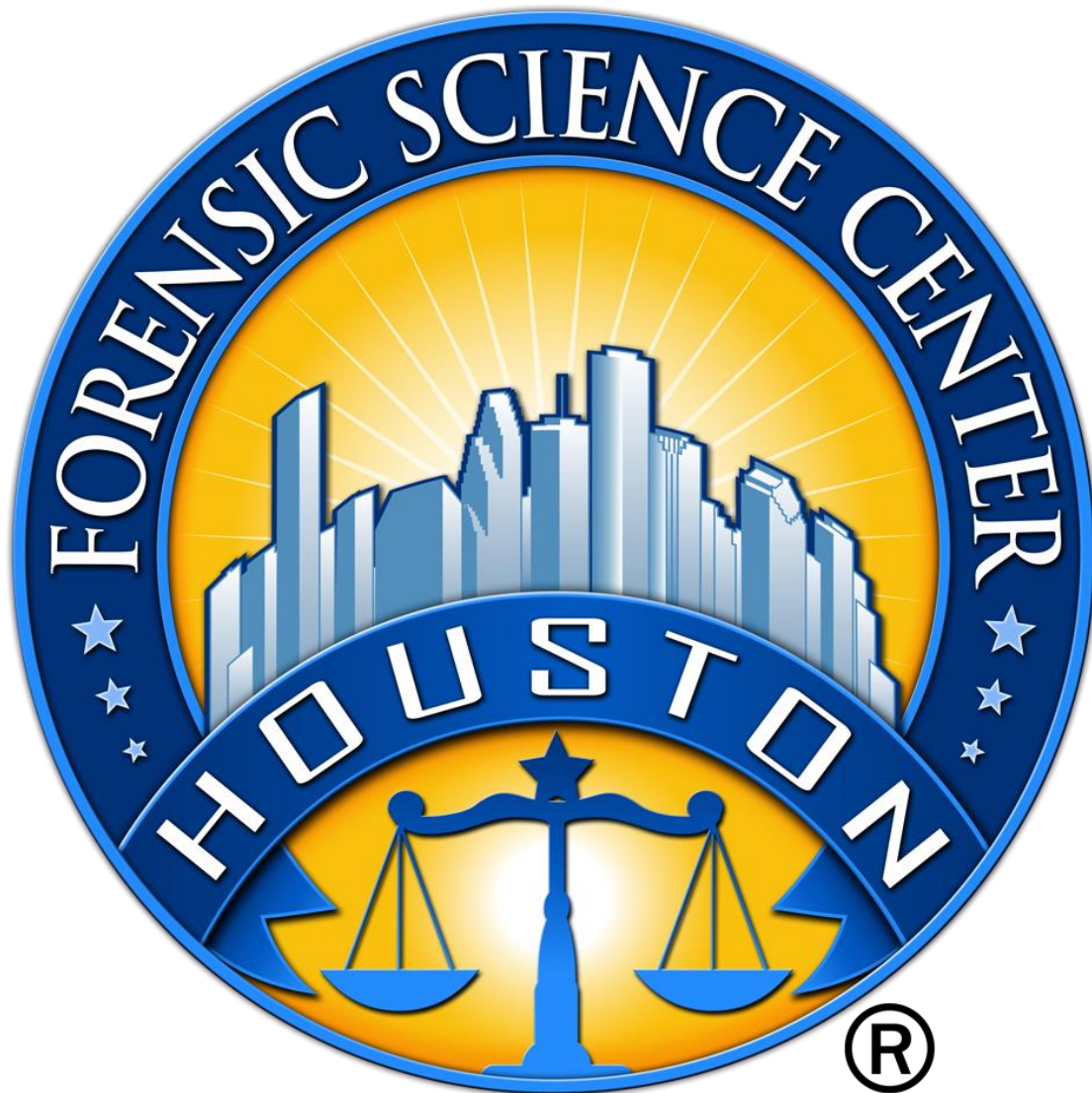


Houston Forensic Science Center, Inc.

Board of Directors Meeting

October 13, 2017



HOUSTON FORENSIC SCIENCE CENTER, INC.

**NOTICE OF PUBLIC MEETING**  
**October 13, 2017**

Notice is hereby given that beginning at 9:00 a.m. on the date set out above, the Board of Directors (the "Board") of the Houston Forensic Science Center, Inc. (the "Corporation") will meet in the Council Annex Chambers, 900 Bagby St. (Public Level), Houston, Texas 77002. The items listed below may be taken out of order at the discretion of the Chair and any items listed for closed session may be discussed and/or approved in open session and vice versa as permitted by law.

**AGENDA**

1. Call to Order.
2. Roll call; confirmation of presence of quorum.
3. Discussion and approval of the appointment of the Secretary and any other related action.
4. Reading of draft Minutes of previous meetings (August 11, 2017); consideration of proposed corrections, if any; approval of Minutes.
5. Public Comment.
6. Chair's Report.
7. Report from President and CEO.
8. Discussion and update on LIMS progress from Director of Information Strategy.
9. Discussion of operations report from Vice President and COO.
10. Treasurer's Report.
11. Discussion and approval of proposed investment policy from Chief Financial Officer and resolution approving and authorizing execution of a participation agreement and trust instrument for participation in a public funds investment pool, designating the board of directors of the pool as an agency and instrumentality to supervise the pool, approving investment policies of the pool, appointing authorized representatives and designating investment officers and any other related action.
12. Report from Ms. Lori Wilson regarding quality assurance.

13. Discussion and authorization for the President and CEO to approve costs up to a total of \$300,000 on the contract with Catapult for implementation of LIMS program and any other related action.

14. Executive session for consultation with attorney and deliberation regarding real property.

15. Reconvene in Open Meeting.

16. Adjournment.

–NOTICE REGARDING SPECIAL NEEDS –

Persons requiring accommodations for special needs may contact the HFSC at 713-929-6760 to arrange for assistance.

–NOTICE REGARDING PUBLIC COMMENT –

Members of the public may address the Board during the "Public Comment" segment of the meeting. Each speaker should limit his or her comments to three minutes. The Chairman may limit both the number of speakers and the time allotted for each speaker. A speaker may address any subject relevant to the purpose of the Corporation; however, under Texas law the Board may not respond to or otherwise discuss a subject not listed on the Agenda set out above. (Exception: The Board may discuss a proposal to place a subject on the agenda for a future meeting.) A speaker who plans to submit a document for the Board's consideration should provide at least ten copies of the document, each marked with the speaker's name.

– NOTICE REGARDING CLOSED MEETINGS –

As authorized by Texas Government Code Chapter 551.001 (the "Open Meetings Act"), if, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any items included in this Notice, then such closed or executive meeting or session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this Notice or as soon after the commencement of the meeting covered by the Notice as the Board may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Section 551.071-551.089, inclusive, of the Open Meetings Act, including, but not limited to:

Section 551.071 - Consultation with Attorney

Section 551.072 - Deliberation Regarding Real Property

Section 551.073 - Deliberation Regarding Prospective Gift

Section 551.074 - Personnel Matters

Section 551.076 - Deliberation Regarding Security Devices

Section 551.084 - Exclusion of Witness

Section 551.087 - Economic Development Negotiations

The presiding officer shall announce that the Board will convene in a closed meeting; that is, in "a meeting to which the public does not have access," sometimes known as an

"executive session." The presiding officer's announcement will identify the provision(s) of the Open Meetings Act permitted by Section 551.071-551.089 under which the closed meeting will be held. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- A. The open meeting covered by this Notice upon the reconvening of the public meeting, or
- B. At a subsequent public meeting of the Board upon notice thereof, as the Board shall determine.

**Certification of Posting of Notice of the Board of Directors ("the Board) of the  
Houston Forensic Science Center, Inc. (the "Corporation)**

I, Jordan Benton, Coordinator of Board Relations and Executive Administration, do hereby certify that a notice of this meeting was posted on Tuesday, the 10th day of October, 2017 in a place convenient to the public in the Council Annex Chambers, 900 Bagby Street. (Public Level), Houston, Texas 77002, and on the HFSC website as required by Section 551.002 et seq., Texas Government Code.

Given under my hand this the 10th day of October 2017.

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Jordan Benton

Houston Forensic Science Center, Inc.

MEETING OF BOARD OF DIRECTORS

MINUTES

August 11, 2017

The undersigned, being the duly appointed Acting Secretary of the Houston Forensic Science Center, Inc., (the "Corporation"), hereby certifies the following are true and correct minutes of the August 11, 2017 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 August 8, 2017, 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 Nicole B. Cásarez, chairwoman of the Board, at approximately 9:03 a.m. on Friday, August 11, 2017, in the Council Annex Chambers, 900 Bagby St. (Public Level), Houston, Texas 77002.
- D. Ms. Jordan Benton called the roll. The following directors were present: Nicole B. Cásarez, Anthony Graves, Francisco G. Medina, Janet Blancett, Dr. Robert "Bob" H. McPherson, Chief Mary Lentschke.

The following Directors were absent: David M. Feldman, Dr. Stacey A. Mitchell, Sandra Guerra Thompson and Tom P. Allen (ex-officio).

Chairwoman Cásarez announced that a quorum of the Directors was present.

- E. Chairwoman Cásarez moved to appoint and nominated Jordan Benton as acting secretary of the Board and Dr. McPherson seconded the motion. The motion passed unanimously and Ms. Benton was appointed acting secretary of the Board.
- F. Chairwoman Cásarez noted a draft of the minutes of the Corporation's meeting on July 14, 2017 had been distributed to the Board. Dr. McPherson made a motion to approve the minutes of the July 14, 2017 meeting. Ms. Blancett seconded the motion. The motion passed unanimously, and the board adopted the minutes of the July 14, 2017 meeting.
- G. Chairwoman Cásarez asked if any members of the public wished to address the board. She noted no one asked to address the Board and the meeting continued.

- H. Chairwoman Cásarez provided a chair's report. Chairwoman Cásarez reminded board members to submit their signed, notarized Oath of Office forms and to confirm whether they prefer an electronic or hard copy of the board packet. She noted that in conjunction with National Forensic Science Week the Houston Forensic Science Center would host a Crime Scene House Open House on September 16, a private screening of "I Am Evidence" on September 21 and its annual symposium on September 22. She informed board members that State Rep. Donna Howard and former State Sen. Wendy Davis would participate in panel discussions following the film screening and at the symposium. Chairwoman Cásarez stated that in August, Gerald Doyle, head of the DA's Conviction Integrity Unit, toured HFSC with three staff members.
- I. Dr. Peter Stout, president and CEO, provided the monthly operations report, in which he reviewed the average total TAT across all sections in July 2017, as well as backlogged requests, average process TAT and wait gap since HFSC's beginning. He reported the backlog in forensic biology had decreased and that progress had also been made in the latent print backlog. Dr. Stout noted requests received for the month had been relatively low, probably because July is the last month of the fiscal year. Dr. Stout presented a dashboard meant to complement the new LIMS. He explained the new visualization tool would enable management to process data more efficiently. Dr. Stout said Councilmembers Jerry Davis and Greg Travis had toured HFSC. Dr. Stout mentioned media coverage of HFSC's CSI Academy and of HFSC's Firearms Section. Dr. Stout informed board members he met Rep. Howard in Austin to update her on the status of sexual assault kit (SAK) tracking. While in Austin, he also met with several Austin City Councilmembers and state legislative staffers. Dr. Stout said several HFSC staff members were attending and participating in the International Association of Identification conference. Dr. Stout reported that HFSC's director of corporate security, Mr. Domingo Villarreal, had been elected to the IAI's board of directors. He also acknowledged that Ms. Angelica Noyola, forensic analyst, had been appointed by the Southwestern Association of Forensic Science as a representative to the American Board of Criminalistics. Dr. Stout commended HFSC staff members Mr. Jeffrey Frye and Ms. Brooke Mendenhall for becoming certified as property evidence specialists. Dr. Stout thanked the Houston Police Department for its continued cooperation and acknowledged Mr. Brian Sedberry and Mr. Martin Lopez of HPD for their assistance with the implementation of HFSC's new LIMS. Dr. Stout noted HFSC has 193 staff, 13 of whom are COH personnel. He explained that HFSC has some open positions and a few new hires coming on board, and thanked HFSC's human resources group for its work. Dr. Stout provided an update on the activities and casework, including score cards, for all HFSC forensic sections. Dr. Stout commended CSU supervisors, Ms. Carina Haynes and Ms. Alison Hutchens, for the work they did with the CSI Academy. Chairwoman Cásarez also thanked Director Graves for speaking at the academy.
- J. Mr. Leach, HFSC's treasurer and CFO, provided a Treasurer's report. Mr. Leach noted HFSC had received a total of \$18.7 million from the City of Houston on August 4, 2017. Mr. Leach said HFSC was currently undergoing its annual financial audit and the material would be presented at the next board meeting. Mr. Leach thanked HFSC Controller Steven Case and the finance division for their work on the audit.
- K. Ms. Lori Wilson, quality director, provided an update for July 2017. Ms. Wilson reviewed testimony monitoring, transcript review, proficiency testing, incidents and corrective actions. Ms. Wilson reported the Quality Division was creating an additional method to monitor testimony, which will involve trial transcript review. This method is intended to supplement

the current in-person testimony monitoring, not to replace it. Ms. Wilson said she would share additional details at future meetings. Ms. Wilson reported on an HFSC self-disclosure to the Texas Forensic Science Commission. Ms. Wilson stated the Audio/Video Unit was undergoing its annual audit. In July, an audit was conducted of the Latent Print Section. Ms. Wilson said HFSC was also gathering data to provide to the accrediting body, ANAB, for its remote audit.

- L. CEO and President Dr. Peter Stout asked the Board to grant him authority to execute a contract with Fibernet Direct Texas LLC to implement network services in connection with HFSC's new LIMS. The four-year contract will cost \$415,000 in total; however, it can be terminated after one year. Dr. McPherson moved to approve the contract. Mr. Medina seconded the motion. The motion passed unanimously.
- M. Chairwoman Cásarez made a motion to appoint HFSC's Chief Operations Officer, Dr. Amy Castillo, vice president of the corporation. Ms. Lentschke seconded the motion. The motion passed unanimously.
- N. Pursuant to Section 551.071, consultations with attorney, Section 551.074, personnel matters, and Section 551.072, deliberation regarding real property of the Texas Government Code, the Board went into executive session at approximately 10:36 a.m. HFSC's general counsel, Ms. Renee Byas, Dr. Stout, Dr. Castillo and Mr. Evans, were present with board members during the executive session.
- O. The executive session concluded at approximately 11:19 a.m., and the meeting reconvened in open session. No action was taken by the Board with respect to the executive session.
- P. There being no other business, the meeting was ADJOURNED at 11:19 a.m.

By: \_\_\_\_\_

Jordan Benton

Acting Secretary

# President's report

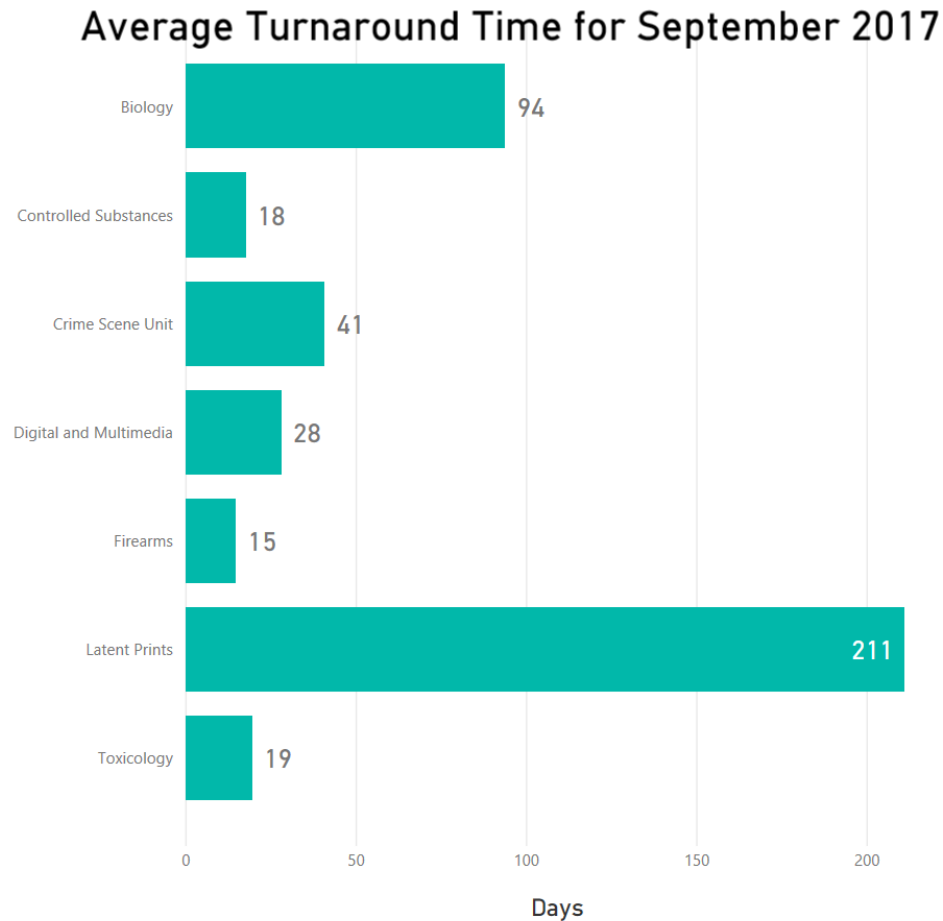
October 13, 2017



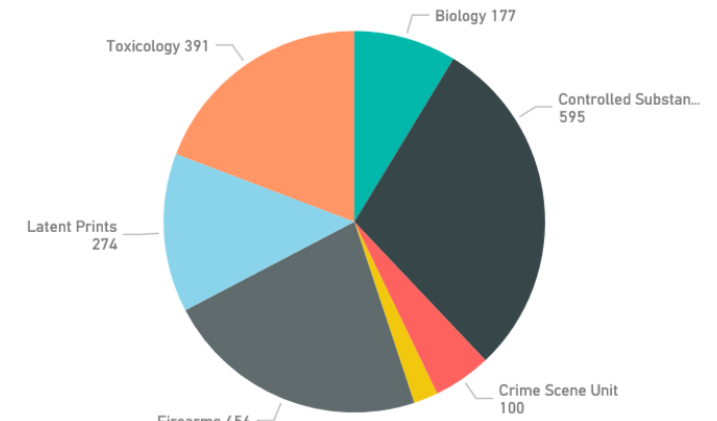


# HFSC at a glance:

- Sept 30: Backlogs >30 days
  - Latents: 2,711
  - Biology: 736
    - SAK >30 day = 77
    - SAK >30, <60 = 59
    - ALL in progress



**Requests Completed by Section**



Turnaround Time - Days  
**51**

Completed Requests  
**2035**

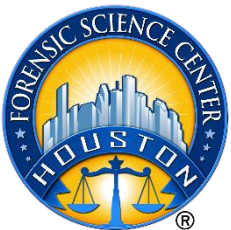
Month Completed

- 01-January
- 02-February
- 03-March
- 04-April
- 05-May
- 06-June
- 07-July
- 08-August
- 09-September
- 10-October

Year Completed

- 2014
- 2015
- 2016
- 2017

This data is current as of 10/6/2017.



