

**MINUTES OF THE
AUDIT COMMITTEE MEETING
Friday, October 27, 2023**

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m., on October 27, 2023, with the following members present:

Audit Committee Members in Attendance:

Phillip Holt, Interim Chairman (Chairman, Finance Commission of Texas)
Hector Cerna
Roselyn “Rosie” Morris

Chairman Holt announced there was a quorum of the Audit Committee of the Finance Commission of Texas with three (3) members present. *(0:16 on audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the August 18, 2023 Audit Committee Meeting	Rosie Morris made a motion to Approve the Minutes of the August 18, 2023 Audit Committee Meeting. Hector Cerna seconded, and the motion passed.	0:32 Start of Discussion 0:46 Vote
B. Review of Agencies’ Activities 1. Texas Department of Banking 2. Office of Consumer Credit Commissioner 3. Department of Savings and Mortgage Lending	No Action Required.	1:00 Start of Discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies’ 2023 Fourth Quarter Investment Officer Reports 1. Texas Department of Banking 2. Office of Consumer Credit Commissioner 3. Department of Savings and Mortgage Lending	Hector Cerna made a motion to recommend that the Finance Commission Approve the Agencies’ 2023 Fourth Quarter Investment Officer Reports. Rosie Morris seconded, and the motion passed.	2:30 Start of Discussion 5:07 Vote
D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies’ 2023 Fourth Quarter Financial Statements 1. Texas Department of Banking 2. Office of Consumer Credit Commissioner 3. Department of Savings and Mortgage Lending	Rosie Morris made a motion to recommend that the Finance Commission Approve the Agencies’ 2023 Fourth Quarter Financial Statements. Hector Cerna seconded, and the motion passed.	5:27 Start of Discussion 12:11 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Final Selection of Organizations to Receive Grant Funds from the Texas Financial Education Endowment Fund	Hector Cerna made a motion to recommend that the Finance Commission Approve the Final Selection of Organizations to Receive Grant Funds from the Texas Financial Education Endowment Fund. Rosie Morris seconded, and the motion passed. Rosie Morris made a motion to recommend that the Finance Commission Approve the Amendment of the Aggregate Award Amount, \$735,700, for the 2024-2025 Grant Cycle of the Texas Financial Education Endowment Fund. Hector Cerna seconded, and the motion passed.	12:27 Start of Discussion 16:346 Vote 17:04 Vote
F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Activities of the Texas Financial Endowment Fund	No Action Required.	17:20 Start of Discussion
G. Discussion of the Activities of the Mortgage Grant Fund	No Action Required.	19:44 Start of Discussion
H. 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
I. 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 2024	Deferred to Executive Session. No Vote Required.	n/a

Chairman Holt called for an Executive Session at 8:51 a.m. (20:53 on audio file). The open meeting resumed at 9:50 a.m. (22:42 on audio file)

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
I. 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 2024	Rosie Morris made a motion to recommend that the Finance Commission Approve the Selection of an Internal Auditor Garza/Gonzalez & Associates for the Finance Commission Agencies for Fiscal Year 2024. Hector Cerna seconded, and the motion passed.	22:58 Vote

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Holt adjourned the meeting at 9:50 a.m. *(23:21 on the audio file).*

/s/Phillip Holt

Phillip Holt, Interim 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