

**CREDIT UNION COMMISSION AUDIT COMMITTEE
MEETING MINUTES
Credit Union Department Building
914 East Anderson Lane, Austin, Texas**

July 18, 2024

A. CALL TO ORDER – Chair Kay Swan called the meeting to order at 1:00 p.m. in the conference room of the Credit Union Department Building, Austin, Texas, pursuant to Chapter 551 of the Texas Government Code, and declared that a quorum was present. Other members present included Liz Bayless, and Ex-officio Jim Minge. Committee member David Bleazard was not present due to a schedule conflict. Staff members in attendance were Michael S. Riepen, Commissioner, Karen Miller, General Counsel who will serve as legal counsel for the Committee at this meeting, and Joel Arevalo, Director of Information and Technology. Chair Swan appointed Isabel Velasquez as recording secretary. The Chair inquired and the Commissioner confirmed that the notice of the meeting was properly posted with the Secretary of State (**June 20, 2024, TRD#2024003653**).

- ❖ **INVITATION FOR PUBLIC INPUT FOR FUTURE CONSIDERATION**
– Chair Swan invited public input for future consideration by the committee. There was none.
- ❖ **ACKNOWLEDGE GUESTS** – Chair Swan acknowledged Internal Auditor, Daniel Graves and Associates from Weaver and Tidwell, L.L.P.

B. RECEIVE MINUTES OF PREVIOUS MEETING (August 10, 2023) – Mrs. Bayless moved to approve the minutes of August 10, 2023, as presented. Mrs. Swan seconded the motion, and the motion was unanimously adopted.

C. DISCUSSION OF AND POSSIBLE VOTE REGARDING 2024 INTERNAL AUDIT REPORT. Mrs. Swan explained that in August 2023 the

Commission approved an Internal Audit Charter and Plan, reviewing different high risks operations in successive years. An internal audit has been conducted for FY 2024 of the Department's examination process. Mrs. Swan called on Internal Auditor, Daniel Graves from Weaver and Tidwell, L.L.P., who introduced Michael Karnes, Manager and Connie Kang, Senior who worked on the audit. Mr. Graves reported to the Committee that they have completed the internal audit plan for the current year apart from one report and this is because guidance on that report has not come out yet. Furthermore, he explained that the first audit completed as a part of the three-year plan was the audit of examinations, being one of the most significant processes that the Commission completes and functions. Furthermore, he reported that this audit received a "Strong" for all objectives.

After a short discussion, Mrs. Bayless moved that the Committee recommends that the Commission approve the FY 2024 Internal Audit and its Submission to the State Auditor's Office. Mrs. Swan seconded the motion, and the motion was unanimously adopted.

D. DISCUSSION OF AND POSSIBLE VOTE TOTAKE ACTION ON THE FY 2025 INTERNAL AUDIT PLAN. Mrs. Swan reported that in August 2023, the Commission approved an Internal Audit Charter and Plan, reviewing different high risks operations in successive years. The plan is to focus on the Information Technology Services and Enforcement Administration for FY 2025.

After a brief discussion, Mrs. Bayless moved that the Committee recommend that the Commission approve the FY 2025 Internal Audit Plan. Mrs. Swan seconded the motion, and the motion was unanimously adopted.

E. NEXT COMMITTEE MEETING – Chair Swan reminded everyone that, if necessary, the next meeting of the Committee would be tentatively scheduled for Thursday, November 7, 2024.

ADJOURNMENT – There being no further business for the Committee, Chair Swan adjourned the meeting at 1:15 p.m.

Kay Swan
Chair

Isabel Velasquez
Recording Secretary

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