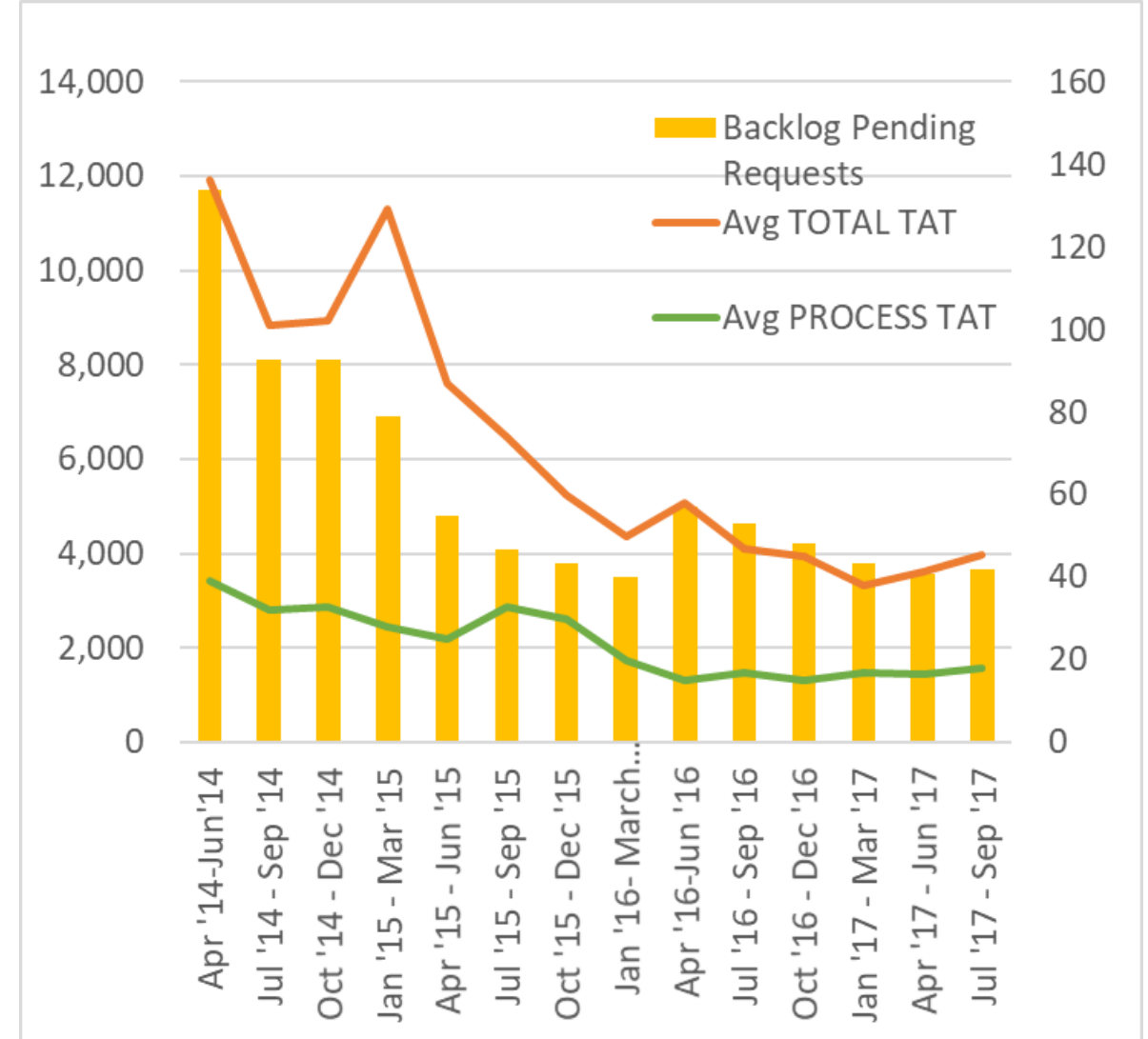
# From the start of HFSC

↓ 67% in Avg TOTAL turnaround time

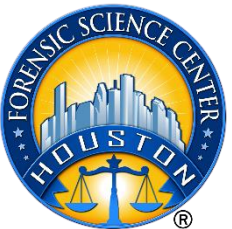
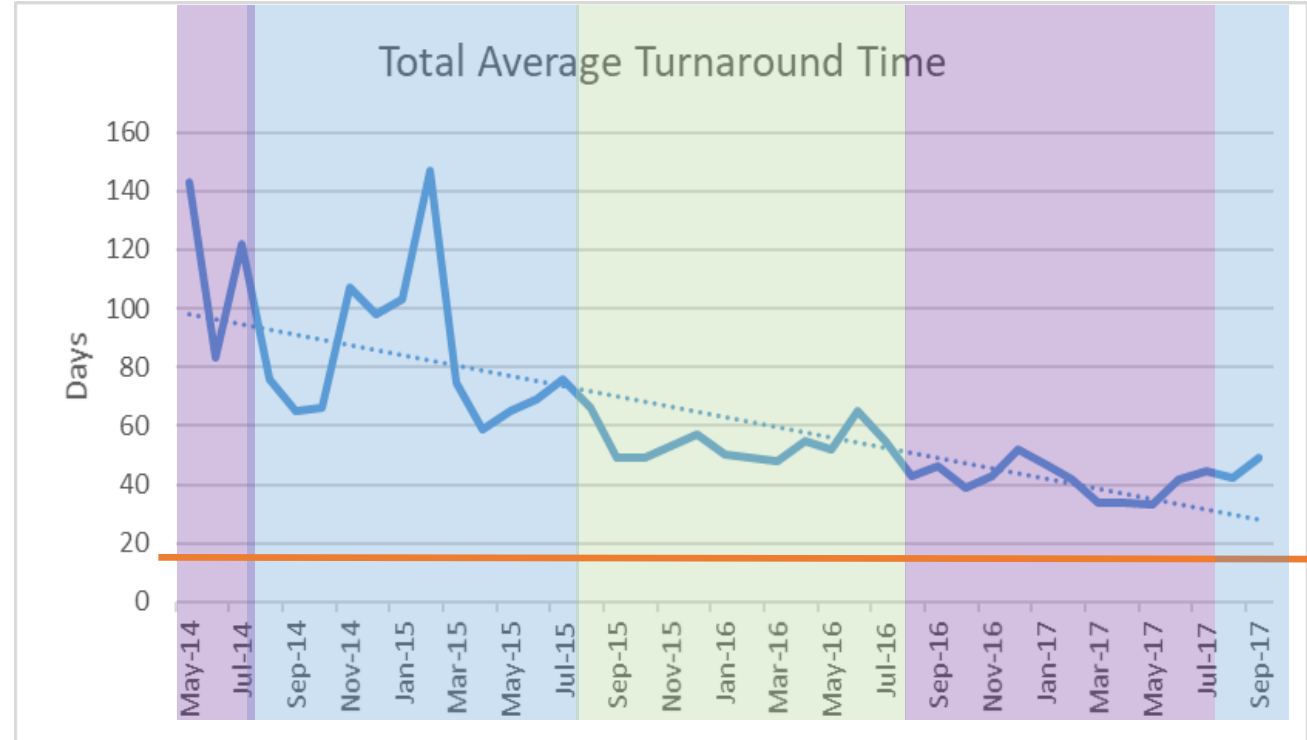
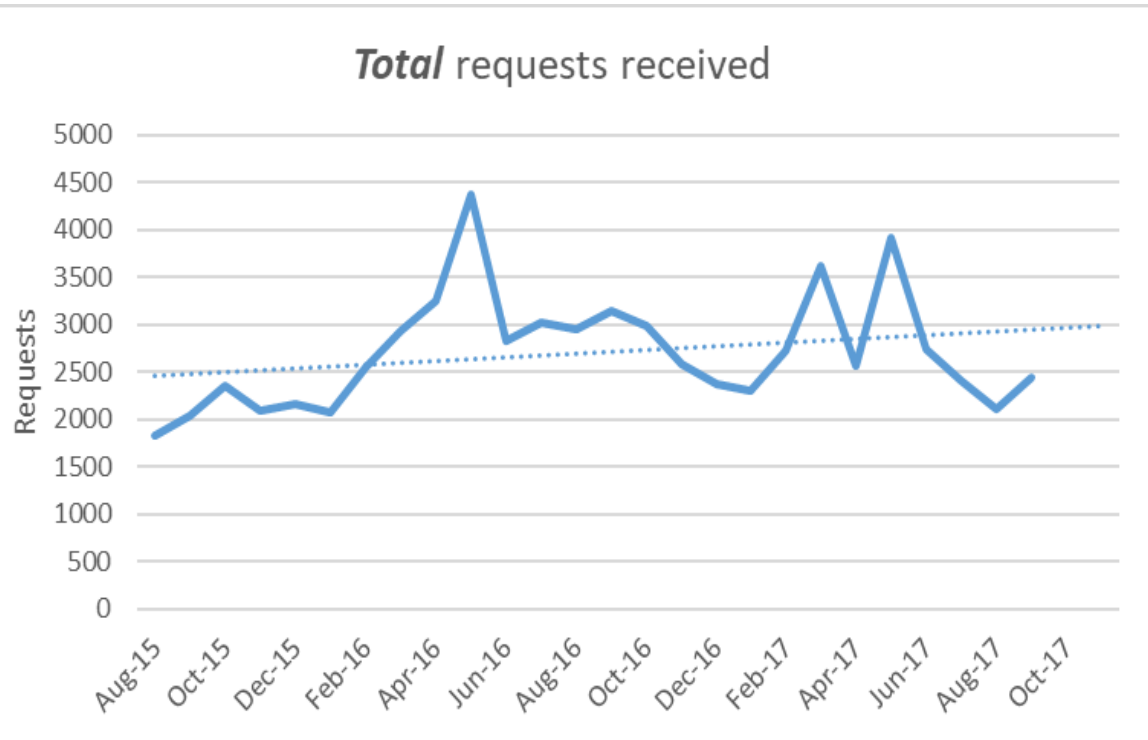
↓ 69% in backlogged requests

↓ 54% in Avg PROCESS turnaround time

↓ 72% in WAIT gap

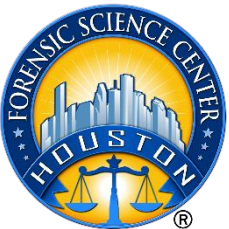


# Requests received



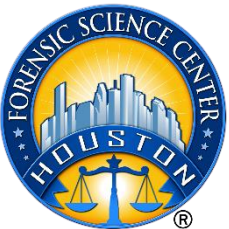
# Grants

- Capacity enhancement and backlog reduction (CEBR) (Award 2017-DN-BX-0027)
  - Fully funded (\$867,755.00).
- DNA Capacity enhancement (competitive) (Award 2017-DN-BX-0176)
  - Fully funded for a revised scope (\$114,000.00, HFSC match \$38,000.00).



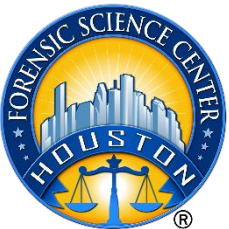
# Publications

- Accepted to The Journal of Applied Laboratory Medicine  
“Oral Fluid Drug Testing in Pain Management Practice: Factors to Consider Before Choosing the Alternative Biological Matrix”  
Author: Dayong Lee
- Submitted to Forensic Science International in collaboration with The University of Virginia  
“Resolving Latent Conflict: What Happens When Latent Print Examiners Enter the Cage?”  
Author: Alicia Rairden



# Outreach

- CSI Academy graduation
- Crime Scene Open House
- Attorneys from Japan visit/tour HFSC
- Presented on opioids to community group in September. Group toured HFSC earlier this week
- Rep. Donna Howard toured lab
- Symposium/screening of “I Am Evidence”
- Meeting to discuss website/eDiscovery with DPS



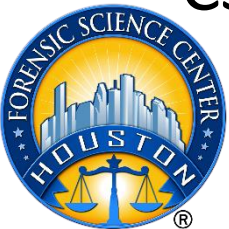
# Storm update and disaster preparation

## Preparations

- Brought in 400 lbs dry ice
- 80,000 sq. ft. of plastic sheeting
- Friday Aug 24
  - Shut down equipment
  - Moved evidence back to property room
  - Covered and moved items away from windows
- CSU moved to 12-hour shifts

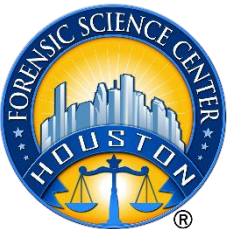
## Performance

- CSU maintained operations
- CSU managed leaks in Travis building
- Some water leaks around windows and roof pools
- No lost equipment
- No lost evidence
- No lost records



# Storm impacts

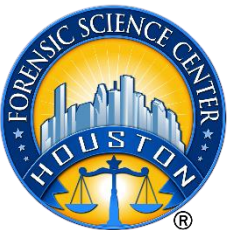
- Eight staff with significant flood damage
- Four with more minor damage (leaking roof etc.)
- Lost about 2 production weeks (details in each section)
  - TAT and backlog impact
- RFID pilot with toxicology impacted
  - 62 Riesner flooded. Lost refrigerator, RFID antenna, temperature monitor
  - Unsure when central intox will be operational again





# Certifications

- Vanessa Fonte - Certified Property and Evidence Specialist by the International Association for Property and Evidence, Inc.
- Paula Evans - Certified Six Sigma Green Belt by ASQ (ASQ SSGB)
- Robin Guidry- Certified Six Sigma Green Belt by ASQ (ASQ SSGB)
- Courtney Head- Certified Six Sigma Green Belt by ASQ (ASQ SSGB)
- Amy Castillo- Certified Six Sigma Green Belt by ASQ (ASQ SSGB)
- Jennifer O'Callaghan - Certified Six Sigma Green Belt by ASQ (ASQ SSGB)



# Staffing

- 188 Staff as of September 30
  - 18 COH Civilians
  - 12 COH Classified
  - 158 HFSC
- 18 open positions as of September 30; 6 offers accepted
- Start dates after September 30
  - 1 Latent Print Examiner
  - 1 Forensic Analyst – Multimedia
  - 1 Forensic Analyst – Toxicology
  - 1 NIBIN Technician
  - 1 Quality Specialist
  - 1 Research and Development Associate

- 12 Vacancies
  - 1 Firearms Examiner
  - 4 Forensic Analysts – FBIO
  - 1 Forensic Analyst – Multimedia\*
  - 1 Forensic Analysts – Toxicology
  - 1 Latent Print Examiner
  - 2 Supervisors – Crime Scene Unit
  - 2 IT Systems Support Specialist

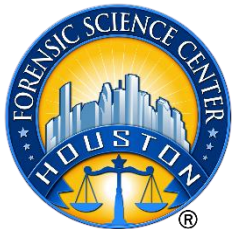
\* Replaces position vacated in Digital Forensics

\*\*\*\*\*



# LIMS report

October 13, 2017



# Major Initiatives -- LIMS

**Go-Live Date: December 4**

## **Updates:**

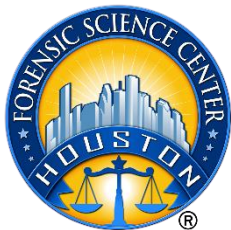
- LIMS portal:
  - Development team interviewed section SMEs
  - Provided VOC input to development team
  - Should have a mock up in early November.
  - Will go live with current portal until custom portal is in place (est. delivery is Feb. 2018).

## **Current tasks:**

- Testing data migrated from current LIMS
- Analytical Report Development: JusticeTrax
- Finishing development of user interfaces

## **Next steps**

- Build dashboard connections and reports
- Management reports
- Continued acceptance testing of interfaces and reports





**Houston Forensic Science Center**  
1301 Fannin Street  
Houston, Texas 77002  
(713) 929-6760



**Toxicology Section**  
**Request #: 0002**

**Forensic Case Number:** 2017-00539  
**Case Agency:** Houston Police Department  
**Agency Case Number:** ALICIA TEST CASE  
**Offense:**  
**Offense Date:**

**Report Date:**  
**Requestor Information:**  
Houston Police Department  
TEST ACCOUNT ONLY  
1200 Travis  
Houston, TX 77002

**Related Item(s) of Evidence:**

<u>Lab Item #</u>	<u>Agency Item #</u>	<u>Description</u>
001		Cell phone

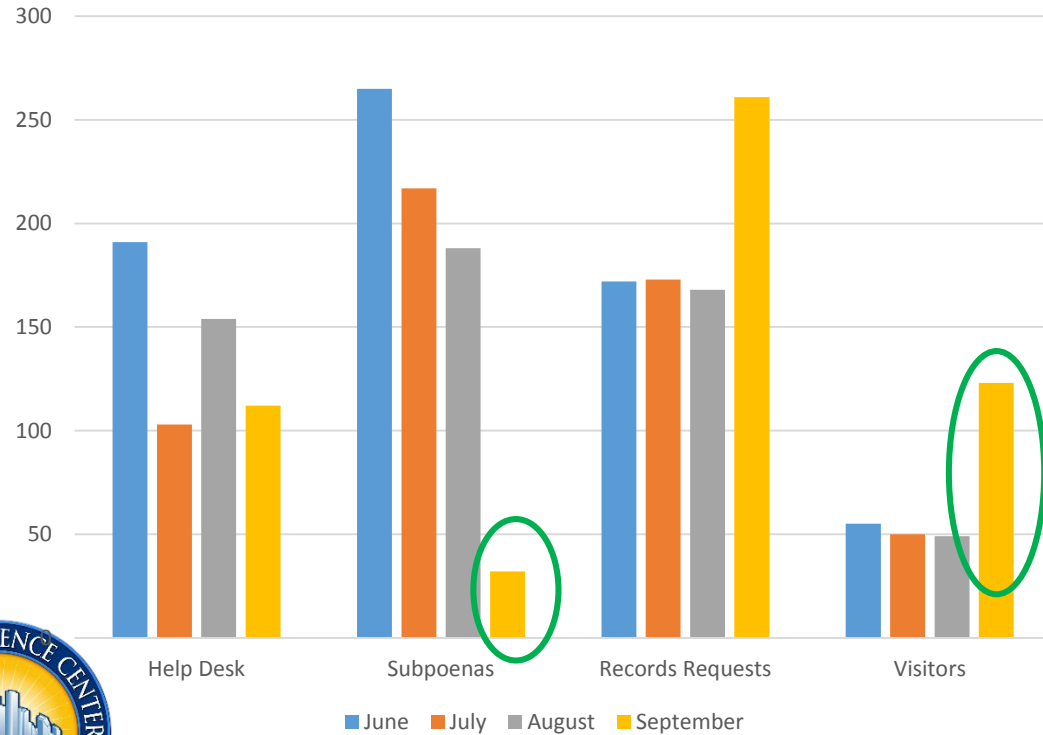
# Operations report

October 13, 2017

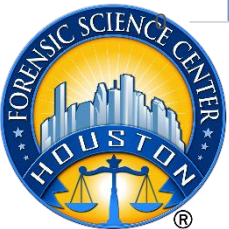
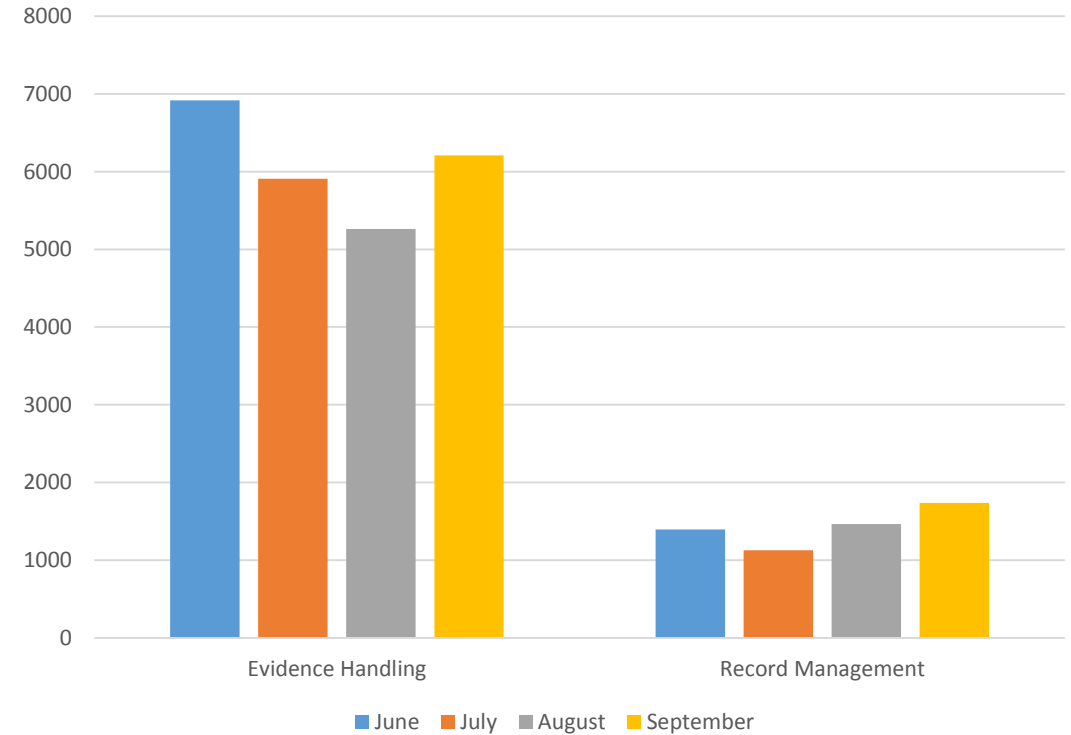


