

**MINUTES OF THE
AUDIT COMMITTEE MEETING
Friday, June 20, 2025**

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m., on June 20, 2025, with the following members present:

Audit Committee Members in Attendance:

Kathleen Fields, Chairman

Phillip Holt, Chairman, Finance Commission of Texas

David Osborn

Audit Committee Members Absent:

Roselyn "Rosie" Morris

Chairman Fields announced there was a quorum of the Audit Committee of the Finance Commission of Texas with three members present. *(0:34 on audio file)*.

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the April 25, 2025 Audit Committee Meeting	Phillip Holt made a motion to Approve the Minutes of the April 25, 2025 Audit Committee Meeting. David Osborn seconded, and the motion passed.	0:54 Start of Discussion 1:10 Vote
B. Review of Agencies' Activities 1. Department of Savings and Mortgage Lending 2. Texas Department of Banking 3. Office of Consumer Credit Commissioner	No Action Required.	1:36 Start of Discussion
C. Discussion of the 2026 Budget Process	No Action Required.	10:11 Start of Discussion
D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2025 Revenue Processing Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzalez and Associates	David Osborn made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's 2025 Revenue Processing Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzalez and Associates. Phillip Holt seconded, and the motion passed.	12:20 Start of Discussion 23:53 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Phillip Holt made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. David Osborn seconded, and the motion passed.	12:20 Start of Discussion 26:23 Vote
F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Activities of the Texas Financial Education Endowment Fund	No Action Required.	26:52 Start of Discussion
G. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Revised Texas Financial Education Endowment Fund Grant Administration & Advisory Policy Manual and 2026-2027 Funding Priorities	Phillip Holt made a motion to recommend that the Finance Commission Approve the Revised Texas Financial Education Endowment Fund Grant Administration & Advisory Policy Manual and 2026-2027 Funding Priorities. David Osborn seconded, and the motion passed.	26:52 Start of Discussion 30:03 Vote
H. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve an Amount for the Upcoming 2026-2027 Grant Cycle for the Texas Financial Education Endowment	Phillip Holt made a motion to recommend that the Finance Commission Approve \$850,000, for the Upcoming 2026-2027 Grant Cycle for the Texas Financial Education Endowment. David Osborn seconded, and the motion passed.	30:36 Start of Discussion 32:55 Vote
I. Discussion of the Activities of the Mortgage Grant Fund	No Action Required.	33:25 Start of Discussion
J. 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 §551.076 and § 551.089, Texas Government Code	Deferred to Executive Session. No Vote Required.	n/a

Chairman Kathleen Fields called for an Executive Session at 9:04 a.m. (34:15 *on the audio file*). The open meeting resumed at 10:08 a.m. (35:56 *on the audio file*)

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Kathleen Fields adjourned the meeting at 10:08 a.m. *(36:12 on the audio file)*.

/s/Kathleen Fields

Kathleen Fields, Chairman, Audit Committee
Finance Commission of Texas

/s/Charles G. Cooper

Charles G. Cooper, Executive Director
Finance Commission of Texas

/s/Ruth Wright

Ruth Wright, Executive Assistant
Finance Commission of Texas