

**MINUTES OF THE
AUDIT COMMITTEE MEETING
Friday, June 16, 2017**

The Audit Committee of the Finance Commission of Texas convened at 8:00 a.m. on June 16, 2017, with the following members present:

Audit Committee Members in Attendance:

Molly Curl, Chairman
Hector Cerna
Lori McCool

Additional Members in Attendance:

Stacy G. London
Bob Borochoff
Phillip Holt
Will Lucas
Matt Moore
Paul Plunket
Vince E. Puente

Audit Committee Chairman Curl announced that there was a quorum of the Audit Committee of the Finance Commission of Texas with three members present.

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the April 21, 2017, Audit Committee Meeting	Hector Cerna made a motion to Approve the Minutes of the April 21, 2017 Audit Committee Meeting. Lori McCool seconded and the motion passed.	00:03 start of discussion 01:30 vote
B. Audit Committee Review of Agencies' Activities	No Action Required.	01:41 start of discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Department of Savings and Mortgage Lending's Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Lori McCool made a motion to Recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. Hector Cerna seconded and the motion passed.	7:00 start of discussion 14:17 vote

<p>D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's Audit Report on Fixed Asset Management as Prepared and Presented by Garza/Gonzalez and Associates</p>	<p>Hector Cerna made a motion to Recommend that the Finance Commission Approve the Texas Department of Banking's Audit Report on Fixed Asset Management as Prepared and Presented by Garza/Gonzalez and Associates. Lori McCool seconded and the motion passed.</p>	<p>15:01 start of discussion 17:32 vote</p>
<p>E. Report on Activities Relating to the Texas Financial Education Endowment Fund</p>	<p>No Action Required.</p>	<p>17:56 start of discussion</p>
<p>F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Revised Texas Financial Education Endowment (TFEE) Fund Grant Administration & Advisory Policy Manual and 2018-2019 Funding Priorities</p>	<p>Lori McCool made a motion to Recommend that the Finance Commission Approve the Revised Texas Financial Education Endowment (TFEE) Fund Grant Administration & Advisory Policy Manual and 2018-2019 Funding Priorities, as amended with corrections on Pages 76 and 81. Hector Cerna seconded and the motion passed.</p>	<p>19:21 start of discussion 34:02 vote</p>
<p>G. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Appointment of a New Grant Advisory Committee Member</p>	<p>Hector Cerna made a motion to Recommend that the Finance Commission Approve the Appointment of a New Grant Advisory Committee Member. Lori McCool seconded and the motion passed.</p>	<p>34:40 start of discussion 35:06 vote</p>
<p>H. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Reapprove the Internal Auditor Contract for Garza/Gonzalez & Associates for Fiscal Year 2018</p>	<p>Hector Cerna made a motion to Recommend that the Finance Commission Reapprove the Internal Auditor Contract for Garza/Gonzalez & Associates for Fiscal Year 2018. Lori McCool seconded and the motion passed.</p>	<p>35:30 start of discussion 38:01 vote</p>

There being no further business of the Audit Committee of the Finance Commission of Texas, Molly Curl adjourned the meeting at 8:37 a.m. (38:18) *on the audio file*)

/s/Molly Curl

Molly Curl, Audit Committee Chair
Finance Commission of Texas

/s/Charles G. Cooper

Charles G. Cooper, Commissioner
Texas Department of Banking

/s/Anne Benites

Anne Benites, Executive Assistant
Finance Commission of Texas