# CS/CM -- September

## Administrative Support

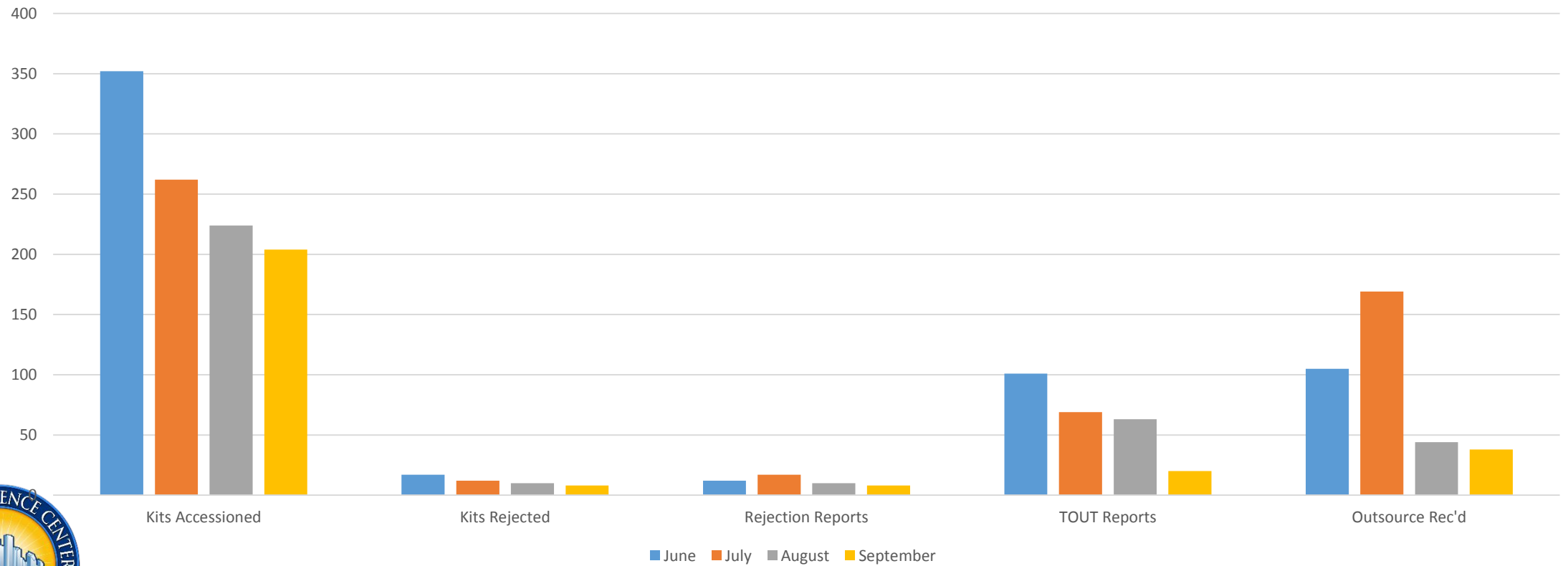


## Records Management & Evidence Handling



# CS/CM -- September

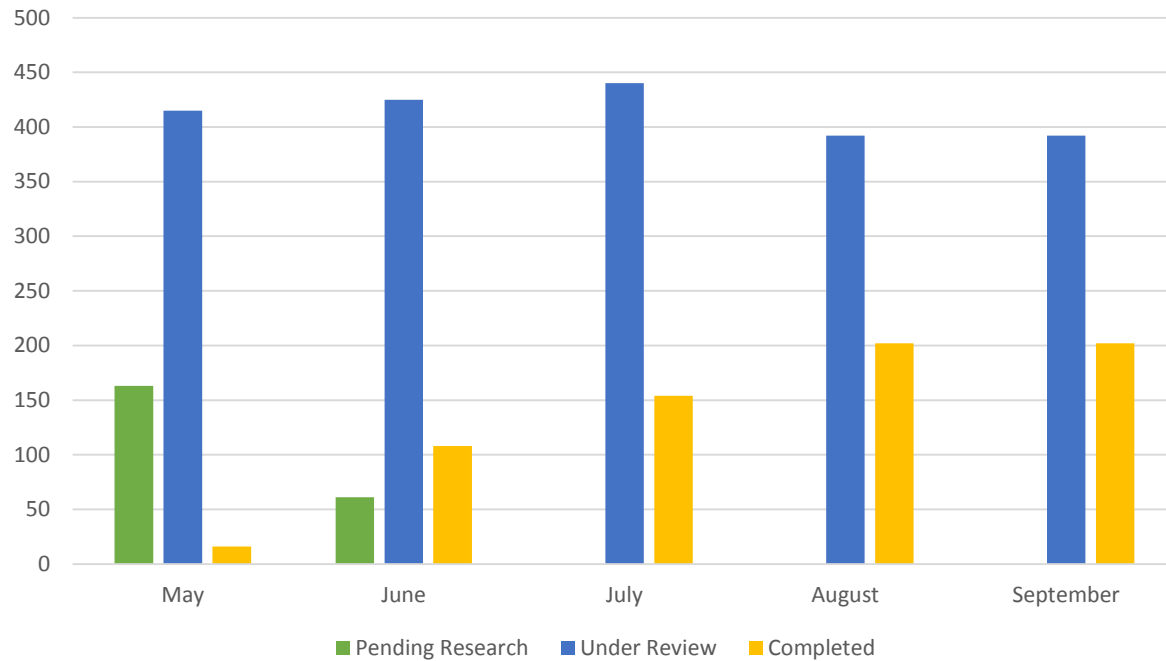
## Toxicology Support



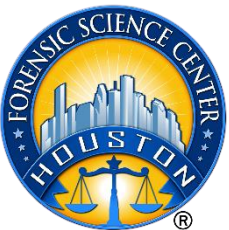
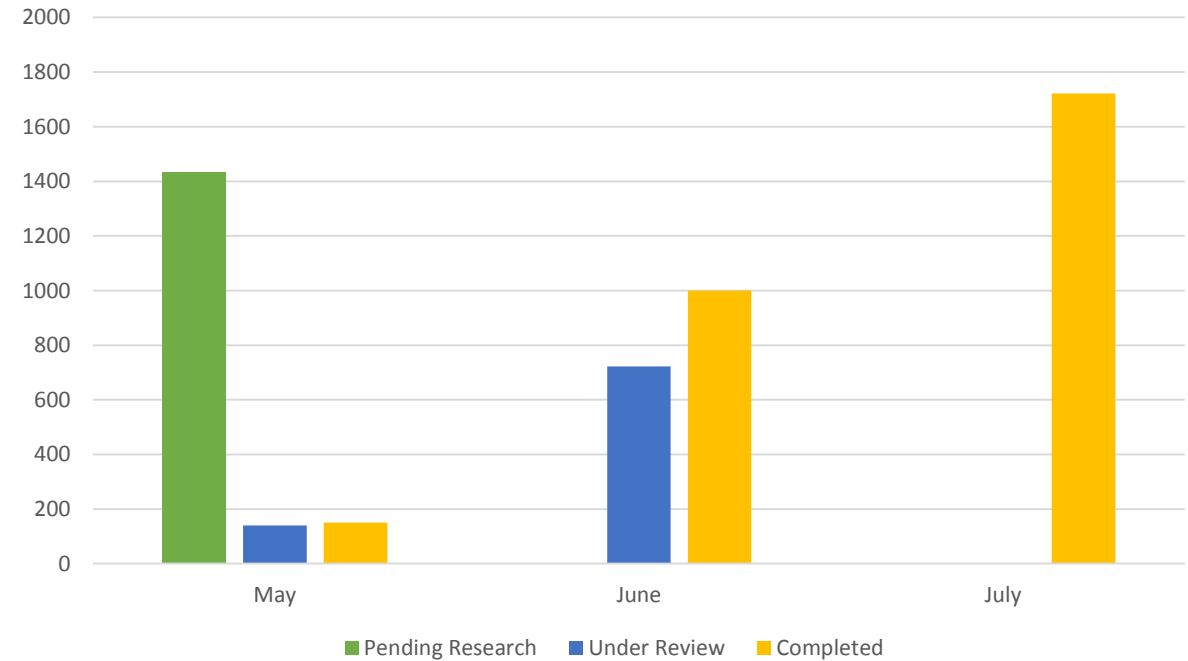


# DNA Mixture Project

PDO Requests

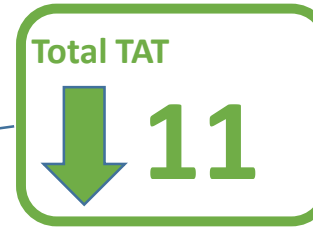


HCDAO Requests



# Score Card

TAT for the WHOLE section. Arrow gives trend relative to last month



**Total Average TAT from request to report** for individual workflows in a section

**Pending requests >30 days** at the End of the Month (EOM). Total in the box.

**Section specific targets or,**  
<30 days, <1% backlog Green

>30days<40Days, >1% <5% backlog Yellow

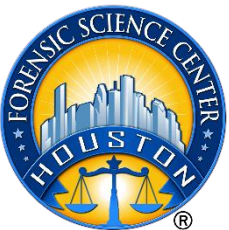
>40days, >5% backlog RED

## Critical issues

- Top three issues impacting quality and productivity
- 0-1 Green, 2 Yellow, 3 Red

## Projections for next 90 days

- Top 3-4 issues expected for quality and productivity in the coming months. Including targets and notable events



# Controlled Substances



**CS:** 18-day avg,  
1 pending requests >30 day

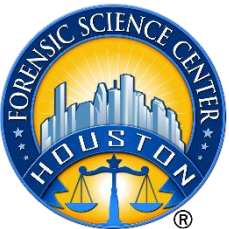
**Target:** <14 days

## Critical issues

- Transition to new process schedule
- Potential impacts of additional expedited case needs
- Harvey: 7 days of production lost

## Projections for next 90 days

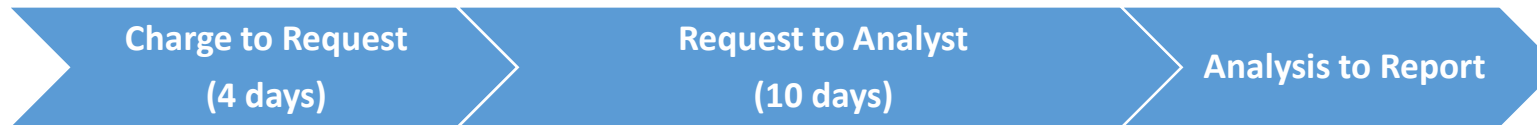
- Continued sub 15-day TAT
- Continued pressure on resources from increased case complexity
- Approximately 600 requests/month
- Continue 0 EOM >30day
- Continue to track submission of Opioid cases/ Lab safety measures in place and being used



# Reducing CS TAT from Offense Date to Report

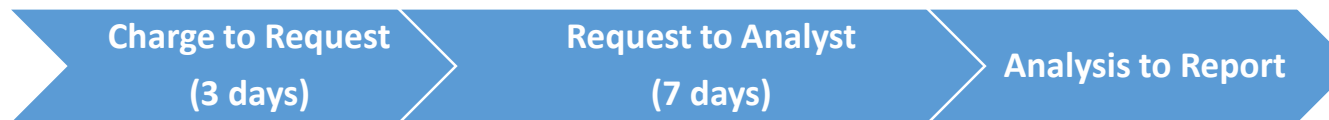
- DA requested HFSC reduce turnaround time for low-level drug cases
- The shorter TAT allows results to be available sooner, at docket appearance
- HFSC focused on reducing TAT from date of charge to the case being Ready to Work (RTW)
- Analysts now receive evidence to process twice a week instead of once a week

## Previous Timeline (longest TAT represented)

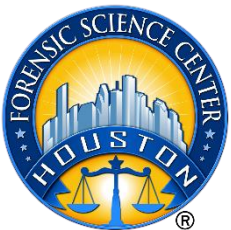


Longest RTW TAT: 14 days  
Shortest RTW TAT: 8 days

## Modified Timeline (longest TAT represented): Started 10/9/17



Longest RTW TAT: 10 days  
Shortest RTW TAT: 6 days



# Firearms



**Exams:** 17-day avg,  
1 pending requests >30 day

**IBIS:** 16-day avg,  
0 pending requests >30 day

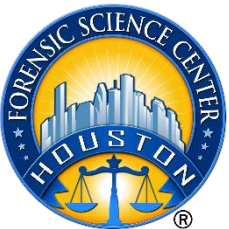
**Target:** <25 days

## Critical issues

- Harvey: 6.5 days of production lost
- Down two positions (examiner and NIBIN technician)

## Projections for next 90 days

- 48-hour NIBIN results working well
- New NIBIN tech starting on 11/6/17
- Continued TAT sub 25 days
- Continued avg 50 exams and 400 IBIS
- Continue 0 EOM >30day
- 2 Interns on-board



# Digital and Multimedia



**A/V:** 79-day avg,  
92 pending requests >30 day

**Digital:** 11-day avg,  
2 pending requests >30 day

## Critical issues

- Implement new workflow to issue reports at intermediate steps
- Increasing callout support
- Harvey: 6 days of production lost; (3 callouts during Harvey)

## Projections for next 90 days

- **Small backlog in A/V as we address issues from audit.** In part reflective of shifting workload to greater callout support
- Remediation from internal audit



# Toxicology



**Alcohol:** 17-day avg,  
0 pending request >30 day

**Tox:** 32-day avg  
5 pending requests >30 day

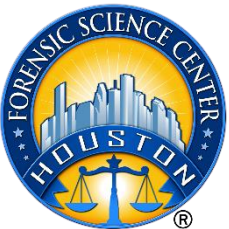
**Out-Tox:** 25-day avg  
0 pending requests >30 day

## Critical issues

- Legacy GC/MS instruments-software Issues
- Harvey: 8 days of lab production lost, 5 days of case review lost
- Operations on two floors to validate new robotics
- Down two analysts

## Projections for next 90 days

- DWI alcohol sub 21 days (target threshold)
- Expect toxicology methods online and QTOF screen but still have challenges. Sciex has been responsive. Will evaluate software fixes
- Drug Methods online in November (dependent on Agilent Software Support)
- Validation of new robotics-online by November 1st.









# Forensic Biology

**SA Kit:** 75-day avg  
**SA "other"** 85-day avg,  
77 pending SAK requests >30 day  
**FBIO** 137-day avg  
**DNA** 0\*-day avg  
585 total pending requests >30 days

All SA requests are in process

\* Backlog was not worked in focus on Kits

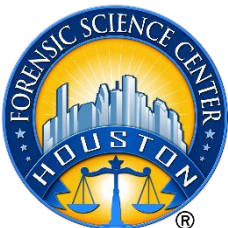


## Critical issues

- Currently down, recruiting four analysts to replace two lost in August, two lost in September
- Harvey: 8 working days of lab production lost; six writing days lost

## Projections for next 90 days

- Lean Six Sigma Project Completed
- Continued improvement in analyst productivity
- Quality continuing to be assessed throughout process, pre- and post-mortems
- Fill four analyst positions



# Latents

Total TAT  
↑ 212

EOM >30 day  
↑ 2,715

Critical issues  
4

**Comparisons:** 234-day avg TAT from request,  
2,021 pending requests >30 day

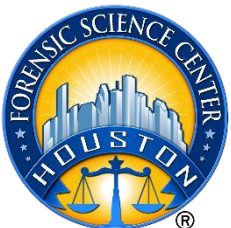
**Processing:** 44-day avg TAT from request,  
94 pending requests >30 day

## Critical issues

- Backlogged cases TAT increase due to age
- Harvey: 6 days of production lost
- MorphoTrac AFIS Connections
- Bringing examiners online (6 in training w/6 examiners partnered with the trainees)

## Projections for next 90 days

- Auto request and prioritization discussions, working with HPD to prioritize backlogged cases
- MorphoTrac units received, and online; working through system capacity issues
- By December all but one examiner on independent casework (will be up to 15 examiners)
- 3 days of processing production lost due to network outage, will develop a back up plan for Qualtrax workflows.



# CSU



**CSU Callouts:** 63, 4 Officer-Involved Shooting

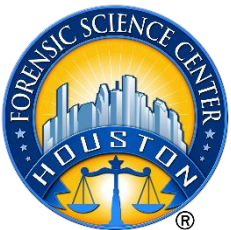
**Cars processed at VEB:** 24

## Critical issues

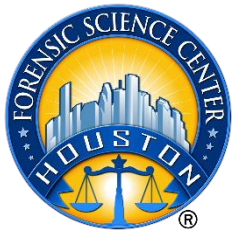
- Hurricane Harvey support during the storm
- Staffing and recruiting
- Training new CSIs

## Projections for next 90 days

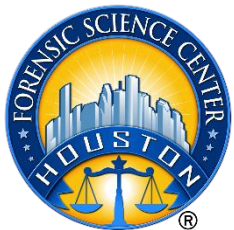
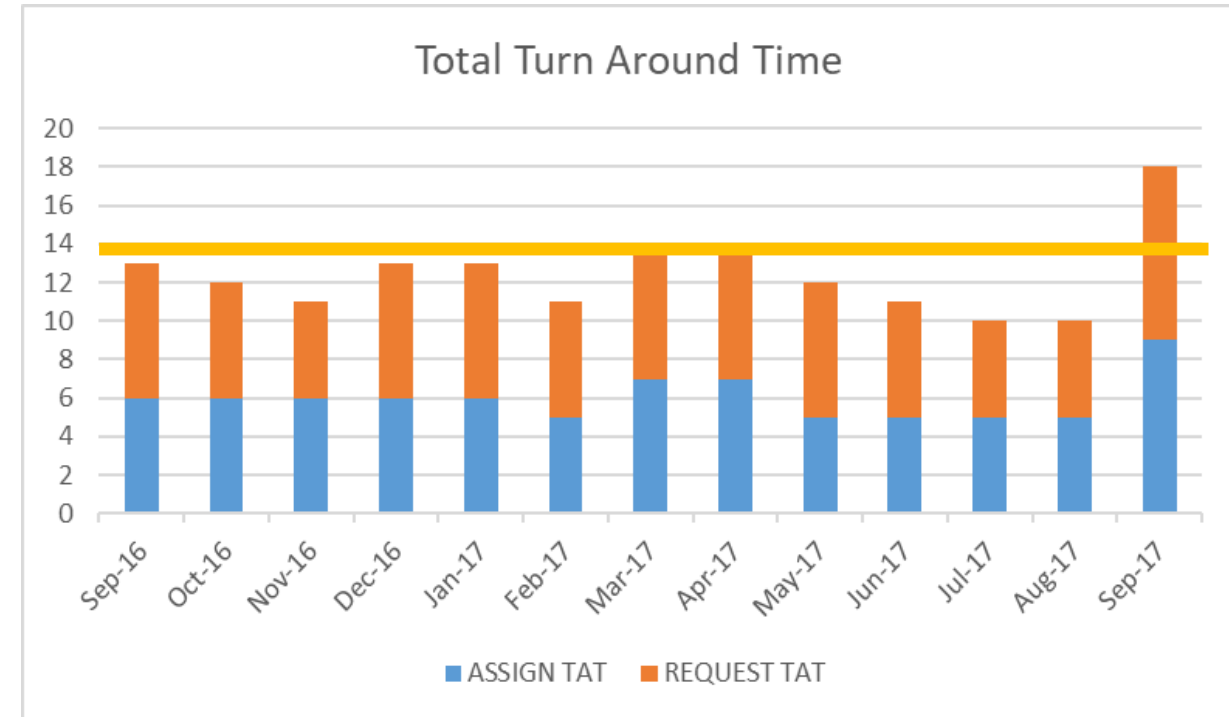
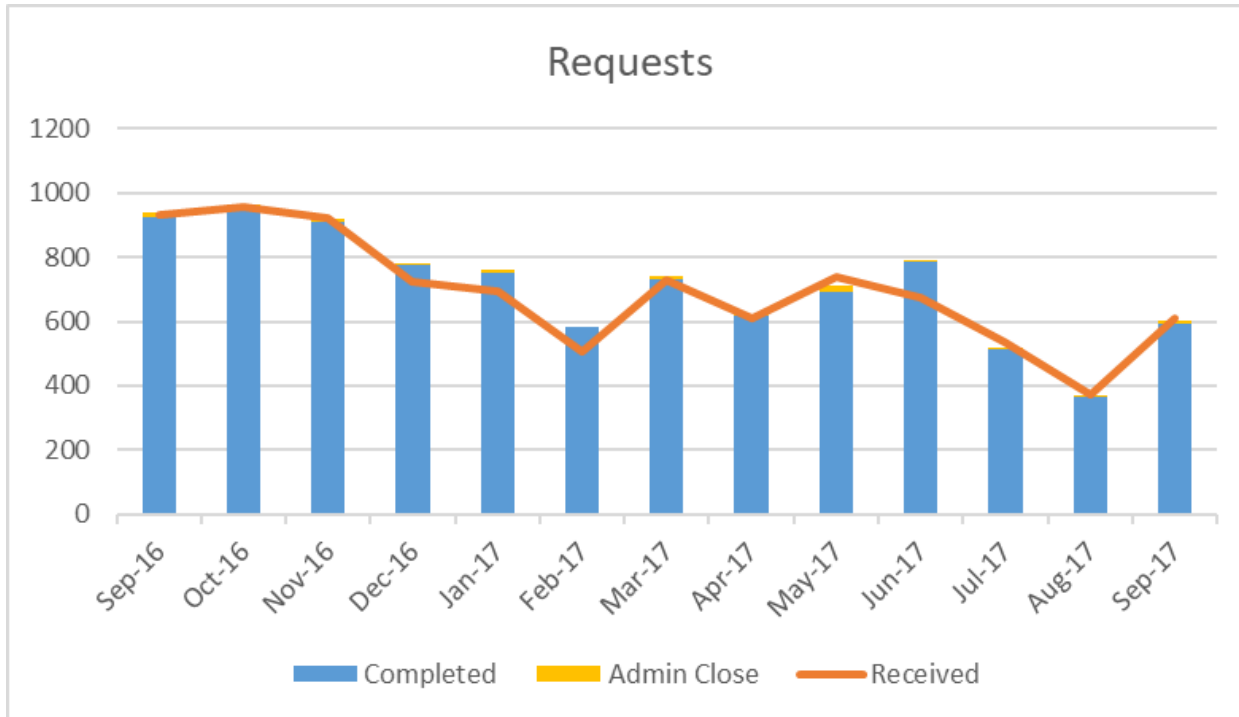
- Academy training portion completed September 8 (graduation), trainees are now in four weeks of field and mock courtroom training
- The CSI Academy includes presentations from 7 external entities, among them HPD Homicide/SIU, HCIFS, HPD Training Academy, Metal Detector Training, Harris County DA's Office, Itiel Dror
- Classifieds transition back to HPD by November
- Continue training and efforts toward accreditation



# Detail data



# Controlled substances

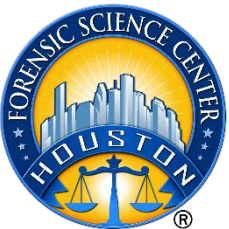


Orange bar indicates TAT target limit of 14 days.

