

**MINUTES OF THE
AUDIT COMMITTEE MEETING
Friday, June 18, 2021**

The Audit Committee of the Finance Commission of Texas convened at 8:36 a.m. on June 18, 2021 with the following members present:

Audit Committee Members in Attendance (via webinar):

Phillip Holt, Acting Chairman
Hector Cerna
Larry Long

New Finance Commission member Debbie Scanlon was also present at Audit Committee meeting but did not participate in the voting process.

Chairman Holt announced there was a quorum of the Audit Committee of the Finance Commission of Texas. (1:56 on the audio file).

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the April 16, 2021 Audit Committee Meeting	Larry Long made a motion to Approve the Minutes of the April 16, 2021 Audit Committee Meeting. Hector Cerna seconded and the motion passed.	2:18 start of discussion 2:36 Vote
B. Review of Agencies' Activities 1. Office of Consumer Credit Commissioner 2. Texas Department of Banking 3. Department of Savings and Mortgage Lending	No Action Required.	3:02 start of discussion
C. Discussion of 2022 Budget Process	No Action Required.	5:32 start of discussion
D. 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 2022	Hector Cerna made a motion to recommend that the Finance Commission Reapprove the Internal Auditor Contract for Garza/Gonzalez & Associates for Fiscal Year 2022. Larry Long seconded and the motion passed.	6:40 start of discussion 7:52 Vote
E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2021 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Larry Long made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's 2021 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. Hector Cerna seconded and the motion passed.	8:29 start of discussion 19:14 Vote
F. Report on Activities Relating to the Texas Financial Education Endowment Fund	No Action Required.	19:49 start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
G. 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 2022-2023 Funding Priorities	Hector Cerna made a motion to recommend that the Finance Commission Approve the Revised Texas Financial Education Endowment (TFEE) Fund Grant Administration & Advisory Policy Manual and 2022-2023 Funding Priorities. Larry Long seconded and the motion passed.	22:23 start of discussion 24:52 Vote
H. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve an Amount for the Upcoming 2022-2023 Grant Cycle for the Texas Financial Education Endowment (TFEE)	Larry Long made a motion to recommend that the Finance Commission Approve \$350,000 for the Upcoming 2022-2023 Grant Cycle for the Texas Financial Education Endowment (TFEE). Hector Cerna seconded and the motion passed.	25:37 start of discussion 31:41 Vote
I. Discussion of and Consultation on Security Audit, Possible Issue Related to Confidential or Sensitive Information, Security Breach Audit and Assessment, or Security Assessments or Deployment Related to Information Resources Technology as Authorized by Tex. Govt. Code Secs. 551.076 and 551.089	Deferred to Executive Session – no vote taken.	n/a

Chairman Phillip Holt called for an Executive Session at 9:08 a.m. (32:24 on the audio file). The open meeting resumed at 10:13 a.m. (33:41 on the audio file).

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Holt adjourned the meeting at 10:13 a.m. (33:55 on the audio file).

/s/ Phillip Holt
 Phillip Holt, Acting Chairman, Audit Committee
 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