

**CREDIT UNION COMMISSION
AUDIT COMMITTEE
MEETING MINUTES**

August 6, 2026

1. CALL TO ORDER – Chair Ames-called the meeting to order at 10:02 a.m. pursuant to Chapter 551 of the Texas Government Code and declared that a quorum was present. Committee members David Bleazard, Cody Huggins (present remotely) and Ex-officio member Jim Minge were present. Staff members in attendance were Commissioner, Robert W. Etheridge, Deputy Commissioner David Borden, General Counsel Devon Bijansky, and Isabel Velasquez, Executive Assistant. The Chair appointed Isabel Velasquez as Recording Secretary. The Chair inquired and the Commissioner confirmed that the notice of the meeting was properly posted to the Secretary of State (**July 28, 2026, TRD# 2026004461**).

The Chair officially announced that under Sections 551.076 and 551.089 of the Texas Government Code, the Committee may enter Executive Session for the purposes of discussing the IT Audit Report.

2. APPROVE MINUTES OF THE LAST COMMITTEE MEETING (JULY 17, 2025) - Mr. Bleazard moved to approve the minutes of the July 17, 2025, meeting, as presented. Mr. Huggins seconded the motion, and the motion was unanimously adopted.

3. DISCUSSION OF THE FY 2026 INTERNAL AUDIT REPORT AND POSSIBLE VOTE TO RECOMMEND THAT THE COMMISSION ACCEPT THE REPORT AND AUTHORIZE ITS SUBMISSION TO THE STATE AUDITOR’S OFFICE – Daniel Graves, with Weaver and Tidwell reported that they have completed the Internal Audit Plan for Fiscal 2026. This plan consisted of two audits. One was over the payroll report, which received the highest rating of

strong. There were two findings centered around the updating of policies and procedures and the second finding was in the recording and release of leave and sick leave. Both received a low-risk rating. Commissioner Etheridge expressed his thanks for the comprehensiveness and quality of the work performed and the department will be diligent in addressing the two findings within the time frame of September 30, 2026.

Mr. Graves continued reporting on the next item that covered findings related to the IT general controls. All but one was remediated, giving a very positive mark on the IT group.

Commissioner Etheridge reported that the IT area has drafted a new policy and procedure to address the finding that is still outstanding and should be implemented very soon.

Mr. Graves went on to report on the Annual Internal Audit Report and stated this is a statutory requirement. He proceeded to outline the seven sections to this report as being plain, and most of it is disclosure-based.

After a lengthy discussion, Chair Ames asked for a motion that the Committee recommend that the Commission approve the provisional FY 2026 Internal Audit Report and authorize its submission to the State Auditor's Office. Mr. Bleazard moved to approve the motion, as presented. Mr. Huggins seconded the motion, and the motion was unanimously adopted.

4. UPDATE REGARDING FY 2025 INTERNAL AUDIT REPORT – Mr. Graves reported on this item and discussion regarding cybersecurity measures or policies did not take place at this meeting and no action anticipated at this time.

5. RECOMMEND THAT THE COMMISSION AUTHORIZE STAFF TO TAKE STEPS TO PROCURE INTERNAL AUDIT SERVICES – Commissioner Etheridge reported that our contract with Weaver and Tidewell is about to expire at the end of this fiscal year. He explained that there are different options we could take such as the committee authorizing us to procure that contract or we can bring bids back to the Committee and the Commission. Mr. Etheridge acknowledged the fact that the Committee may want us to prepare the contract and perhaps add some constraints to it.

After a short discussion, Mr. Bleazard made a motion to recommend the Commission authorize staff to contract to procure a new contract services within 10% of the Fiscal Year 2027 projected budgeted amount without the Commission reconsidering it. Mr. Huggins seconded the motion, and the motion was unanimously adopted.

6. FUTURE MEETINGS – AGENDA ITEMS, AND ARRANGEMENTS – Chair Ames announced the Committee meets on an as-needed basis.

There being no further business, Chair Ames adjourned the meeting at 10:26 a.m.

Becky Ames
Chair

Isabel Velasquez
Recording Secretary

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