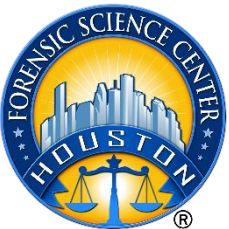
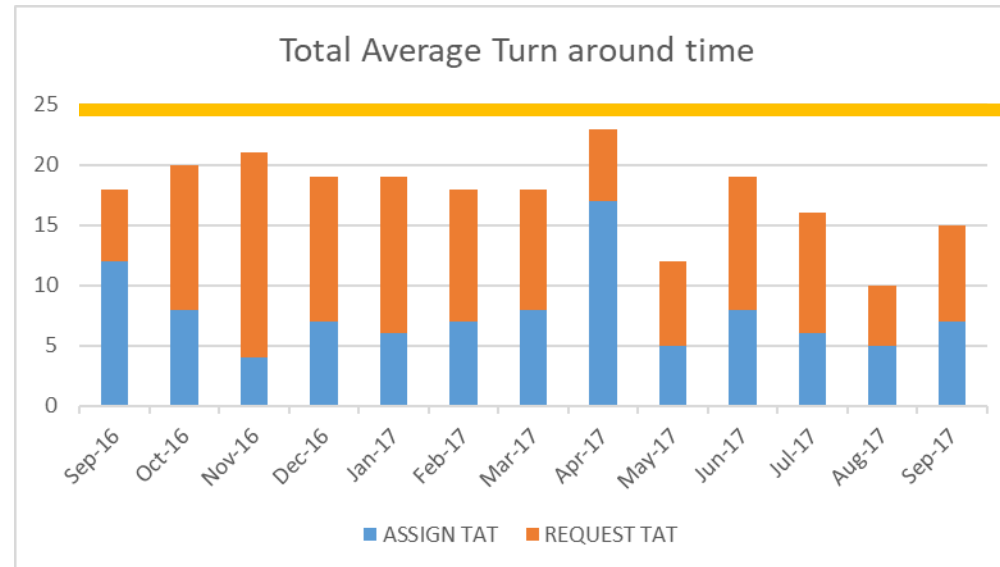
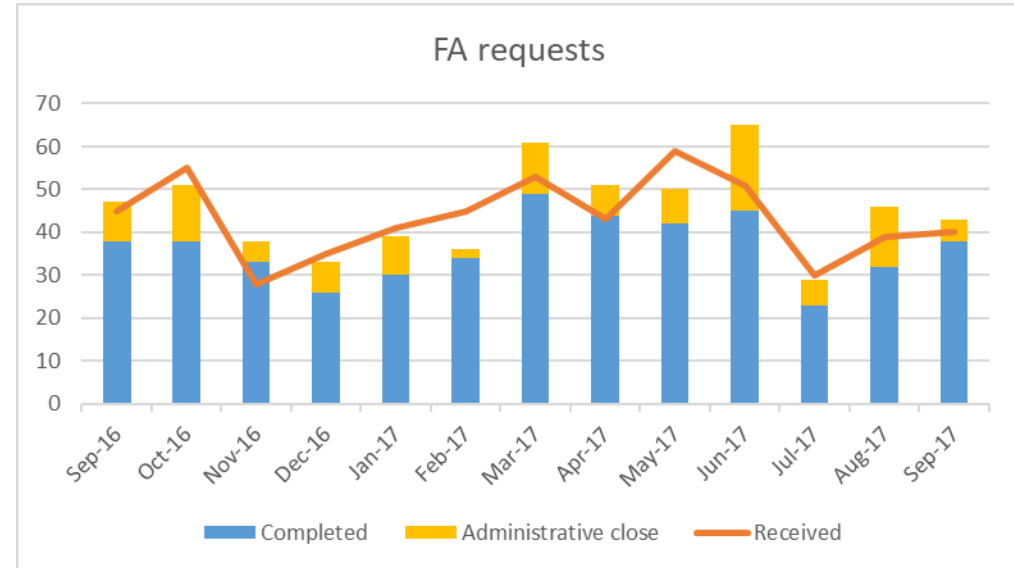
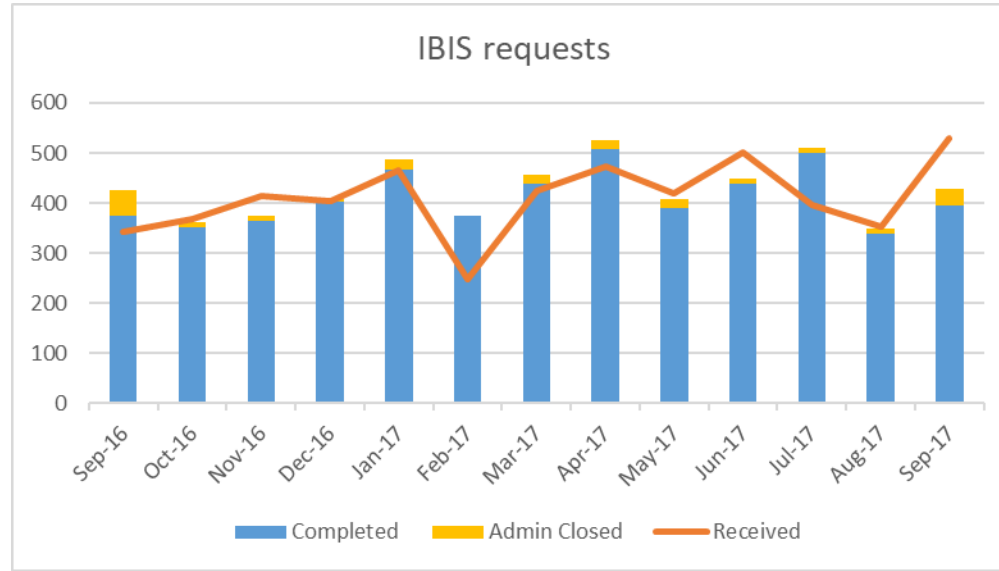
# Controlled substances

## Detailed Overview of Reduction in Ready to Work (RTW) TAT

Day of Charge	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Previous RTW TAT	8 days	14 days	13 days	12 days	11 days	10 days	9 days
New RTW TAT	8 days	7 days	8 days	7 days	6 days	10 days	9 days
Reduction in RTW TAT	Neutral	7 days	5 days	5 days	5 days	Neutral	Neutral

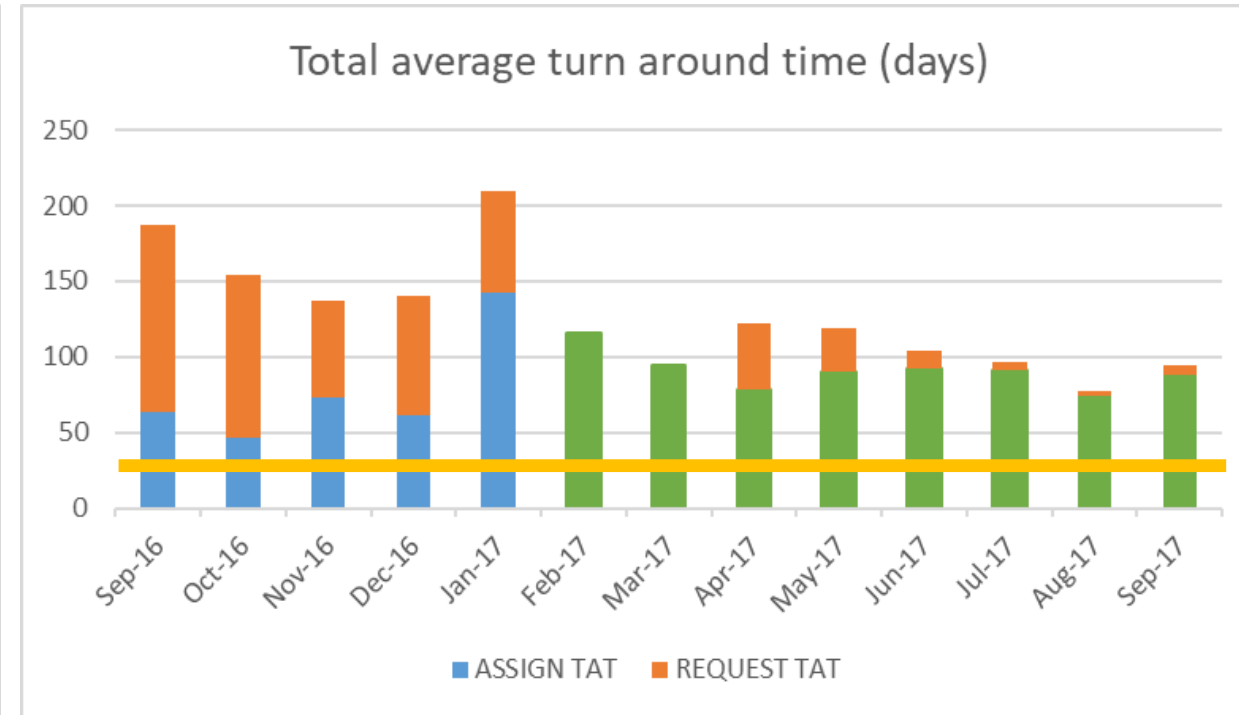
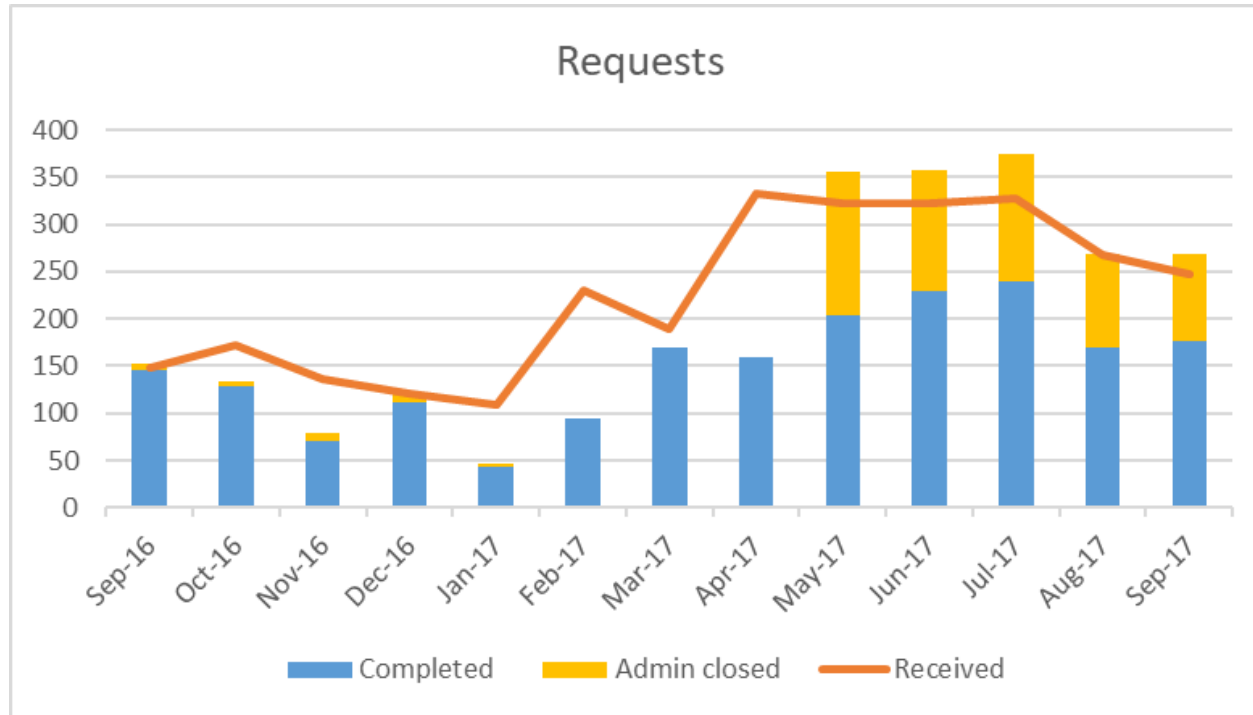


# Firearms



# Forensic Biology -- Total

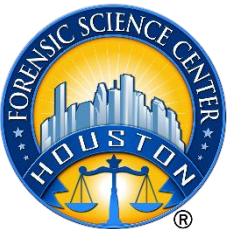
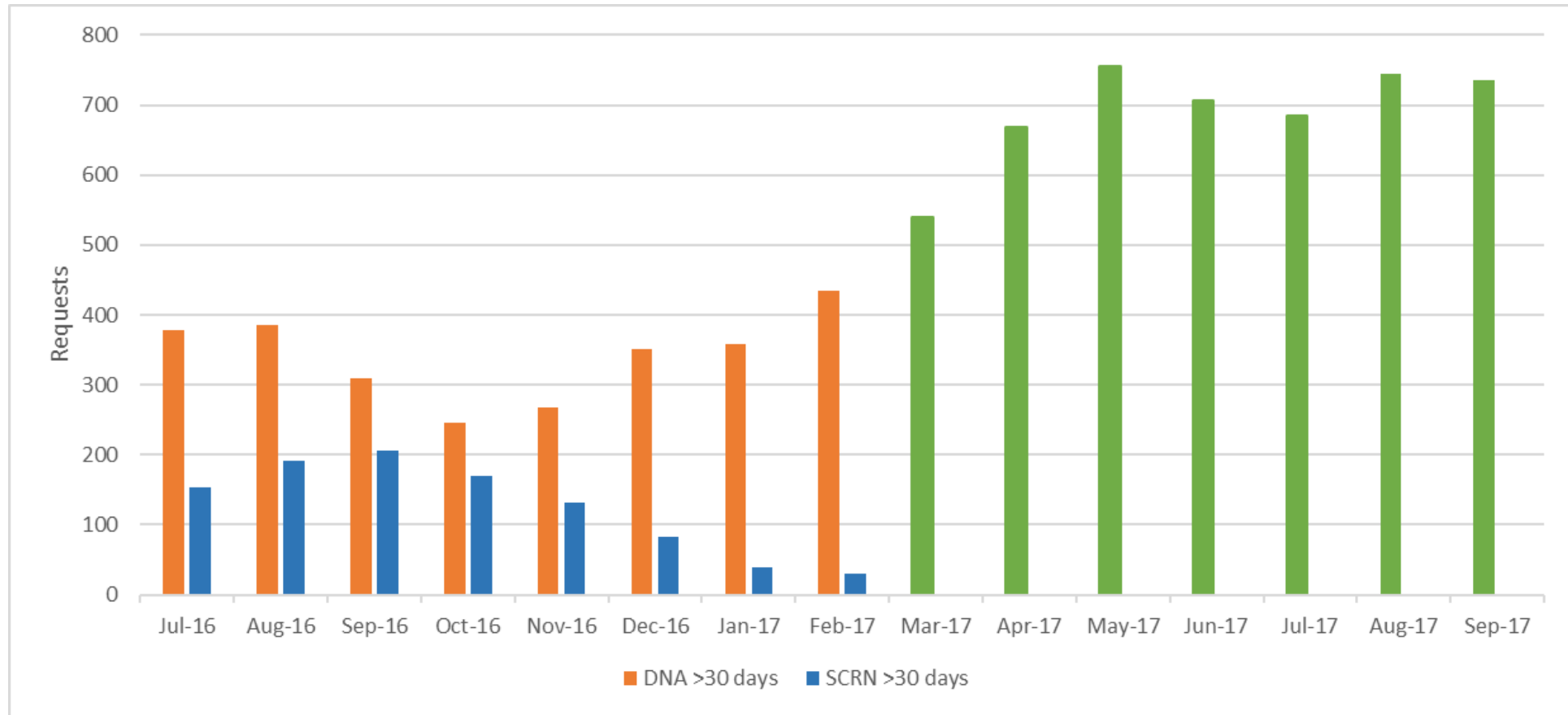
Note: change in presentation at February 2017.  
Requests now for FBIIO and Sexual Assault Kits.  
Turnaround time is a combined average time.  
Green bars represent the change in metric status.





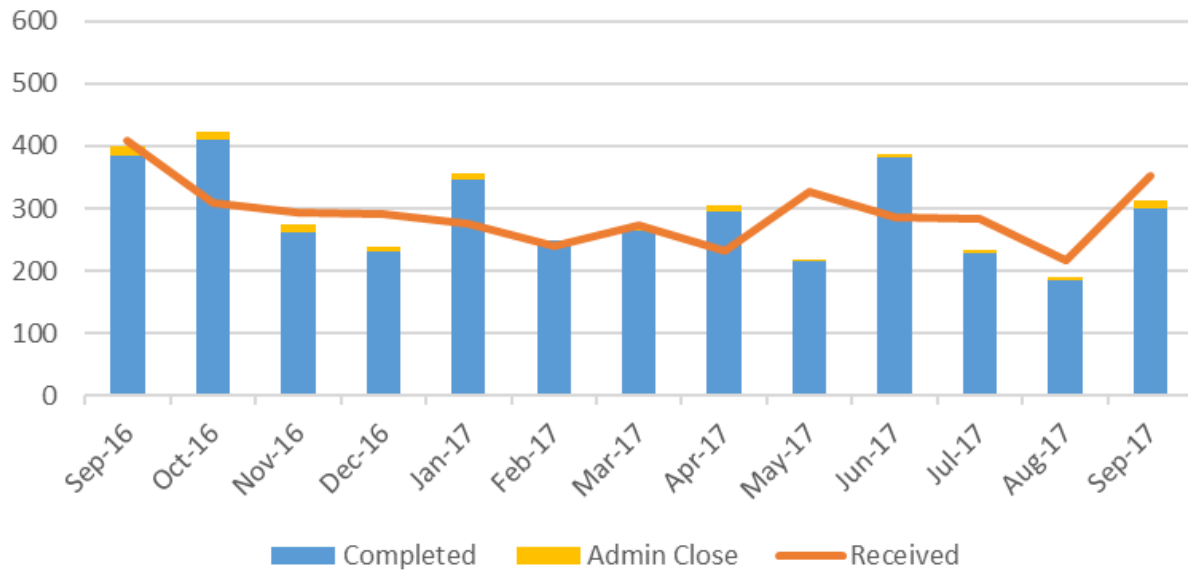
# Total DNA Backlog (>30 day) requests by month

Note: change in presentation at February 2017. Total requests represent SAK and FBIIO requests (green bar).

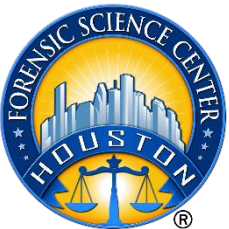
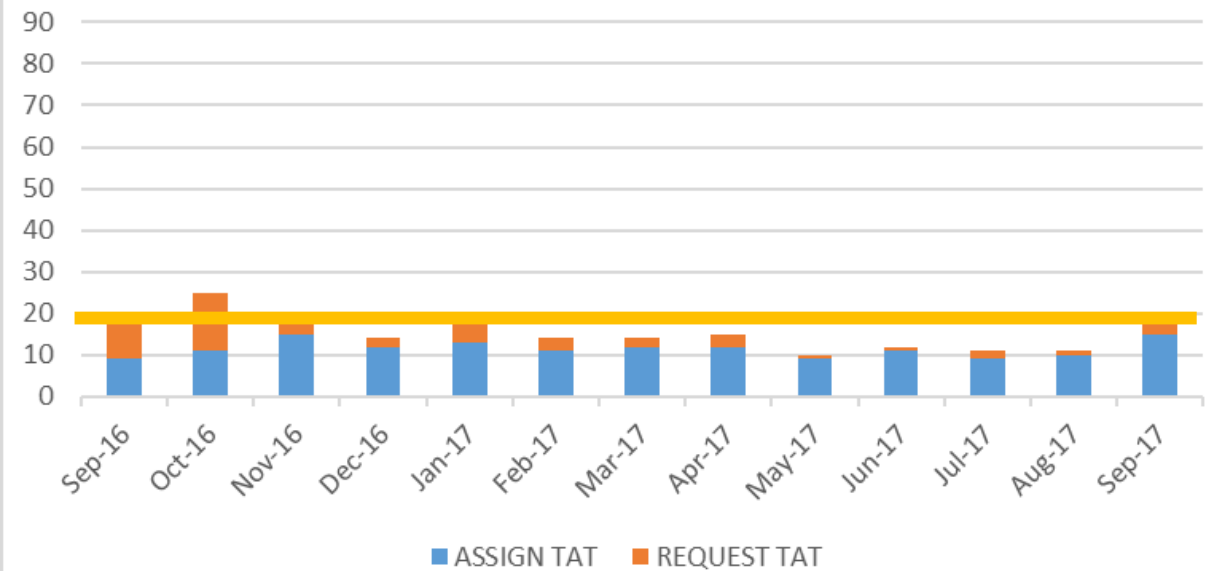


# Toxicology: Alcohol

Requests



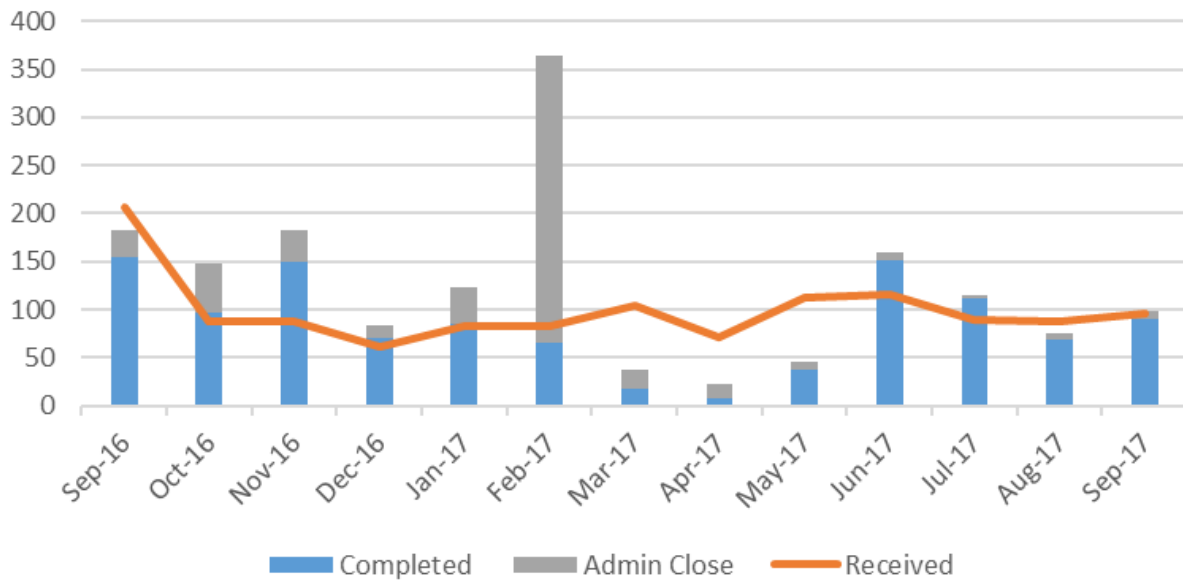
Total average turn around time (days)



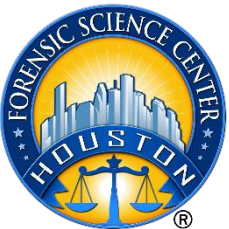
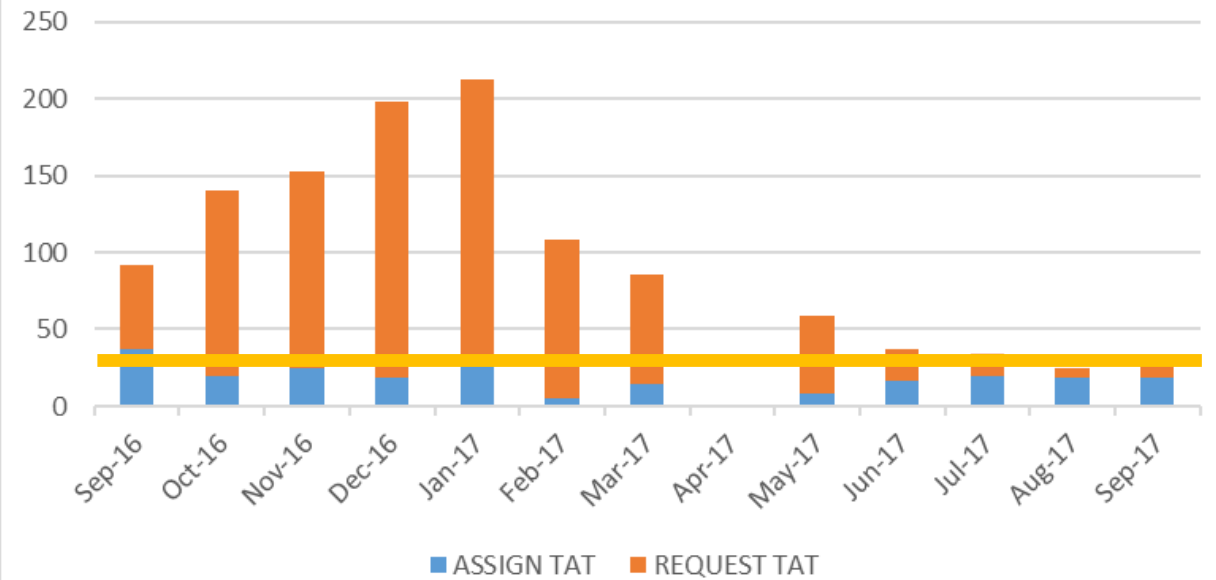
# Toxicology: Other Drugs

Approximately 300 legacy toxicology analysis cases that preceded HFSC were closed out in February. With the collaboration of HPD, no analysis was conducted, but reports were issued with instructions for ordering analysis should it be needed.

