

**MINUTES OF THE  
AUDIT COMMITTEE MEETING  
Friday, October 18, 2019**

The Audit Committee of the Finance Commission of Texas convened at 8:00 a.m. on October 18, 2019 with the following members present:

**Audit Committee Members in Attendance:**

Lori McCool (presiding as Acting Chair)  
Hector Cerna  
Paul Plunket (attending on behalf of Molly Curl)

**Audit Committee Members Not in Attendance:**

Molly Curl

Lori McCool announced there was a quorum of the Audit Committee of the Finance Commission of Texas with three members present. (:13 on audio file)

| AGENDA ITEM   | ACTION  | LOCATION ON AUDIO FILE                               |
|---|---|--|
| A. Review and Approval of the Minutes of the August 15, 2019 Audit Committee Meeting  | Paul Plunket made a motion to Approve the Minutes, as modified, of the August 15, 2019 Audit Committee Meeting. Hector Cerna seconded, and the motion passed.                       | :30<br>start of<br>discussion<br><br>1:40<br>vote    |
| B. Review of Agencies' Activities<br>1. Texas Department of Banking<br>2. Department of Savings and Mortgage Lending<br>3. Office of Consumer Credit Commissioner   | No Action Required.   | 2:07<br>start of<br>discussion                       |
| C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' August 31, 2019 Investment Officer Reports<br>1. Texas Department of Banking<br>2. Department of Savings and Mortgage Lending<br>3. Office of Consumer Credit Commissioner | Paul Plunket made a motion to Recommend that the Finance Commission Approve the Agencies' August 31, 2019 Investment Officer Reports. Hector Cerna seconded, and the motion passed. | 4:21<br>start of<br>discussion<br><br>11:21<br>vote  |
| D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2019 Fourth Quarter Financial Statements:<br>1. Texas Department of Banking<br>2. Department of Savings and Mortgage Lending<br>3. Office of Consumer Credit Commissioner  | Hector Cerna made a motion to Recommend that the Finance Commission Approve the Agencies' 2019 Fourth Quarter Financial Statements. Paul Plunket seconded, and the motion passed.   | 11:45<br>start of<br>discussion<br><br>18:48<br>vote |

| <b>AGENDA ITEM</b>   | <b>ACTION</b>   | <b>LOCATION ON AUDIO FILE</b>                        |
|--|---|--|
| E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Selection of an Internal Auditor for the Finance Commission Agencies for Fiscal Year 2020 | Hector Cerna made a motion to Recommend that the Finance Commission Approve that the Audit Committee interview the three respondents and have them make presentations during the month of November (2019) before a final decision is made. Paul Plunket seconded and the motion passed. | 19:13<br>start of<br>discussion<br><br>31:05<br>vote |
| F. Report on Activities Relating to the Texas Financial Education Endowment Fund   | No Action Required.   | 33:04<br>start of<br>discussion                      |

There being no further business of the Audit Committee of the Finance Commission of Texas, Lori McCool adjourned the meeting at 8:41 a.m. (39:33 on the audio file).

/s/ Lori McCool

Lori McCool, Acting Audit Committee Chair  
Finance Commission of Texas

/s/ Charles. G. Cooper

Charles G. Cooper, Executive Director  
Finance Commission of Texas

/s/ Brenda Medina

Brenda Medina, Executive Assistant  
Finance Commission of Texas