

**MINUTES OF THE  
AUDIT COMMITTEE MEETING  
Friday, August 20, 2021**

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m. on August 20, 2021, with the following members present:

**Audit Committee Members in Attendance (via webinar):**

Phillip Holt, Chairman, Finance Commission  
Debbie Scanlon, Chairman, Audit Committee  
Hector Cerna  
Larry Long

Chairman Scanlon announced there was a quorum of the Audit Committee of the Finance Commission of Texas. (1:08 on the audio file).

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the June 18, 2021 Audit Committee Meeting	Larry Long made a motion to Approve the Minutes of the June 18, 2021 Audit Committee Meeting. Hector Cerna seconded and the motion passed.	1:33 start of discussion  1:52 Vote
B. Review of Agencies' Activities  1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	No Action Required.	2:23 start of discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2021 Third Quarter Investment Officer Reports  1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Hector Cerna made a motion to recommend that the Finance Commission approve the Agencies' 2021 Third Quarter Investment Officer Reports. Larry Long seconded and the motion passed.	5:34 start of discussion  13:44 Vote
D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Readoption of the Investment Policies for:  1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Larry Long made a motion to recommend that the Finance Commission approve the Readoption of the Investment Policies for the Office of Consumer Credit Commissioner, Department of Savings and Mortgage Lending and the Texas Department of Banking. Hector Cerna seconded and the motion passed.	14:13 start of discussion  23:38 Vote
E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2021 Third Quarter Financial Statements  1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Hector Cerna made a motion to recommend that the Finance Commission approve the Agencies' Third Quarter Financial Statements. Larry Long seconded and the motion passed.	24:14 start of discussion  32:37 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' Fiscal Year 2022 Operating Budgets <ol style="list-style-type: none"> <li>1. Office of Consumer Credit Commissioner</li> <li>2. Department of Savings and Mortgage Lending</li> <li>3. Texas Department of Banking</li> </ol>	Larry Long made a motion to recommend that the Finance Commission approve the Agencies' Fiscal Year 2022 Operating Budgets. Hector Cerna seconded and the motion passed.	33:05 start of discussion  67:47 Vote
G. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Office of Consumer Credit Commissioner's 2021 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Hector Cerna made a motion to recommend that the Finance Commission Approve the Office of Consumer Credit Commissioner's 2021 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. Larry Long seconded and the motion passed.	68:18 start of discussion  73:51 Vote
H. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Department of Savings and Mortgage Lending'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 Department of Savings and Mortgage Lending's 2021 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. Hector Cerna seconded and the motion passed.	74:24 start of discussion  79:55 Vote
I. Report on Activities Relating to the Texas Financial Education Endowment Fund	No Action Required.	80:27 start of discussion

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Scanlon adjourned the meeting at 9:52 a.m. (81:53 on the audio file).

/s/Debbie Scanlon

Debbie Scanlon, 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