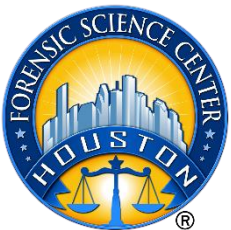
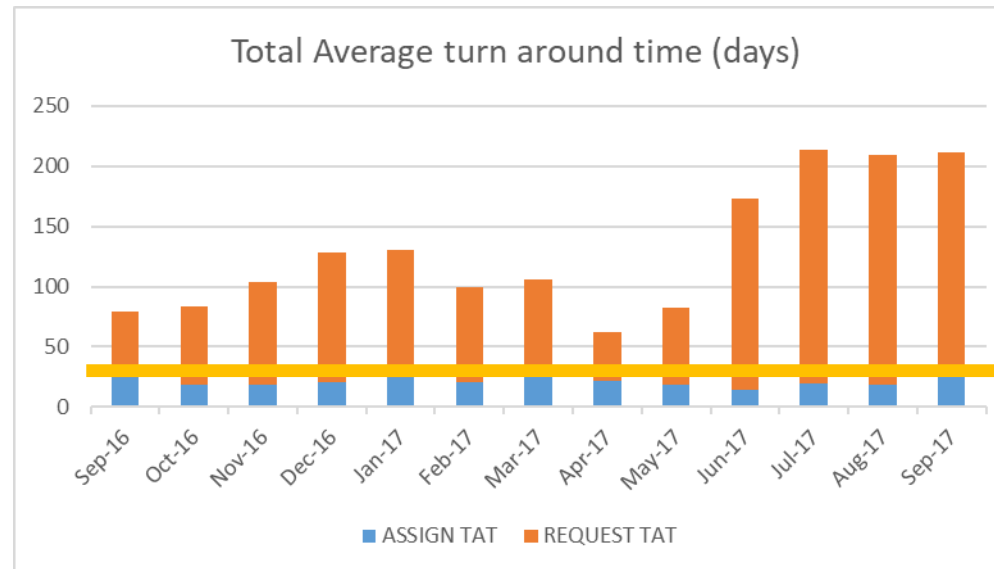
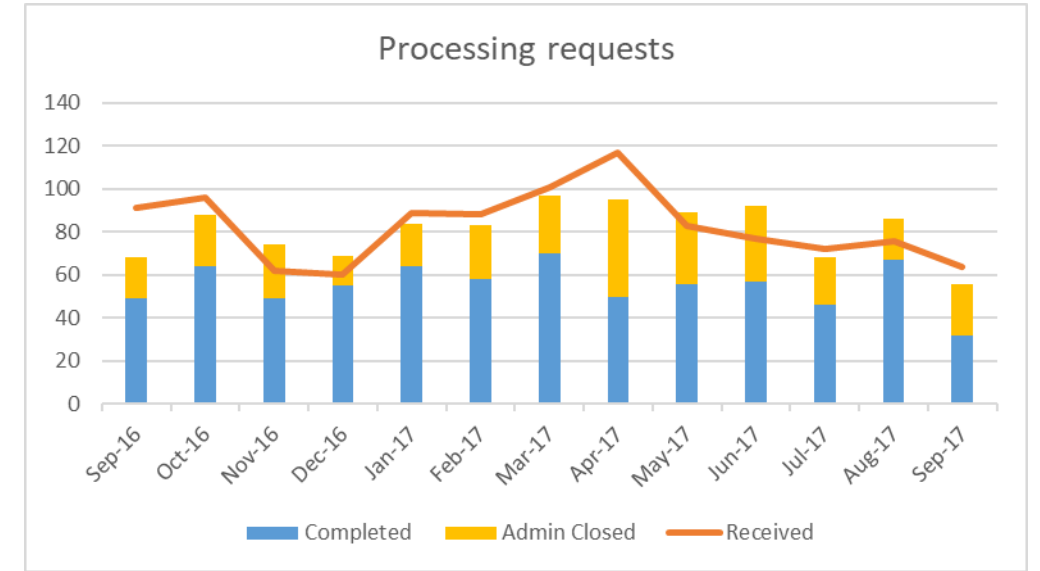
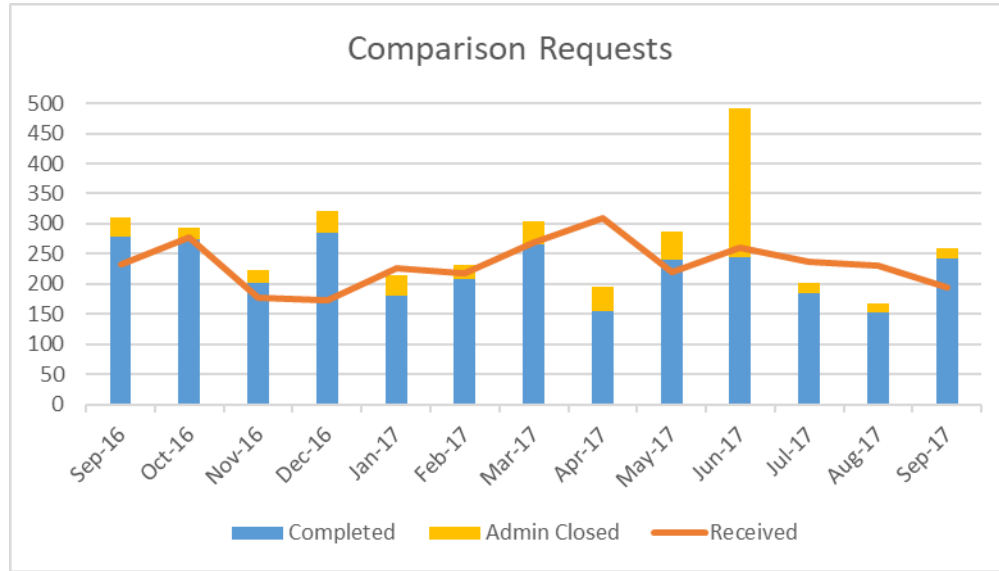
Requests



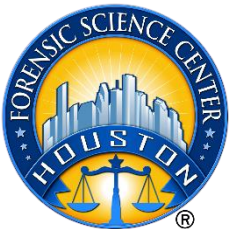
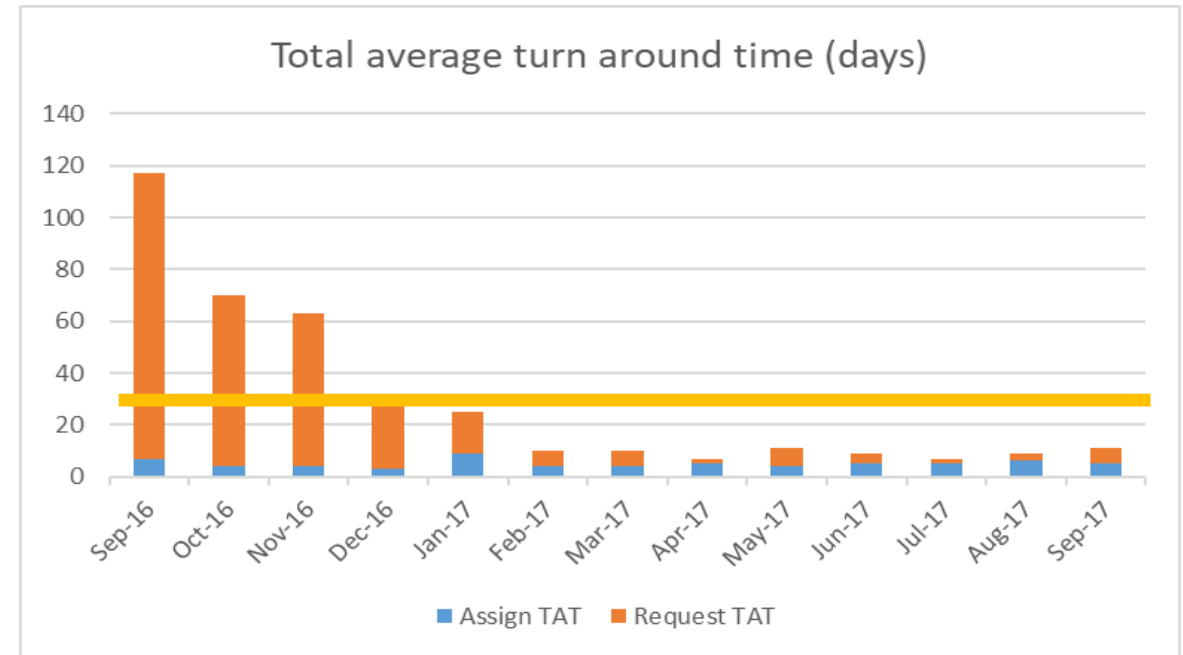
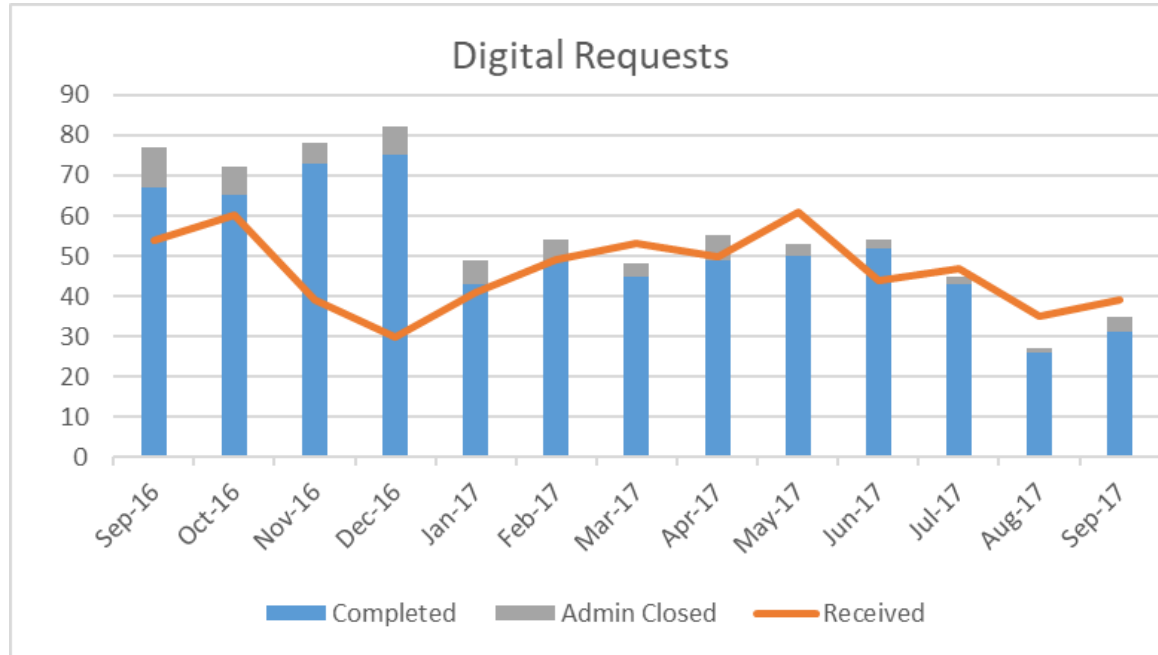
Total average turn around time (days)



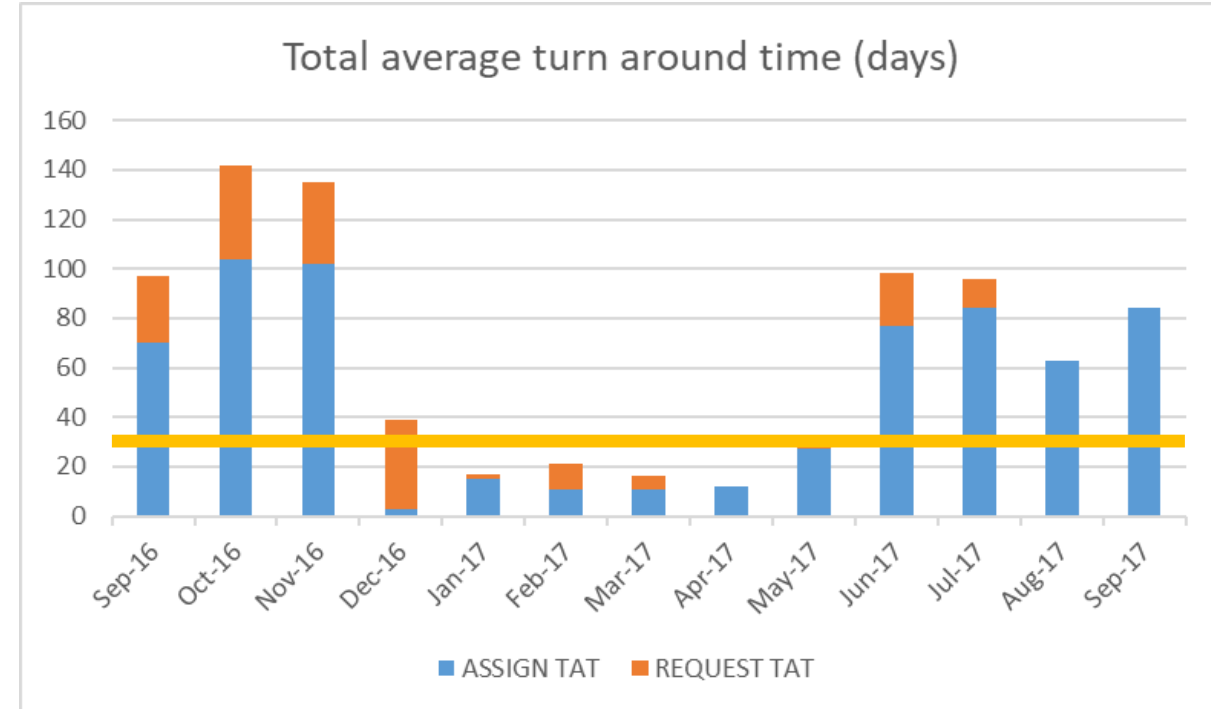
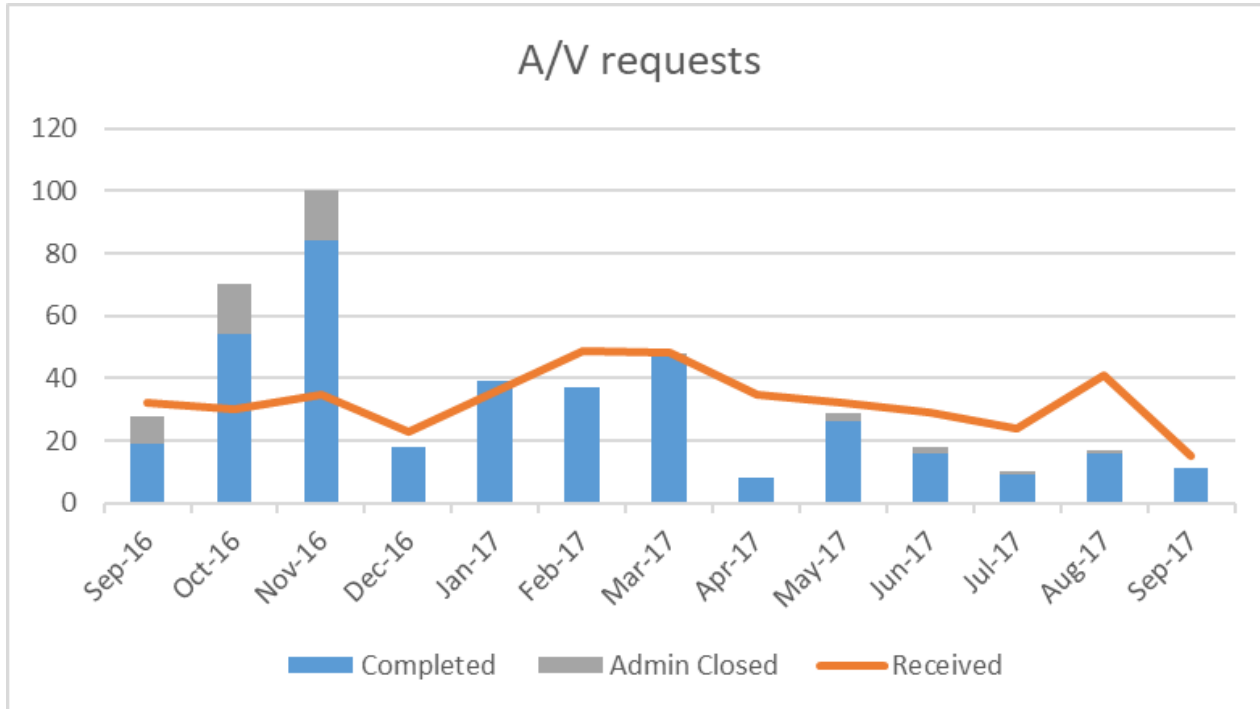
# Latents

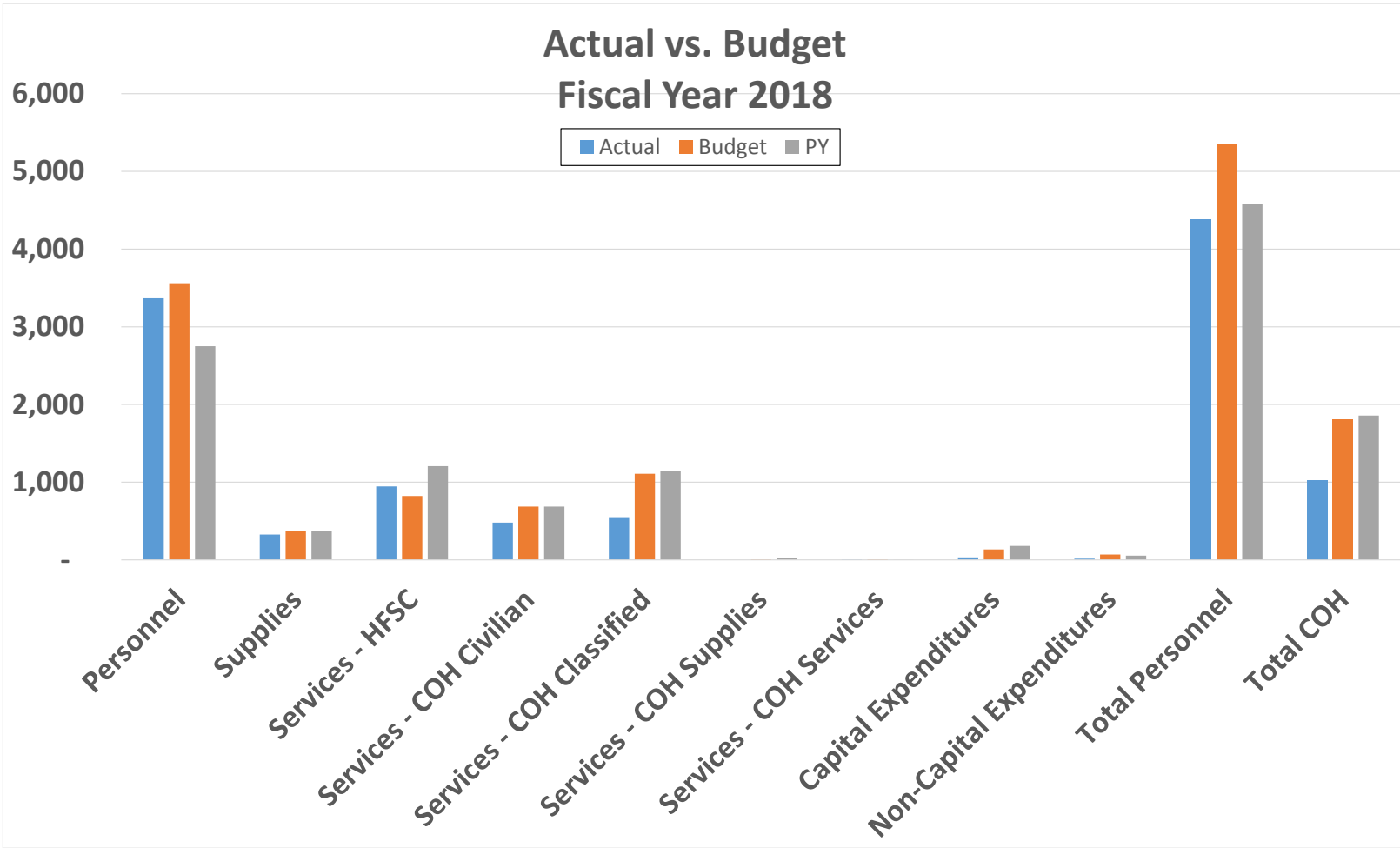


# DME -- Digital



# DME -- A/V





**HOUSTON FORENSIC SCIENCE CENTER, INC.**  
**COMPARATIVE STATEMENT OF ACTIVITIES - ACCRUAL BASIS**  
**For the Period July 1, 2017 through September 30, 2017**

