

**MINUTES OF THE
FINANCE COMMISSION MEETING
Friday, June 18, 2021**

The Finance Commission of Texas convened at 10:13 a.m. on June 18, 2021 with the following members present:

Finance Commission Members in Attendance *(some members in attendance via webinar):*

Phillip Holt, Chairman	Will Lucas
George "Cliff" McCauley, Vice Chairman	Sharon McCormick
Robin Armstrong	Vince Puente
Bob Borochoff	Debbie Scanlon
Hector Cerna	Laura Warren
Larry Long	

Commissioner Charles Cooper announced there was a quorum with ten members present. *(1:38 on the audio file)*. Robin Armstrong joined the call at 10:18 a.m. *(5:51 on the audio file)*.

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Finance Commission Matters		
1. Review and Approval of the Minutes of the April 16, 2021 Finance Committee Meeting	On Consent Agenda – Item A1 This item Approved on the Consent Agenda.	n/a
2. General Public Comment	No Action Required.	2:02 start of discussion
3. Consent Agenda – Items A1 and C2	Laura Warren made a motion to Approve Consent Agenda items A1 and C2. Sharon McCormick seconded and the motion passed.	2:50 start of discussion 3:24 Vote
4. Finance Commission Operations	No Action Required.	3:47 start of discussion
5. Audit Committee Report		
A. 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	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Reapprove the Internal Auditor Contract for Garza/Gonzalez & Associates for Fiscal Year 2022 passed.	4:06 start of discussion 4:27 Vote

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<p>B. 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</p>	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Texas Department of Banking’s 2021 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates passed.</p>	<p>4:45 start of discussion 4:57 Vote</p>
<p>C. 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</p>	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Revised Texas Financial Education Endowment (TFEE) Fund Grant Administration & Advisory Policy Manual and 2022-2023 Funding Priorities passed.</p>	<p>5:13 start of discussion 5:26 Vote</p>
<p>D. 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)</p>	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve \$350,000 for the Upcoming 2022-2023 Grant Cycle for the Texas Financial Education Endowment (TFEE) passed.</p>	<p>7:04 start of discussion 7:15 Vote</p>
<p>6. Discussion of and Possible Vote to Take Action Regarding Personnel Matters Pursuant to §551.074, Texas Government Code: Deliberations with Respect to the Duties and Compensation of a Person Holding the Position of Executive Director of the Finance Commission, Deliberations with Respect to the Duties and Compensation of Persons Holding the Position of Agency Commissioner Positions, and Other Staff</p>	<p>Vince Puente made a motion to approve the following Commission pay adjustments:</p> <ul style="list-style-type: none"> • 4% base salary pay increase for the Banking Commissioner and the Office of Consumer Credit Commissioner effective July 1, 2021. • \$15,000 one-time merit (retention bonus) for the Banking Commissioner and the Office of Consumer Credit Commissioner. • Increase the annual salary of the Finance Commission Executive Director from \$12,000 to \$15,000 effective July 1, 2021. <p>Laura Warren seconded and the motion passed.</p>	<p>2:08:51 start of discussion</p>
<p>7. Discussion of and Possible Vote to Take Action Regarding Facility Planning and Real Property Matters Pursuant to §551.072, Texas Government Code: Deliberations Regarding the Purchase, Exchange, Lease or Value of Real Property</p>	<p>No Discussion.</p>	<p>n/a</p>

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
8. Discussion of and Consultation with Attorney and Possible Vote to Take Action Pursuant to §551.071, Texas Government Code, for the Purpose of Seeking the Advice or Attorney-client Privileged Communications from our Attorneys, Including Matters Related to the Potential Financial Exposure of the Finance Commission Agencies and Their Officers and the Finance Commission and its Officers and Including Matters of Pending and Contemplated Litigation	No Discussion.	n/a
9. 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	No Discussion.	n/a
B. Office of Consumer Credit Commissioner		
1. Industry Status and Departmental Operations: a) Consumer Protection and Assistance Division Activities; b) Licensing Division Activities; c) Administration Division Activities; d) Financial Division Activities; e) Legal Division Activities; and f) Legislative Activities	No Action Required.	7:50 start of discussion
2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation <i>Ernest Polk v. Texas Office of Consumer Credit Commissioner; Cause No. 2018-04375, in the 281st Judicial District Court of Harris County, Texas</i>	No Discussion.	n/a
C. Texas Department of Banking		
1. Industry Status and Departmental Operations: a) Current Issues Affecting Department's Regulated Entities; b) Bank and Trust Division Activities; c) Corporate Division Activities; d) Non-Depository Supervision Division Activities; e) Administrative, Staffing and Fiscal Division Activities; f) Strategic Support Division Activities including Consumer Complaint Data; g) Legal Division Activities including Enforcement Activity and Gift Reporting; and h) Legislative Activities	No Action Required.	39:47 start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
2. On Consent	On Consent Agenda – Item C2 This item Approved on the Consent Agenda.	n/a
3. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Discussion.	n/a
D. Department of Savings and Mortgage Lending		
1. Industry Status and Departmental Operations: a) State Savings Bank Examinations and Supervision Division Activities; b) Mortgage Licensing Division Activities; c) Mortgage Examinations Division Activities; d) Consumer Complaints Division Activities; e) Administration and Finance Division Activities; f) Legal Division Activities, including Gift Reporting; and g) Legislative Activities	No Action Required.	1:15:12 start of discussion
2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Discussion.	n/a

Chairman Phillip Holt called for an Executive Session at 12:21 p.m. (2:07:55 on the audio file). The open meeting resumed at 12:51 p.m. (2:08:51 on the audio file).

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 12:52 p.m. (2:10:34 on the audio file).

/s/ Phillip Holt
 Phillip Holt, Chairman
 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