

**MINUTES OF THE  
AUDIT COMMITTEE MEETING  
Friday, October 19, 2018**

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m. on October 19, 2018 with the following members present:

**Audit Committee Members in Attendance:**

Lori McCool (serving as Chair in Molly Curl's absence)  
Vince E. Puente  
Stacy G. London (serving on Committee in Molly Curl's absence)  
Molly Curl (absent)

**Additional Members in Attendance:**

Stacy G. London  
Hector Cerna  
Phillip Holt  
Will Lucas  
Paul Plunket  
Vince Puente

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

<b>AGENDA ITEM</b>	<b>ACTION</b>	<b>LOCATION ON AUDIO FILE</b>
A. Review and Approval of the Minutes of the August 16-17, 2018, Audit Committee Meeting	Vince Puente made a motion to Approve the Minutes of the August 16-17, 2018 Audit Committee Meeting. Stacy G. London seconded, and the motion passed.	00:01 start of discussion 00:23 vote
B. Audit Committee Review of Agencies' Activities	No Action Required.	01:01 start of discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' August 31, 2018 Investment Officer Reports <ol style="list-style-type: none"><li>1. Texas Department of Banking</li><li>2. Department of Savings and Mortgage Lending</li><li>3. Office of Consumer Credit Commissioner</li></ol>	Vince Puente made a motion to Recommend that the Finance Commission Approve the Agencies' August 31, 2018 Investment Officer Reports. Stacy G. London seconded, and the motion passed.	07:01 start of discussion 11:03 vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<p>D. Discussion of and Possible Vote to Recommend that the Finance Commission take Action on the Agencies' 2018 Fourth Quarter Financial Statements</p> <ol style="list-style-type: none"> <li>1. Texas Department of Banking</li> <li>2. Department of Savings and Mortgage Lending</li> <li>3. Office of Consumer Credit Commissioner</li> </ol>	<p>Vince Puente made a motion to Recommend that the Finance Commission Approve the Agencies' 2018 Fourth Quarter Financial Statements. Stacy G. London seconded, and the motion passed.</p>	<p>11:21 start of discussion</p> <p>26:24 vote</p>
<p>E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on an additional Finance Commission audit to be provided under the current Internal Auditor Contract</p>	<p>Vince Puente made a motion to Recommend that the Finance Commission Approve an additional Finance Commission audit to be provided under the current Internal Auditor Contract not to exceed \$23,735. Stacy G. London seconded, and the motion passed.</p>	<p>26:30 start of discussion</p> <p>53:02 vote</p>
<p>F. Discussion of and Possible Vote to Recommend that the Finance Commission take Action on the Department of Savings and Mortgage Lending's Contribution of \$750,000 to the Texas Financial Education Endowment Fund</p>	<p>Vince Puente made a motion to Recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's Contribution of \$750,000 to the Texas Financial Education Endowment Fund. Stacy G. London seconded, and the motion passed.</p>	<p>53:48 start of discussion</p> <p>1:18:30 vote</p>
<p>G. Report on Activities Relating to the Texas Financial Education Endowment Fund</p>	<p>No Action Required.</p>	<p>1:19:20 start of discussion</p>

There being no further business of the Audit Committee of the Finance Commission of Texas, Lori McCool adjourned the meeting at 9:53 a.m. (1:23:10) *on the audio file*)

/s/Lori McCool

Lori McCool

Finance Commission of Texas

/s/Charles G. Cooper

Charles G. Cooper, Executive Director

Finance Commission of Texas

/s/Anne Benites

Anne Benites, Executive Assistant

Finance Commission of Texas