		Current Month (Preliminary)										YTD										FY18	
		FY18	FY18	FY17	Variance						FY18	FY18	FY17	Variance				FY18	% Year				
		Sept 1- Sept 30, 2017	Budget	Sept 1- Sept 30, 2016	Budget - Actual	%	FY18 - FY17		%	July 1- Sept 30, 2017	Budget	July 1- Sept 30, 2016	Vs. Budget	%	Vs. FY17		Budget V1	Completed					
		# of Months									# of Months												
		1									3												
Revenues:																							
411000	City of Houston-Appropriations	\$ -	\$ 2,013	\$ -	\$ (2,013)	-100%	\$ -	-	-	\$ 18,731	\$ 6,040	\$ 16,271	\$ 12,691	210%	\$ 2,460	0%	\$ 24,160	78%					
415000	City of Houston Direct OH-Appro	122	122	122	0	0%	-	-	0%	365	365	365	0	0%	-	0%	1,460	25%					
416000	City of Houston - Safe funds	-	-	-	-	0%	-	-	-	-	-	-	-	0%	-	0%	-	0%					
420000	Contributions	-	-	-	-	0%	-	-	-	-	-	-	-	0%	-	0%	-	0%					
425000	In-Kind Donations	-	-	-	-	0%	-	-	-	-	-	-	-	0%	-	0%	-	0%					
426000	Training Services	2	-	5	2	#DIV/0!	(3)	-66%	-	4	-	15	4	0%	(12)	-76%	-	0%					
440000	Grants	343	85	-	259	305%	343	0	-	343	254	0	89	35%	343	0%	1,016	34%					
450000	Forensic Services	-	4	-	(4)	-100%	-	-	-	-	13	1	(13)	-100%	(1)	-100%	50	0%					
450001	Miscellaneous Copy Fees	-	-	-	-	0%	-	0%	0%	-	-	-	-	0%	-	0%	-	0%					
450002	Interest Income	1	0	1	0	60%	0	12%	12%	1	1	1	0	15%	0	0%	5	29%					
Total Income		467	2,224	127	(1,757)	-79%	340	267%	267%	19,445	6,673	16,654	12,772	191%	2,790	17%	26,691	73%					
Expenses:																							
Personnel:																							
500010	Salary Base - Civilian	1,383	953	1,120	(431)	-45%	(263)	-24%	-24%	2,739	2,859	2,239	119	4%	(501)	-22%	11,434	24%					
501070	Pension - Civilian	80	59	66	(20)	-34%	(14)	-21%	-21%	153	178	152	25	14%	(1)	-1%	713	21%					
502010	FICA - Civilian	99	69	79	(31)	-45%	(20)	-25%	-25%	199	206	161	7	3%	(38)	-24%	823	24%					
503010	Health Insurance - Active Civil	69	87	51	18	21%	(18)	-36%	-36%	234	261	171	26	10%	(64)	-37%	1,043	22%					
503015	Basic Life Ins - Active Civil	4	5	4	2	31%	1	14%	14%	23	16	19	(7)	-43%	(4)	0%	65	36%					
503060	Long Term Disability - Civilian	-	0	-	0	0%	-	-	-	-	0	-	-	0%	-	0%	1	0%					
503090	Workers Comp - Civilian Adm	3	12	3	9	73%	(1)	-19%	-19%	15	37	8	22	59%	(7)	-83%	148	10%					
503100	Workers Comp - Civil Claims	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0%	-	0%					
504030	Unemployment Claims - Admin	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0%	-	0%					
504010	Pension - GASB 27 Accrual	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0%	-	0%					
504031	Unemployment Taxes - Admin	1	1	0	0	17%	(1)	-136%	-136%	3	4	1	1	32%	(2)	-170%	15	17%					
		1,640	1,187	1,323	(453)	-38%	(316)	-24%	-24%	3,367	3,561	2,750	194	5%	(617)	-22%	14,242	24%					
Supplies:																							
511010	Chemical Gases & Special Fluids	1	1	2	0	39%	1	-	-	2	4	2	2	46%	(0)	-10%	15	14%					
511040	Audio Visual Supplies	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0%	-	0%					
511045	Computer Supplies	2	5	9	2	49%	6	73%	73%	7	14	12	7	47%	5	39%	56	13%					
511050	Paper & Printing Supplies	3	3	4	(0)	-15%	1	31%	31%	6	8	10	2	20%	4	40%	30	20%					
511055	Publications & Printed Material	2	1	1	(0)	-16%	(1)	-95%	-95%	3	4	2	2	37%	(1)	-36%	18	16%					
511060	Postage	0	0	0	(0)	-78%	(0)	-979%	-979%	0	0	0	0	20%	(0)	-39%	1	20%					
511070	Miscellaneous Office Supplies	5	8	14	3	40%	9	64%	64%	18	25	27	7	27%	8	32%	101	18%					
511080	General Laboratory Supply	99	101	76	1	1%	(24)	-31%	-31%	274	302	292	28	9%	18	6%	1,208	23%					
511090	Medical & Surgical Supplies	-	0	-	0	100%	-	-	-	-	0	-	0	100%	-	0%	0	0%					
511095	Small Technical & Scientific Eq	1	2	7	1	32%	6	83%	83%	2	5	10	3	64%	8	80%	21	9%					
511110	Fuel	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	0%	-	0%					
511120	Clothing	1	2	1	1	61%	0	34%	34%	3	5	8	2	35%	4	55%	21	16%					
511125	Food/Event Supplies	6	2	3	(4)	-232%	(3)	-95%	-95%	7	5	5	(2)	-36%	(2)	-46%	20	34%					
511130	Weapons Munitions & Supplies	-	0	-	0	100%	-	-	-	0	1	0	1	69%	(0)	-904%	5	8%					
511145	Small Tools & Minor Equipment	0	1	0	0	48%	(0)	-175%	-175%	1	2	1	1	48%	(0)	-19%	10	13%					
511150	Miscellaneous Parts & Supplies	0	0	1	0	93%	1	96%	96%	2	1	2	(0)	0%	0	2%	5	33%					
		120	126	117	6	4%	(3)	-3%	-3%	326	378	370	52	14%	44	12%	1,511	22%					



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		FY18	FY18	FY17	Variance				FY18	FY18	FY17	Variance				FY18	% Year		
		Sept 1- Sept 30, 2017	Budget	Sept 1- Sept 30, 2016	Budget - Actual		%	FY18 - FY17	%	July 1- Sept 30, 2017	Budget	July 1- Sept 30, 2016	Vs. Budget		%	Vs. FY17	%	Budget V1	Completed
Services:																			
520100	Temporary Personnel Services	-	-	1	-		1	100%		-	-	7	-	0%		7	0%	-	0%
520105	Accounting & Auditing Svcs	4	3	2	(1)	-30%	(1)	-43%		10	8	7	(2)	-24%		(3)	-48%	33	31%
520106	Architectural Svcs	-	-	-	-		-			-	-	-	-	0%		-	0%	-	0%
520107	Computer Info/Contracting Svcs	-	2	-	2	100%	-			-	7	-	7	100%		-	0%	28	0%
520109	Medical Dental & Laboratory Ser	7	15	279	8	52%	272	97%		8	44	290	36	82%		282	97%	175	5%
520110	Management Consulting Services	204	8	184	(196)	-2348%	(20)	-11%		212	25	213	(187)	-748%		1	1%	100	212%
520112	Banking Services	0	0	0	0	35%	0	43%		1	1	1	0	25%		0	26%	3	19%
520113	Photographic Services	-	0	-	0	100%	-			-	0	-	0	100%		-	0%	0	0%
520114	Misc Support Serv Recruit Relo	24	7	14	(17)	-242%	(10)	-67%		42	21	25	(21)	-100%		(17)	-67%	84	50%
520115	Real Estate Rental	84	90	86	6	6%	2	2%		253	270	257	17	6%		5	2%	1,079	23%
520118	Refuse Disposal	-	0	-	0	100%	-			1	1	-	0	24%		(1)	0%	4	19%
520119	Computer Equip/Software Maint.	42	25	37	(17)	-68%	(5)	-14%		124	75	82	(50)	-67%		(42)	-52%	298	42%
520121	IT Application Services	0	5	1	5	100%	1	99%		31	14	2	(17)	-127%		(29)	0%	55	57%
520123	Vehicle & Motor Equip. Services	-	1	-	1	100%	-			-	2	0	2	100%		0	100%	8	0%
520124	Other Equipment Services	0	25	43	25	100%	43	100%		34	76	46	42	55%		12	27%	302	11%
520143	Credit/Bank Card Svcs	-	0	0	0	100%	0	100%		-	0	1	0	100%		1	100%	0	0%
520145	Criminal Intelligence Services	-	-	-	-		-			-	-	-	-	0%		-	0%	-	0%
520520	Printing & Reproduction Serv.	1	1	3	0	13%	2	71%		1	3	4	2	63%		2	68%	12	9%
520605	Public Information Svcs	-	1	4	1	100%	4	100%		0	3	7	3	94%		7	97%	12	2%
520705	Insurance (Non-Medical)	9	12	9	3	25%	(0)	-3%		27	36	26	8	24%		(1)	-4%	142	19%
520760	Contributions	-	0	-	0	100%	-			-	0	1	0	100%		1	0%	1	0%
520765	Membership & Prof. Fees	1	4	23	2	63%	22	94%		4	11	24	7	60%		19	82%	44	10%
520805	Education & Training	7	11	16	4	36%	9	56%		23	33	22	10	30%		(1)	-5%	132	17%
520815	Tuition Reimbursement	5	2	-	(2)	-106%	(5)			10	7	5	(4)	-54%		(5)	-107%	27	38%
520905	Travel - Training Related	9	11	12	2	15%	2	21%		38	32	44	(6)	-17%		6	14%	130	29%
520910	Travel - Non-training Related	1	2	4	0	27%	3	69%		2	5	5	3	53%		2	49%	20	12%
521405	Building Maintenance Services	1	3	4	2	67%	3	79%		5	8	13	3	33%		8	60%	31	17%
521505	Utilities	1	1	6	1	57%	6	92%		1	4	8	2	59%		6	82%	14	10%
521605	Data Services	1	5	3	3	74%	2	59%		4	14	6	10	72%		2	33%	55	7%
521610	Voice Services, Equip & Labor	2	6	7	4	63%	5	70%		10	18	13	8	46%		3	25%	71	13%
521705	Vehicle/Equipment Rental/Lease	-	0	-	0	100%	-			-	0	-	0	0%		-	0%	0	0%
521715	Office Equipment Rental	-	-	-	-		-			-	-	-	-	0%		-	0%	-	0%
521725	Other Rental Fees	1	1	3	1	66%	3	85%		3	4	4	2	34%		1	18%	18	17%
521730	Parking Space Rental	21	12	12	(8)	-69%	(9)	-77%		38	37	28	(1)	-2%		(10)	-37%	148	26%
521905	Legal Services	-	2	-	2	100%	-			-	6	-	6	100%		-	0%	25	0%
522205	Metro Commuter Passes	5	5	6	0	7%	1	14%		10	16	12	6	35%		2	13%	64	16%
522305	Shipping and Freight	1	2	2	1	63%	2	71%		3	5	4	2	38%		1	22%	22	16%
522430	Misc. Other Services & Chrgs	28	13	30	(15)	-120%	1	5%		49	38	51	(10)	-27%		2	4%	154	32%
522720	Insurance - General & Professional	-	-	-	-		-			-	-	-	-	0%		-	0%	-	0%
522845	Interfund Vehicle Services	-	-	-	-		-			-	-	-	-	0%		-	0%	-	0%
523100	Civilian Payroll	175	229	198	54	23%	23	12%		479	687	686	207	30%		207	30%	2,746	17%
523200	Classified Payroll	222	369	404	147	40%	182	45%		539	1,108	1,144	569	51%		604	53%	4,431	12%
523300	Supplies	-	3	2	3	100%	2	100%		-	8	26	8	100%		26	0%	32	0%
523400	Services	2	2	-	1	34%	(2)			5	7	1	2	29%		(4)	-252%	28	18%
523000	Sub-Contractor (COH-HPD) Total	399	603	604	204	34%	205	34%		1,023	1,810	1,858	786	43%		834	45%	7,239	14%
		857	878	1,396	21	2%	539	39%		1,969	2,633	3,064	664	25%		1,095	36%	10,531	19%

HOUSTON FORENSIC SCIENCE CENTER, INC.  
 COMPARATIVE STATEMENT OF ACTIVITIES - ACCRUAL BASIS  
 For the Period July 1, 2017 through September 30, 2017

Current Month (Preliminary)										YTD										FY18		
FY18			FY17			Variance				FY18			FY17			Variance				FY18	% Year	
Sept 1- Sept 30, 2017		Budget	Sept 1- Sept 30, 2016			Budget - Actual		%	FY18 - FY17	%	July 1- Sept 30, 2017		Budget	July 1- Sept 30, 2016			Vs. Budget	%	Vs. FY17	%	Budget V1	Completed
Non-Capital Expenditures																						
551010	Furniture and Fixtures	3	8	21		5	66%		19	87%	5	25	45		20	79%		40	88%		100	5%
551015	Computer Hardware/SW	-	13	-		13	100%		-		6	40	2		34	84%		(4)	-224%		160	4%
551025	Scientific/Foren Eqmt	-	2	-		2	100%		-		4	5	7		1	16%		3	40%		20	21%
Total Non-Capital Expenditures		3	23	21		20	88%		19	87%	16	70	54		54	77%		38	70%		280	6%
Capital Expenditures																						
170140	Improvements	-	-	-		-			-		-	-	-		-	0%		-	0%		-	0%
170210	Furniture & Fixtures	-	-	-		-			-		-	-	-		-	0%		-	0%		-	0%
170230	Computer Hardware/SW	-	-	3		-			3	100%	180	-	3		(180)	0%		(177)	0%		-	#DIV/0!
170240	Scientific/Foren Eqmt	-	45	176		45	100%		176	100%	-	135	176		135	100%		176	100%		542	0%
170980	Const in Progress	94	-	-		(94)			(94)		(147)	-	-		147	0%		147	0%		-	0%
Total Capital Expenditures		94	45	179		(49)	-108%		85	48%	33	135	179		102	75%		146	81%		542	6%
Total Expense and Capital Before Depreciation		2,714	2,259	3,037		(455)	-20%		324	11%	5,711	6,776	6,416		1,065	16%		706	11%		27,106	21%
561230	Depreciation	40	36	33		(4)	-11%		(7)	-20%	120	108	97		(12)	-11%		(23)	-24%		432	28%
570505	FA Gain/Loss	-	-				0%				-	-			-	0%		-	0%		-	0%
610000	City of Houston Direct Overhead	122	122	122		(0)	0%		-	0%	365	365	365		(0)	0%		-	0%		1,460	25%
	Grant and Training Expense	-	85	-		85	100%		-		-	254	-		254	0%		-	0%		1,016	0%
Total Expense and Capital After Depreciation		2,875	2,501	3,192		(374)	-15%		317	10%	6,196	7,504	6,878		1,308	17%		682	10%		30,014	21%
Net Ordinary Income less capital spending		(2,408)	(277)	(3,065)		(1,383)	499%		657	-21%	13,249	(831)	9,776		14,080	-1695%		3,473	36%		(3,323)	-399%

**HOUSTON FORENSIC SCIENCE CENTER, INC.**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**By Quarter**

(in '000's)

	Preliminary As of 09/30/17	As of 06/30/17	As of 03/31/17	As of 12/31/16
<b>ASSETS</b>				
<b>Cash and Cash Equivalents</b>				
Bank of Texas-Operating	\$ 14,775	\$ 2,240	\$ 5,369	\$ 9,711
<b>Total Current Assets</b>	<u>14,775</u>	<u>2,240</u>	<u>5,369</u>	<u>9,711</u>
<b>Accounts Receivable</b>				
Accounts Receivable	339	234	1	6
<b>Total Accounts Receivable</b>	<u>339</u>	<u>234</u>	<u>1</u>	<u>6</u>
<b>Capital Assets Net of Depreciation</b>				
Capital Assets	4,975	4,942	4,317	4,299
Accumulated Depreciation	<u>(1,236)</u>	<u>(1,116)</u>	<u>(1,095)</u>	<u>(980)</u>
<b>Total Net Capital Assets</b>	<u>3,740</u>	<u>3,826</u>	<u>3,222</u>	<u>3,319</u>
<b>Other Assets</b>				
Prepaid - HR	13	9	1	4
Prepaid - Insurance	97	119	41	79
Prepaid - Service Agreements	184	66	51	88
Prepaid - Other	<u>86</u>	<u>9</u>	<u>92</u>	<u>91</u>
<b>Total Other Assets</b>	<u>380</u>	<u>204</u>	<u>185</u>	<u>262</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 19,234</b></u>	<u><b>\$ 6,504</b></u>	<u><b>\$ 8,777</b></u>	<u><b>\$ 13,297</b></u>
<b>LIABILITIES</b>				
Accounts Payables	\$ 448	\$ 630	\$ 151	\$ 175
Payroll Tax Liability	531	950	316	317
Other Liabilities, Including Fund 2213 Billing	399	350	561	1,095
Deferred - Others				
<b>Total Liabilities</b>	<u>1,378</u>	<u>1,930</u>	<u>1,028</u>	<u>1,588</u>
<b>NET POSITION/FUND BALANCE</b>				
Unrestricted/Unassigned	14,116	747	4,527	8,391
Temporarily Restricted - SAFE Funds				
Net Investment in Capital Assets	<u>3,740</u>	<u>3,826</u>	<u>3,222</u>	<u>3,319</u>
<b>Total Net Position</b>	<u>17,856</u>	<u>4,574</u>	<u>7,749</u>	<u>11,709</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><b>\$ 19,234</b></u>	<u><b>\$ 6,504</b></u>	<u><b>\$ 8,777</b></u>	<u><b>\$ 13,297</b></u>

**HOUSTON FORENSIC SCIENCE CENTER, INC.**  
**GRANTS**  
**As of Sept. 30, 2017**

**Awarded**

**Awarding Agency:** USDOJ-OJP-NIJ  
 NIJ FY 15 DNA Capacity  
**Name of Project:** Enhancement and Backlog  
 Reduction Program  
**Start and End Dates:** 01/2016 to 12/2017  
**Contact:** Sherry Cochran

Award Number:	2015-DN-BX-0072	Award Bal.	Invoiced Total	To Invoice Total
<b>Amount of Award:</b>	\$	1,172,752.00		
<b>Grant Inception to date:</b>	\$	(955,301.23)	955,301.23	-
<b>Grant Balance:</b>	\$	217,450.77		

As of:

**Status:** Active

**Awarding Agency:** USDOJ-OJP-NIJ  
 NIJ FY 16 DNA Capacity  
**Name of Project:** Enhancement and Backlog  
 Reduction Program

Award Number:	2015-DN-BX-0072	Award Bal.	Invoiced Total	To Invoice Total
<b>Amount of Award:</b>	\$	741,000		
<b>Grant Inception to date:</b>	\$	(248,281)	248,280.57	-
<b>Grant Balance:</b>	\$	492,719		

**Start and End Dates:** 01/01/2017 - 12/31/2018

**Status:** Awarded

**Awarding Agency:** Tecas Mutual (HFSC's insurance provider)  
**Name of Project:** Safety Equipment - Ergonomic  
 Chairs

Award Number:	2014-DN-BX-0116	Award Bal.	Invoiced Total	To Invoice Total
<b>Amount of Award:</b>	\$	1,500		
<b>Grant Inception to date:</b>	\$	(1,586)	1,500.00	\$ (86)
<b>Grant Balance:</b>	\$	(86)		

**Start and End Dates:** One Time Funding  
**Contact:** Charles Heurich

**Status:** Awarded

**Awarding Agency:** Tecas Mutual (HFSC's insurance provider)  
**Name of Project:** Hurrican Harvey Relief -  
 Personnel Lost workday

Award Number:	2014-DN-BX-0116	Award Bal.	Invoiced Total	To Invoice Total
<b>Amount of Award:</b>	\$	10,000		
<b>Grant Inception to date:</b>	\$	(10,000)	10,000.00	\$ -
<b>Grant Balance:</b>	\$	-		

**Start and End Dates:** One Time Funding  
**Contact:** Charles Heurich

**Status:** Awarded

## Solicitation

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**Awarding Agency:** USDOJ-OJP-NIJ  
**Primary Receptient:** IRID Inc. (HFSC -Firearms R&D)

**Name of Project:** Firearms - IR Image Comparator  
research participant

Research & Development in

**Purpose:** Forensic Science for Criminal  
Justice Purposes

**Collaboration:** IRID Inc.

**Start and End Dates:** 3 YRS  
**Contact:** N/A  
**Award Number:** N/A

**Amount Requested:** \$ 262,934

**Status:** Applied to be **Subreceptent**  
**Status:** Submitted Budget Summary (Jan 2016)

**Awarding Agency:** USDOJ-OJP-NIJ  
**Primary Receptient:** HFSC - QC, TOX, Laten, BIO R&D

Optimization and Extreme

**Name of Project:** Challenge Testing of a Blind  
Quality Control Program

Research & Evaluation for the

**Purpose:** Testing & Interpretation of  
Physical Evidence in Publicly  
funded Forensic Labs

Dr. Cliff Speigelman, Dr. Cedric

**Collaboration:** Neuman, Dr. William Thompson,  
Dr. Lucas Mentch, Maria Cuellar

**Start and End Dates:** 2 YRS  
**Contact:** N/A  
**Award Number:** N/A

**Amount Requested:** \$ ~~572,231.00~~

**Status:** Applied to be **Lead**  
**Status:** DENIED

**Awarding Agency:** USDOJ-OJP-NIJ  
**Primary Receptient:** HFSC - Latent Prints, R&D

**Name of Project:** Scientific Driven Testing  
Recommendation for Cold Cases

Research & Evaluation for the

**Purpose:** Testing & Interpretation of  
Physical Evidence in Publicly  
funded Forensic Labs

**Collaboration:** TSU, HPD

**Start and End Dates:** 2 YRS  
**Contact:** N/A  
**Award Number:** N/A

**Amount Requested:** \$ ~~298,184.00~~

**Status:** Applied to be **Lead**  
**Status:** DENIED

**Awarding Agency:** USDOJ-OJP-NIJ  
**Primary Receptient:** NISS - (HFSC Controlled Sub R&D)

Implementing Consistency for  
Forensic Drug Analysts:

**Name of Project:** Development and Evaluation of  
Minimum Acceptance Criteria for  
Mass Spectral Data

Research & Development in

**Purpose:** Forensic Science for Criminal  
Justice Purposes

**Collaboration:** NISS

**Start and End Dates:** 2 YRS  
**Contact:** N/A  
**Award Number:** N/A

**Amount Requested:** \$ 66,367.00

**Status:** Applied to be **Subreceptent**  
**Status:** Submitted

Awarding Agency: USDOJ-OJP-NIJ  
Primary Receptient: NISS

Name of Project: Analysis of SAK Processing Flow  
to Optimize Reporting Time

Purpose: Research and Development in  
Forensic Science for Criminal  
Justice Purposes

Collaboration: NISS, HPD, HCDAO, Mary  
Lentchke

Start and End Dates: 3 YRS

Contact: N/A

Award Number: N/A

Amount Requested: \$ 56,628.00

Status: Applied to be **Subreceptent**

Status: **DENIED**

Awarding Agency: USDOJ-OJP-NIJ

Primary Receptient: HFSC - Firearms

Optimization of Firearms NIBIN

Name of Project: Entries and Introduction of  
GunOps

Purpose: Coverdell Competitive Program

Collaboration: N/A

Start and End Dates: 3 YRS

Contact: N/A

Award Number: N/A

Amount Requested: \$ ~~142,481.00~~

Status: Applied to be **Lead**

Status: **Submitted**

Awarding Agency: USDOJ-OJP-NIJ

Primary Receptient: HFSC - TOX, CSU, BIO

Name of Project: Toxicology Capacity Enhacemnt  
for Sexual Assault Drug Testing

FY17 Forensic DNA Laboratory

Purpose: Efficiency Improvement and  
Capacity Enhancement Program

Collaboration: N/A

Start and End Dates: 3 YRS

Contact: N/A

Award Number: N/A

Amount Requested: \$ 717,528.00

Status: Applied to be **Lead**

Status: **AWARDED** \$ 114,000.00

Requires HFSC match of \$ 38,000.00

Awarding Agency: USDOJ-OJP-NIJ

Primary Receptient: HFSC - BIO

Name of Project: DNA Capacity Enhancement

Purpose: FY17 DNA Capacity Enhancement  
and Backlog Reduction Program

Collaboration: N/A

Start and End Dates: 3 YRS

Contact: N/A

Award Number: N/A

Amount Requested: \$ 867,755.00

Status: Applied to be **Lead**

Status: **AWARDED**

# **Houston Forensic Science Center Investment Policy**

## **1.0 PURPOSE**

The purpose of this Investment Policy (the “Policy”) is to comply with the Chapter 2256 of the Texas Government Code, also known as the Public Funds Investment Act (the “Act”), which requires that Houston Forensic Science Center (“HFSC”) annually adopt a written investment policy for the investment of its funds and funds under its control. It is the policy of HFSC to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of HFSC and conforming to all state and local statutes governing the investment of public funds. This document will set forth specific investment policy and strategy guidelines for HFSC in order to achieve the liquidity, maintain public trust for all investment activities, and achieve the best allowable yield commensurate with the risk criteria of this Policy.

## **2.0 POLICY**

It is the policy of HFSC that after allowing for the anticipated cash flow requirements and giving due consideration to the safety and risks of investments, all available funds shall be invested in conformance with these legal and administrative guidelines to target a risk-commensurate rate of return.

Effective cash management is recognized as essential to good fiscal management. An active cash management and investment policy will be pursued to take advantage of investment interest as a viable and material source of revenue. HFSC’s portfolio shall be designed and managed in a manner intended to optimize this revenue resource, to be responsive to the public trust, and to be in compliance with legal requirements and limitations. HFSC will invest its funds in a manner that will provide optimal security and a reasonable rate of return while meeting the daily cash flow demands.

## **3.0 OBJECTIVE**

HFSC’s principal investment management objectives, are as follows:

- preservation of capital and protection of principal;
- maintenance of sufficient liquidity to meet the operating needs; and,
- maximization of return.

HFSC will preserve capital and protect principal by investing in a diversified pool of assets of high credit quality. Interest rate risk will be managed by maintaining a weighted-average maturity of no more than two (2) years.

Investments of the funds covered by this Policy shall be made with the following primary objectives, in their order of importance:

1. **Safety:** Safety of principal is the primary objective of the investment program. Investment of the HFSC's funds shall be undertaken in a manner that seeks to ensure the preservation of capital for the overall portfolio. To attain this objective, only Standard and Poor's AAAM rated funds, which are fully collateralized and convertible to cash daily, are authorized.
2. **Liquidity:** Liquidity is the ability to convert securities into cash in a timely manner at the prevailing market price. Liquidity will be achieved by holding a sufficient portion of the Portfolio in short-term (less than 1 year) assets of large, liquid U.S government, agency, or instrumentality (such U.S. instrumentalities are hereinafter referred to as "government-sponsored entities" or "GSEs") issuers and money market funds or corporate commercial paper issuers with multiple broker programs. HFSC's investment portfolio will remain sufficiently liquid to enable HFSC to meet all operating requirements that might be reasonably anticipated.
3. **Return on Investments:** After preservation of capital and protection of principal and liquidity requirements have been met, investments will be made to enhance the return on the portfolio. This will be achieved by utilizing the full range of permitted investment types and strategies. The investments will be actively managed to take advantage of relative value opportunities. HFSC's investment portfolio shall be designed with the objective of attaining the best feasible rate of return, throughout budgetary and economic cycles, commensurate with HFSC's investment risk constraints and the cash flow characteristics of the portfolio. Return on investment, although important, is subordinate to the safety and liquidity objectives described above.
4. **Legal Requirements:** The investment yield on certain funds may be restricted from time to time due to state or federal laws regarding arbitrage earnings. HFSC's investment portfolio shall be designed with the objective of meeting all legal requirements including yield restrictions.

#### 4.0 SCOPE

This Policy shall govern all investment activities and all funds considered to be part of HFSC. HFSC may add or delete funds as required by law, or for proper accounting procedures. This Policy does not include funds governed by approved trust agreements, or assets administered for the benefit of HFSC by outside agencies under retirement or deferred compensation programs, including pension funds, trustee funds, or escrow funds – any of which is set up and administered separately and whose investment activities are conducted by third parties in accordance with instructions provided in ordinances, contracts, or escrow agreements. Additionally, bond funds (including debt service and reserve funds) are governed by bond ordinances and are subject to the provisions of the Internal Revenue Code and applicable Federal regulations governing the investment of bond proceeds.



#### **4.1 Funds covered by this policy:**

**General Fund** - used to account for all financial resources relating to general government operation. The General Fund is HFSC's operating fund.

#### **5.0 DELEGATION OF AUTHORITY**

Authority to manage HFSC's investment program is derived from State statutes and applicable City ordinances and resolutions. Day to day management responsibility for the investment program lies with the Chief Financial Officer ("CFO")/Treasurer who shall establish written procedures for the operation of the investment program consistent with this Policy. Procedures should include reference to:

- a) Safekeeping of investments
- b) Collateral/Depository agreements
- c) Wire Transfer agreements
- d) Master Repurchase agreements
- e) Securities Lending agreement

Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the CFO. The CFO shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The CFO shall possess sufficient working knowledge of investment economics and the technical aspects of securities and markets, as well as the supervisory experience and judgment necessary to carry out the responsibilities outlined in this Policy.

#### **6.0 ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall not engage in personal business activity that conflicts with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees who are directly involved with the investment function shall disclose to the Board of Directors ("BOD") any financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any personal financial/investment positions that could be related to the performance of HFSC's portfolio. Officers and employees shall abide by any further rules defined in the City of Houston Investment Policy. Officers and employees shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity and shall subordinate their personal investment transactions to those of HFSC's, particularly with regard to the timing of purchases and sales.

Officers and employees involved in the investment process must file a disclosure statement with the Texas Ethics Commission, the HFSC BOD Secretary, and the City of Houston Secretary, acting on behalf of the governing body of the City of Houston, if:

- a) The officer or employee has a personal business relationship with a business organization offering to engage in an investment transaction with HFSC;
- b) The officer or employee is related within the second degree, by affinity or consanguinity, to an individual seeking to transact investment business with HFSC;
- c) The officer or employee owns 10 percent or more of the voting stock or shares of the business or owns \$5,000 or more of the fair market value of the business organization;
- d) Funds received by the investment officer from the business organization exceed 10 percent of the officer's or employee's gross income for the previous year; or
- e) The officer or employee has acquired from the business organization during the previous year an investment with a book value of \$2,500 or more for the personal account of the officer or employee.

## **7.0 STANDARED OF CARE**

Investments shall be made with judgment and care—under investment and economic circumstances then prevailing—which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

7.1 The standard of care to be used by investment officials shall be the “prudent person” standard:

Investments shall be made under the restrictions and procedures for making the investments that persons of ordinary prudence, discretion, and intelligence, exercising the judgment and care under the prevailing circumstances, would follow in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital.

The “prudent person” standard shall be applied in the context of managing an overall portfolio under prevailing economic conditions at the moment of investment commitments. Investment officials, acting in accordance with written procedure and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from exceptions are reported in a timely fashion and appropriate action is taken to control adverse developments.

7.2 In determining whether an investment official has exercised prudence with respect to an investment decision, the determination shall be made by taking into consideration the investment of all funds over which the official had responsibility rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written investment policy of the entity.

## **8.0 AUTHORIZED AND SUITABLE INVESTMENTS**

Investments described below are authorized by the Public Funds Investment Act and considered suitable by the BOD. Section 9.0 of this Policy describes those investments that are prohibited by the Act. In addition, the purchase of specific investments may at times be restricted or prohibited due to current market conditions. Securities that were authorized investments at the time of purchase are not required to be liquidated.

Investments shall be those that have been approved by the City of Houston Investment Committee. Except as provided above, HFSC funds governed by this Policy may be invested in:

- 8.1 Obligations of or guaranteed or insured by the United States Government or its agencies and instrumentalities.
- 8.2 Direct obligations of the State of Texas or its agencies and instrumentalities.
- 8.3 Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
- 8.4 Fully collateralized repurchase agreements with a primary dealer and secured by any obligation of the United States of America or its agencies or instrumentalities.
- 8.5 Investment Pools that function as a money market mutual fund. To be eligible to receive and invest funds on behalf of HFSC, the investment pool functioning as a money market mutual fund must:
  - 8.5.1 Be created by local governments for local governments in full compliance with the Texas Public Funds Investment Act; and
  - 8.5.2 Mark its portfolio to market daily;
  - 8.5.3 Stabilize at a \$1 net asset value to the extent reasonably possible;
  - 8.5.4 Have an advisory board;
  - 8.5.5 Be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service;
  - 8.5.6 Have a weighted average maturity of no longer than 60 days; and
  - 8.5.7 Have a maximum maturity for any individual security in the portfolio limited to 397 days for fixed rate securities and 24 months for variable rate notes.

## **9.0 PROHIBITED INVESTMENTS**

Under the Public Funds Investment Act and pursuant to the City of Houston's Investment Policy, the following are not authorized investments, regardless of any other law to the contrary:

9.1 Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal (commonly referred to as IOs).

9.2 Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (commonly referred to as POs).

9.3 Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.

9.4 Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

## **10.0 EFFECT OF LOSS OF REQUIRED RATING**

An investment that requires a minimum rating under this subchapter does not qualify as an authorized investment during the period the investment does not have the minimum rating. HFSC shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating. HFSC shall also monitor the credit ratings on securities that require minimum ratings. This may be accomplished through staff research, or with the assistance of broker dealers, banks, or safekeeping agents.

## **11.0 COLLATERALIZATION**

All deposits of HFSC funds, repurchase agreements, and securities lending agreements, including any accrued interest, will be fully collateralized by securities permitted under this Policy. Collateral securities shall have a market value of not less than 100% of the amount of the deposits, secured thereby, adjusted by the insurance coverage provided those deposits by the Federal Deposit Insurance Corporation. Collateral will always be held by an independent third party with whom HFSC has a current custodial agreement. A clearly marked evidence of ownership (safekeeping or trust receipt) must be supplied to HFSC and retained. Determination of market value on collateral shall be made on a weekly basis. All collateral relationships will comply with the terms of the Public Funds Collateral Act.

## **12.0 SAFEKEEPING AND CUSTODY**

All security transactions, including collateral for repurchase and securities lending agreements, but with the exception of money market transactions, entered into by HFSC shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian, designated by the BOD, and held in HFSC's name as evidenced by safekeeping or trust receipts of the bank with which the securities are deposited. The custodian will provide listings of the securities that are held in the name of HFSC on a periodic basis.

### **13.0 GENERAL POOL STRATEGY**

The General Pool consists of those working capital, construction, and debt service funds which are not subject to yield restriction under IRS arbitrage regulations. HFSC combines a variation on the traditional laddered maturity strategy that matches assets and liabilities, with more active management strategies, such as yield curve analysis, to achieve the best feasible rate of return while fulfilling the investment objectives of this policy.

The core of the General Pool strategy is a ladder in which investment maturities are matched to monthly cash requirements for the next 12-18 months. When investments mature, the proceeds are used to pay bills or are re-invested. New cash from bond proceeds, taxes, or other revenues can be invested at the long end of the ladder to take advantage of higher yields or to fill other cash requirements. The ladder may be extended for longer-term funds to take advantage of matching long-term assets against long-term liabilities. At times, some investments might be placed shorter or longer, based on the interest rate outlook.

In order to ensure the ability of HFSC to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the General Pool shall not exceed 2.5 years.

All investments in this pool must comply with the objectives and restrictions set forth in this Policy.

### **14.0 DIVERSIFICATION AND MAXIMUM MATURITIES**

The BOD will set explicit asset mix and diversification constraints within which the CFO is to manage HFSC's portfolios. The asset mix is stated in terms of a maximum or minimum commitment to each asset category rather than ranges or targets so as to allow the CFO flexibility in implementing investment decisions within the framework of this Policy. The CFO may set the commitments anywhere from zero (or the minimum), to the maximum level, based upon the CFO's outlook for the market. All securities must conform to the rules on Authorized and Suitable Investments in Section 8.0 of this Policy.

Notwithstanding the limits in this section, investment pools initially created for funds with limited investment horizons must conform to the rules set out in the City of Houston Investment Policy. All other restrictions within this policy are still applicable, including, but not limited to, maturity, credit ratings, and any other specific concentration limitations as discussed in Section 8.0.

### **15.0 SALE OF SECURITIES**

Securities shall not be sold prior to maturity except under the following circumstances:

- a) A decline in the credit quality of the issuer;
- b) Liquidity needs require that a security be sold; or
- c) Diversification limits in section 14.0 of this policy require the reduced concentration in a particular sector.

## **16.0 COMPETITIVE BIDDING**

It is the policy of HFSC to require competitive bidding for all individual security purchases and sales except for:

- 1) Transactions with money market mutual funds (which are deemed to be made at prevailing market rates);
- 2) Government securities purchased at issue through an approved broker/dealer or financial institution; and
- 3) Commercial paper and bankers' acceptances purchased either directly from the issuer or on the secondary market (verification of competitive market levels must be documented).

At least three broker/dealers must be contacted in all other transactions involving individual securities. For those situations where it may be impractical or unreasonable to receive three bids due to secondary market availability or broker inventory limitations, documentation of a competitive market of comparable securities or an explanation of the specific circumstance must be included with the transaction quote/bid sheet.

## **17.0 AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS**

17.1 Broker/Dealers – The CFO will maintain a list of approved broker/dealers and financial institutions that have been approved by the City of Houston and are authorized to provide investment services in the State of Texas. Investments shall only be made with those firms who qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule) and who have:

- a) Provided audited financial statements;
- b) Completed HFSC's Broker/Dealer Questionnaire;
- c) Acknowledged, in writing, that the policy has been thoroughly reviewed by qualified representatives dealing directly with HFSC's account and that the organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between HFSC and the organization that are not authorized by HFSC's Investment Policy, except to the extent that this authorization depends on an analysis of the makeup of HFSC's entire portfolio or requires an interpretation of subjective investment standards; and
- d) Met the qualifications and standards recommended and approved by the BOD.

An annual review of the financial condition and registrations of authorized broker/dealers and financial institutions providing investment services will be conducted by the CFO. In addition, the quantity of transactions conducted with each approved broker/dealer will be reviewed at least semi-annually for the prior six-month period. Broker/dealers that have less than three transactions shall be sent a letter informing them of their status, and be given thirty days to respond in writing.

Depositories – The CFO will maintain a list of qualified public depositories that are authorized to hold HFSC funds. Deposits will only be placed with those institutions that have been authorized by the City of Houston Investment Policy and that have:

- a) Provided audited financial statements;
- b) Completed HFSC's Authorized Depository application;
- c) Been designated by City Council as an authorized depository;
- d) Signed HFSC's Security Agreement; and
- e) Provided collateral as set forth in Sections 8.5 and 11.0 of this policy

Annually, the CFO will ensure that all financial institutions holding HFSC funds are approved by the City of Houston's Investment Committee.

A current audited financial statement is required to be on file for each broker/dealer and financial institution that transacts any investment activities with HFSC.

## **18.0 PROCEDURE**

### **18.1 Liquidity**

- 18.1.1 The controller monitors bank activities and balances daily.
- 18.1.2 The controller accesses the banking system and prepares weekly reports for submission to the CFO.
- 18.1.3 The CFO reviews the weekly positions and liquidates or increases investments based on the needs or funds available.
- 18.1.4 The HFSC Executive Staff (CEO, COO, Director Business Development) reviews monthly forecasts and then determines if adequate funds are available for short term cash disbursements.
- 18.1.5 The CFO invests according to anticipated needs.

### **18.2 Safety of Principal**

- 18.2.1 The CFO, in conjunction with the banks or institutions that hold balances, ensures that all balances are collateralized in amounts and with the proper type of investment instruments that are required by the City of Houston's Investment Policy.
- 18.2.2 Investment instruments will be those approved by the City of Houston's Investment Committee.

## **19.0 INTERNAL CONTROL**

The CFO shall establish a system of internal controls. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. In conjunction with its annual financial audit, HFSC shall cause to be performed a compliance audit of management controls on investments, adherence to HFSC's established Investment Policy, and the quarterly reports prepared by the CFO. The results of the review shall be reported to the BOD. The internal controls shall address the following points:

- a) Control of collusion;
- b) Separation of transactions authority from accounting and record keeping;
- c) Custodial safekeeping;
- d) Avoidance of physical delivery securities;
- e) Clear delegation of authority to subordinate staff members; and
- f) Written confirmation for telephone (voice) transactions for investment and wire transfers.

## **20.0 PERFORMANCE STANDARDS**

Subject to the investment objectives set forth in Section 3.0 of this Policy, the investment portfolios shall be designed with the objective of attaining the best feasible rate of return, throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs of the portfolio. The overriding objectives of portfolio management are to preserve the capital invested and to meet the liquidity and debt service needs of HFSC. These objectives supersede the importance of achieving any performance Benchmarks set by this policy.

**21.0 MARKET YIELD (BENCHMARK):** HFSC's selection of portfolio management is active as opposed to passive. Active management uses investment strategies designed to increase portfolio value by exceeding average rates of return normally achieved using passive management. The CFO may revise this benchmark if liquidity and debt service needs alter the desired composition of the portfolio.

## **22.0 INVESTMENT POLICY ADOPTION**

HFSC's Investment Policy shall be adopted by resolution of the BOD. The policy shall be reviewed at least annually by the BOD, and any modifications made to such policy must be approved by the BOD. The BOD shall evidence by resolution that it has conducted such review.



**Local Government Investment Cooperative Resolution No. \_\_\_\_\_**

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A PARTICIPATION AGREEMENT AND TRUST INSTRUMENT FOR PARTICIPATION IN A PUBLIC FUNDS INVESTMENT POOL, DESIGNATING THE BOARD OF TRUSTEES OF THE POOL AS AN AGENCY AND INSTRUMENTALITY TO SUPERVISE THE POOL, APPROVING INVESTMENT POLICIES OF THE POOL, APPOINTING AUTHORIZED REPRESENTATIVES AND DESIGNATING INVESTMENT OFFICERS.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as amended (the “Interlocal Act”), permits any “local government” to contract with one or more other “local governments” to perform “governmental functions and services,” including investment of public funds (as such phrases are defined in the Interlocal Act);

WHEREAS, the Interlocal Act authorizes the contracting parties to any interlocal agreement to contract with agencies of the State of Texas, within the meaning of Chapter 771 of the Government Code,

WHEREAS, the Act permits the contracting parties to any interlocal agreement to create an administrative agency to supervise the performance of such interlocal agreement and to employ personnel and engage in other administrative activities and provide other administrative services necessary to execute the terms of such interlocal agreement;

WHEREAS, the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, as amended (the “PFIA”), authorizes the entities described in Subsection (a) of the PFIA to invest their funds in an eligible public funds investment pool, and the Local Government Investment Cooperative (LOGIC) intends to become and remain an eligible public funds investment pool, under the terms and conditions set forth in PFIA;

WHEREAS, the Houston Forensic Science Center (the “Government Entity”) desires to enter into that certain Participation Agreement and Trust Instrument (the “Agreement”), a copy of which is presented with this Resolution and is incorporated herein by reference, and to become a participant in a public funds investment pool created under the PFIA, to be known as Local Government Investment Cooperative (LOGIC) (the “Pool”);

WHEREAS, the Government Entity is a Government Entity as defined in the Agreement;

WHEREAS, the Government Entity desires to cause administration of the Pool to be performed by a board of trustees (the “Board”), which shall be an advisory board under the PFIA, an administrative agency created under the Interlocal Act, and trustee of the funds in the Pool; and

WHEREAS, the Government Entity desires to designate the Board as its agency and instrumentality with authority to supervise performance of the agreement, employ personnel and engage in other administrative activities and provide other administrative services necessary to execute the terms of the Agreement;

WHEREAS, each capitalized term used in this Resolution and not otherwise defined has the same meaning assigned to it in the Agreement;

NOW, THEREFORE, BE IT RESOLVED:

1. The Agreement is hereby approved and adopted and, upon execution thereof by an Authorized Representative (defined below) and receipt of the Government Entity's application to join the Pool by the Administrator, the Government Entity shall become a Participant in the Pool for the purpose of investing its available funds in the Pool from time to time in accordance with the terms of the Agreement.

2. The Board is hereby designated as an agency and instrumentality of the Government Entity, and the Board shall have the authority to supervise performance of the Agreement and the Pool, employ personnel and engage in other administrative activities and provide other administrative services necessary to execute the terms of the Agreement. The Government Entity agrees that all moneys it transfers to the Pool shall be held and managed in trust by the Board for the benefit of the Government Entity.

3. The investment policies of the Pool, as set forth in the document entitled Investment Policies, as summarized in the Information Statement, and as may be amended from time to time by the Board, are hereby adopted as investment policies of the Government Entity with respect to money invested in the Pool, and any existing investment policies of the Government Entity in conflict therewith shall not apply to investments in the Pool.

4. The following officers, officials or employees of the Government Entity are hereby designated as "Authorized Representatives" within the meaning of the Agreement, with full power and authority to: execute the Agreement, an application to join the Pool and any other documents required to become a Participant; deposit money to and withdraw money from the Government Entity's Pool account from time to time in accordance with the Agreement and the Information Statement; to agree to the terms for use of the website for online transactions and take all other actions deemed necessary or appropriate for the investment of funds of the Government Entity:

1. Name: Peter Stout

Title: President/CEO

Signature: \_\_\_\_\_

Phone: (713) 929-6760

Email: [PStout@houstonforensicscience.org](mailto:PStout@houstonforensicscience.org)

2. Name: David Leach  
Title: Chief Financial Officer and Treasurer  
Signature: \_\_\_\_\_  
Phone: (281) 404-1801  
Email: [dleach@houstonforensicscience.org](mailto:dleach@houstonforensicscience.org)

In accordance with the Pool's procedures, an Authorized Representative shall promptly notify the Pool in writing of any changes in who is serving as Authorized Representatives.

5. List the name of the Authorized Representative listed above that will be designated as the Primary Contact and will receive all LOGIC correspondence including transaction confirmations and monthly statements:

Name: David Leach

7. Taxpayer Identification Number. Applicant's taxpayer identification number is:

\_\_\_\_\_

8. Contact Information. Applicant primary mailing address:

Houston Forensic Science Center 1301 Fannin St., Suite 170, Houston, TX 77002

Applicant main phone number: (713) 929-6760

Applicants main fax number: (832) 598-7178

In addition to the foregoing Authorized Representatives, each Investment Officer of the Pool appointed by the Board from time to time is hereby designated as an investment officer of the Government Entity and, as such, shall have responsibility for investing the share of Pool assets representing funds of the Government Entity. Each depository and custodian appointed by the Board from time to time are hereby designated as a depository and custodian of the Government Entity for purposes of holding the share of Pool assets representing funds of the Government Entity.

PASSED AND APPROVED this \_\_\_\_\_ day of October 2017.

By: \_\_\_\_\_

Attest: \_\_\_\_\_

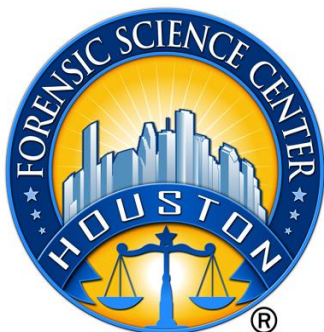
Nicole Casarez, Board Chair

Printed Name and Title

Jordan Benton, Acting Board Secretary

Printed Name and Title

**Official Seal of Houston Forensic Science Center Below:**



## Houston Forensic Science Center

### INTEROFFICE MEMO

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**To:** Peter Stout, PhD, President and CEO

**From:** Lori Wilson, Quality Director

**Cc:** Amy Castillo, PhD, COO  
Jerry Pena, Director, Crime Scene/Digital and Multimedia Division

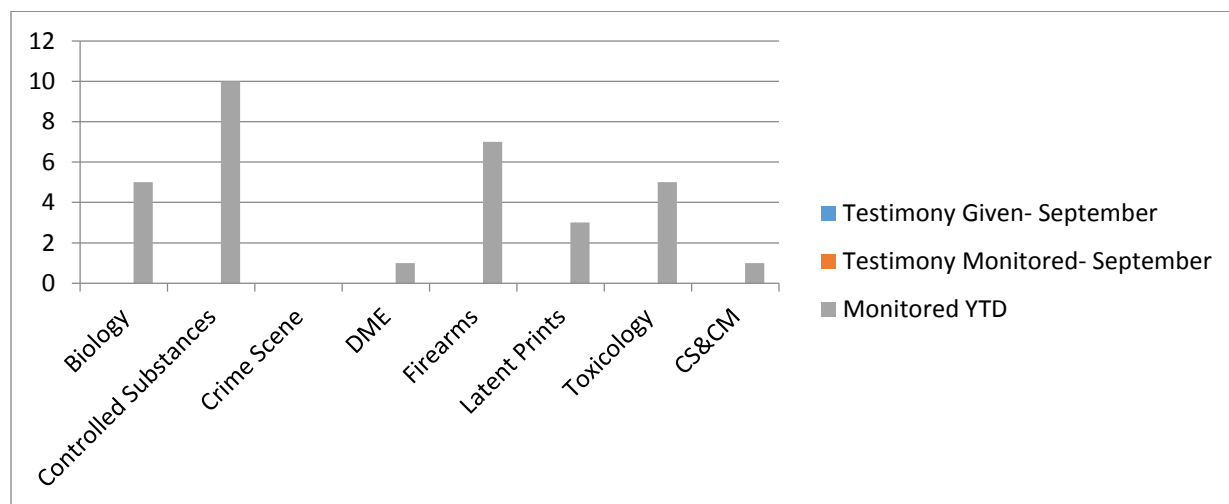
**Date:** October 5, 2017

**Re:** Quality Division Update for September 2017

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#### TESTIMONY MONITORING

Per a review of LIMS activity logs, HFSC staff did not testify during the month. A Testimony Evaluation Form for Forensic Multimedia Evidence testimony given in March is reflected in the below graphic.



In calendar year 2017, three staff members have given testimony but have not been monitored. A transcript has been obtained for one of these and the evaluation requirement will be fulfilled through a review of this court record. The Quality Division is working with the section manager to ensure the other two analysts meet the evaluation requirement for 2017.

#### PROFICIENCY TESTS

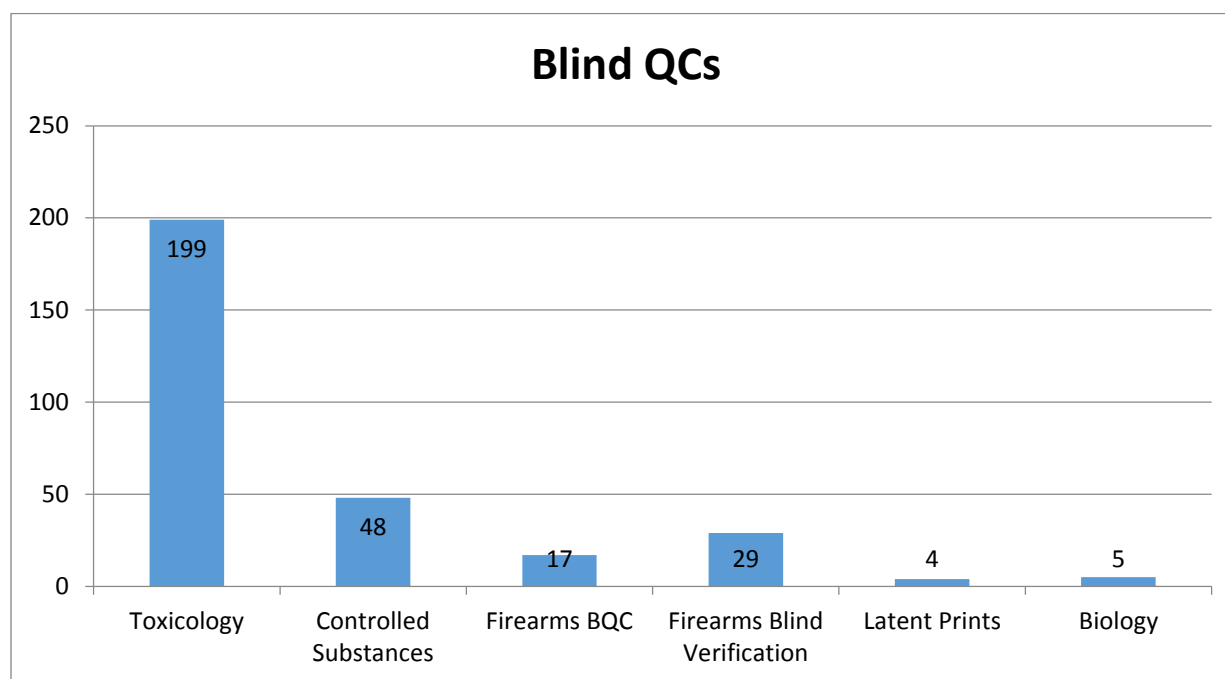
Proficiency activity is shown below.

Test Identifier	Discipline	Number of Tests Assigned	Number of Participants	Date Assigned	Date Submitted to Provider	Issue?
17-5550	Digital: Mobile Device Examination	1	1	5/12/2017	5/18/2017	Pending Review
17-0201	Digital: Computer Examination	6	6	5/18/2017	7/10/2017	Pending Review
17-5190	Latent Print Processing	2	2	5/25/2017	7/13/2017	no
17-502	Controlled Substances (predistribution)	1	1	6/16/2017	7/13/2017	n/a
2017-1024-D	Forensic Multimedia: Video Analysis	5	5	6/23/2017	8/14/2017	n/a
PARF-B	Forensic Biology: Parentage	1	Varies	6/28/2017	8/10/2017	n/a
17-5704	Forensic Biology	9	Varies	7/19/2017	9/15/2017 (extended due to weather)	n/a
17-5661	Toxicology: Blood Drug	1	1	7/19/2017	8/22/2017	n/a
2017-2005	Forensic Multimedia: Audio Analysis	3	3	8/1/2017	9/14/2017	n/a
17-502	Controlled Substances: Drug Analysis	5	5	8/7/2017	9/12/2017	n/a
17-5705	Forensic Biology	9	Varies	9/15/2017	Due 11/02/2017	n/a
PARF-C 2017	Forensic Biology: Parentage	1	1	9/27/2017	Due 11/09/2017	n/a
17-5671	Toxicology: Urine Drug Analysis	1	1	9/29/2017	Due 11/24/2017	n/a

## 2017 BLIND QUALITY CONTROL PROGRAM

September activity is shown below.

Discipline	Number of Cases Assigned	Number of Cases Completed	Results
Toxicology	6	8	Satisfactory
Firearms – Blind Verification	1	2	Satisfactory
Firearms – Blind Quality Control	0	0	n/a
Controlled Substances	6	2	Satisfactory
Latent Print Processing	0	0	n/a
Biology	0	0	n/a



This graph represents the number of BQC cases created since the beginning of the program (September 2015) through the end of September 2017.

See **Attachment 1** for additional BQC information.

### INCIDENTS/CORRECTIVE/PREVENTIVE ACTIONS

Information regarding specific incidents and corrective actions reported during the month is included as **Attachment 2**.

### COMPLAINTS

No complaints were received during the month.

## DISCLOSURES

Latent Print corrective action 2017-055 (see Attachment 2 for more information) was closed by the Quality Division on September 29. This nonconformance will be disclosed to the Texas Forensic Science Commission prior to the Commission's next scheduled meeting on November 3.

## AUDITS and INSPECTIONS

The Quality Division submitted to ANAB the information requested for our yearly surveillance/desk audit. The information listed below was reviewed by the assigned lead assessor and HFSC was found to be compliant with accreditation requirements applicable to these items:

- proficiency testing records
- internal audit reports
- yearly management review
- external audit reports
- organizational chart
- four-year proficiency testing plan
- significant organizational changes relevant to accreditation- **request to remove the category of Trace Evidence (Fire Debris Analysis) from our scope of accreditation**

See **Attachment 3** for the continuation of accreditation letter received from ANAB upon completion of this desk audit.

The Quality Division conducted an internal audit of the Forensic Biology Section the week of August 14. The audit close-out meeting was held on September 7. Ten nonconformances were included in the audit report. Details of these nonconformances are included in Attachment 2 under Forensic Biology and are prefixed with '2017-IA'. Corrective actions are due to the Quality Division by October 11.

A Forensic Biology security audit was conducted September 29 – October 2, 2017. The purpose of this audit was to verify compliance with the HFSC Security Manual. The section's key control procedures and staff access by electronic badge reader were audited. Based upon a sampling performed during the audit, access points to the Forensic Biology laboratory area appear to be correctly controlled. A recommendation was made to add individually assigned laboratory bench keys to the key assignment log.

An additional Forensic Multimedia Unit evidence audit was conducted on September 13. This audit was used to gauge the unit's compliance with chain of custody requirements after nonconformances were noted during the March 2017 internal audit. All evidence items in the FMU vault were audited for proper chain of custody, labeling, and packaging. See Attachment 2 for details.

Please let me know if you have any questions or need additional information.

# Attachment 1





# Blind Quality Testing Project Update - September 2017

## Quality Division Goals

Discipline	Target Cases Assigned
Controlled Substances	8/month
Toxicology	8/month
Biology	2/month
Firearms – Blind Verification	1/month
Firearms – Blind Quality Control	1/month
Latent Print Processing	1/month
Latent Print Comparison	1/month

## Challenges

- Goals fell short of the targets this month as we re-set and caught up from Hurricane Harvey week.
- The Firearms blind quality test is currently limited to the firearms marked for destruction by the HPD property room. A new lot was marked for destruction in late September.

## Forensic Discipline

## Cases Assigned

Controlled Substances	6
Toxicology	6
Biology	0
Firearms: Blind Verification	1
Firearms: Blind Quality Test	0
Latent Print Processing	0
Latent Print Comparison	0

On Target

Near Target

Target Not Met

## September 2017 Results

Forensic Discipline	Cases Completed
Controlled Substances	2
Toxicology – BAC	8
Biology	0
Firearms – Blind Verification	2
Firearms – Blind Quality Control	0
Latent Print Processing	
Latent Print Comparison	0

100%  
Satisfactory

## Mitigation

- The Morphotrac system is online in the Latent Print section. Quality will begin observations in October to research the new process. The Latent Prints manager has discussed placing reference samples into Morphotrac for the blind cases. Logistics are still being mitigated. The Quality Division's goal is to submit a blind latent print comparison case in November.

## Achievements

- Controlled substances submissions have continued to remain blind to the analysts.
- The Quality Division has started to expand blind testing in the DME section. Tests are being created to submit in November.

# Attachment 2

# Quality Division Notifications

Incidents, Corrective and Preventive Actions

Thursday, October 05, 2017

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Page 1 of 3

Quality Notified	Summary of Notification	Comments
<b>Biology</b>		
<b>2017-071</b> IR	9/13/2017	The reagent blank was contaminated.
<b>2017-073</b> IR	9/15/2017	The reagent blank was contaminated.
<b>2017-074</b> IR	9/18/2017	Forensic Biology scheduled monthly maintenance for one instrument on 8/28/2017. Due to inclement weather the laboratory was closed on this day and the monthly maintenance was not performed until 9/6/2017. Casework results were not impacted.
<b>2017-075</b> CAR	9/18/2017	A corrective action was initiated to analyze the contamination events reported in the Forensic Biology section during the time period of July 2017 - August 2017.
<b>2017-077</b> IR	9/26/2017	An amended report was issued to correct typographical errors identified in a 2014 CODIS report.
<b>2017-079</b> IR	9/28/2017	The reagent blank was contaminated with the DNA of a Biology staff member.
<b>2017-080</b> IR	9/28/2017	A laboratory report had to be amended because the evidence disposition statement was not included. The disposition statement stated the item would not be subjected to DNA analysis until reference samples are submitted to the laboratory.
<b>2017-081</b> IR	9/29/2017	The reagent blank was contaminated with the DNA of a Biology staff member.
<b>2017-IA-28</b> CAR	9/11/2017	During the Biology internal audit, it was discovered that DNA staff do not always follow the SOP requirement to review scientific literature on a quarterly basis.

**HFSC's Quality Division investigates nonconforming work and helps develop solutions in compliance with accreditation and legal standards. With regard to the items listed above, the Division has not detected any use of inaccurate results in a criminal proceeding.**

# Quality Division Notifications

Incidents, Corrective and Preventive Actions

Thursday, October 05, 2017

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Page 2 of 3

	Quality Notified	Summary of Notification	Comments
<b>2017-IA-29 CAR</b>	9/7/2017	Chain of custody errors were noted during the Biology internal audit.	
<b>2017-IA-30 CAR</b>	9/7/2017	Biology section quality-related incidents and corrective actions are not always closed in a timely fashion. Nine incidents and twelve corrective actions have been open for more than nine months.	
<b>2017-IA-31 CAR</b>	9/7/2017	During the internal audit, the Quality Division discovered that all staff and visitor DNA reference samples that were collected had not been analyzed and added to the staff database. It is against this database that profiles are run in an attempt to determine sources of contamination.	
<b>2017-IA-32 CAR</b>	9/7/2017	During the biology internal audit, it was discovered that some archived worksheets were used instead of the current version.	
<b>2017-IA-33 CAR</b>	9/7/2017	The Biology Training Manual has not been revised since 2014 and is now outdated. This was discovered during the internal audit.	
<b>2017-IA-34 CAR</b>	9/7/2017	During the Biology internal audit, it was discovered that some equipment had not been performance checked according to the section's SOPs.	
<b>2017-IA-35 CAR</b>	9/7/2017	During the Biology internal audit, the audit team discovered that all reagents were not properly labeled and one reagent expiration date was not documented correctly.	
<b>2017-IA-36 CAR</b>	9/7/2017	During the Biology internal audit, the audit team discovered the lot number for the allelic ladder used during capillary electrophoresis was not documented in the case records. The lot number must be recorded in order to establish an audit trail.	

**HFSC's Quality Division investigates nonconforming work and helps develop solutions in compliance with accreditation and legal standards. With regard to the items listed above, the Division has not detected any use of inaccurate results in a criminal proceeding.**

# Quality Division Notifications

Incidents, Corrective and Preventive Actions

Thursday, October 05, 2017

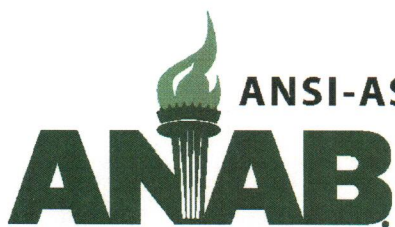
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Page 3 of 3

	Quality Notified	Summary of Notification	Comments
<b>2017-IA-37</b> <b>CAR</b>	9/7/2017	Two errors were noted during the case record review portion of the Biology internal audit. These errors included an incorrect offense type and a typographical error in the reported statistics for one evidence item.	
<b>Client Services/Case Management</b>			
<b>2017-070</b> <b>IR</b>	9/7/2017	HFSC returned unsealed evidence to the Property Room. This was noticed when the parent evidence item was recalled in order to add a child item to the packaging. HFSC policy requires evidence to be sealed upon completion of analysis.	
<b>Controlled Substances</b>			
<b>2017-078</b> <b>IR</b>	9/27/2017	A Controlled Substance laboratory report was amended to correct the cause number.	
<b>Crime Scene</b>			
<b>2017-076</b> <b>CAR</b>	9/25/2017	One of three cartridge cases included in scene documentation was not collected.	
<b>Firearms</b>			
<b>2017-072</b> <b>IR</b>	9/13/2017	A fired cartridge case was found in the desk drawer of a staff member who resigned the week before this item was found. The casing should have been packaged with the associated test fires and stored in the Firearms vault.	

HFSC's Quality Division investigates nonconforming work and helps develop solutions in compliance with accreditation and legal standards. With regard to the items listed above, the Division has not detected any use of inaccurate results in a criminal proceeding.

# Attachment 3



## ANSI-ASQ National Accreditation Board

September 20, 2017

Ashley Chapman  
Houston Forensic Science Center  
1301 Fannin Street, Suite 170  
Houston, TX 77002

Dear Ms. Chapman:

ANAB has approved the continuation of accreditation of the Houston Forensic Science Center, based upon the results of the surveillance activity, conducted by Lead Assessor Dave Grady.

Enclosed with this correspondence you will find a copy of the surveillance report. Continuation of accreditation does not change the expiration date of accreditation. Rather, this action is an annual, formal acknowledgement that a laboratory continues to operate in satisfactory conformance with accreditation requirements.

Congratulations for maintaining an on-going, acceptable level of conformance with the applicable accreditation requirements.

Sincerely,

Pat Bencivenga  
Accreditation Manager  
ANSI-ASQ National Accreditation Board

cc: ANAB Office

ANAB is Now the Home of



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