

TEXAS DEPARTMENT OF MOTOR VEHICLES
FINANCE AND AUDIT COMMITTEE
MEETING

Texas Department of Motor Vehicles
Lone Star Room
Building 1
4000 Jackson Avenue
Austin, Texas 78731

Wednesday,
June 29, 2022

COMMITTEE MEMBERS:

Brett Graham, Chair
Tammy McRae
Sharla Omumu
John Prewitt

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P R O C E E D I N G S

1
2 MR. GRAHAM: Good afternoon. My name is Brad
3 Graham, and I am pleased to open the Finance and Audit
4 Committee meeting of the Board of the Texas Department of
5 Motor Vehicles.

6 It is 2:00 p.m., and I am now calling the Board
7 meeting for June 29, 2022, to order. That wasn't loud
8 enough, was it? There we go. That is better.

9 I want to note for the record that the public
10 notice of this meeting, containing all items on the agenda
11 was filed with the Office of Secretary of State on June
12 21st, 2022.

13 Before we begin today's meeting, please place
14 all cell phones and other communication devices -- make
15 sure I am as well -- in silent mode. And please, as a
16 courtesy to others, do not carry on side conversations or
17 other activities in the meeting room.

18 I want to welcome those who are with us today
19 for today's committee meeting. Face coverings and social
20 distancing are not required at this meeting.

21 If you wish to address the Board or speak on an
22 agenda item during today's meeting, please complete a
23 speaker sheet at the registration table, or send an email
24 to [GCO general@txdmv.gov](mailto:GCO_general@txdmv.gov). Please identify in your email
25 the specific item you are interested in commenting on,

1 your name and address, and whether you are representing
2 anyone or speaking for yourself. If your comment does not
3 pertain to a specific agenda item, we will take your
4 comment during the general public comment portion of the
5 meeting.

6 In accordance with the Department's
7 administrative rule, comments to the Board will be limited
8 to three minutes. To assist each speaker, a timer has
9 been provided. The timer light will be green for the
10 first two minutes, yellow for one minute, and then red
11 when your time is up.

12 Individuals cannot accumulate time from other
13 speakers. Comments should be pertinent to the issues
14 stated on the comment sheet. When addressing the Board,
15 please state your name and affiliation for the record.

16 There are a few things that will assist in
17 making the meeting run smoother and assist the court
18 reporter in getting the accurate record. Please identify
19 yourself before speaking. Speak clearly and slowly. Do
20 not speak over others.

21 And please ask the Chairman to proceed. And be
22 sure to get recognized before speaking. I would also like
23 to thank our court reporter who is transcribing this
24 meeting.

25 Before we begin today, I would like to remind

1 all presenters and those in attendance of the rules of
2 conduct in our Board meetings. In the Department's rule,
3 the Board Chair is given authority to supervise the
4 conduct of meetings. This includes the authority to
5 determine when a speaker is being disruptive of the
6 meeting or is otherwise violating the timing or
7 presentation rules I just discussed.

8 The posted agenda stated that a quorum of the
9 Board may be present at this meeting. However, Board
10 members who are not members of the Finance and Audit
11 Committee will not vote on any Committee agenda items
12 today, nor will any Board action be taken.

13 With that, I will -- I don't believe we have
14 any of our other Board members present. So, I will move
15 to the roll call and establishment of the quorum. Please
16 respond verbally when I call your name.

17 Member McRae, are you here?

18 MS. MCRAE: Here.

19 MR. GRAHAM: Member Omumu?

20 MS. OMUMU: Here.

21 MR. GRAHAM: Member Prewitt.

22 MR. PREWITT: Here.

23 MR. GRAHAM: And the let the record reflect
24 that I, Brett Graham, am here as well. We have a quorum.

25

1 With that, I would ask you to please stand as
2 we recognize our pledges of allegiance to the U.S. and
3 Texas.

4 (Whereupon, the Pledge of Allegiance was
5 recited.)

6 MR. GRAHAM: The Texas flag.

7 (Whereupon, a pledge to the Texas flag was
8 recited.)

9 MR. GRAHAM: Thank you. With that, we'll move
10 to Agenda Item 3, comments and announcements from the
11 Committee Chair, Committee members, or the Executive
12 Director. Do we have any comments or announcements?

13 (No response.)

14 MR. GRAHAM: None that I know of. Okay.

15 With that, we will move to Agenda item 4,
16 strategic plan update. This is a briefing item, only. We
17 will hear from Glenna Bowman on Item 4(a).

18 MS. BOWMAN: Good afternoon, Chairman Graham,
19 Committee members. For the record, my name is Glenna
20 Bowman. I am the Chief Financial Officer for the Justice
21 Department of Motor Vehicles. I am going to see if I can
22 do this one without my glasses.

23 At the April 14th Board meeting, we reported on
24 activities related to the Texas Department of Motor
25 Vehicles strategic plan for fiscal year 2023 through 2027.

1 One of those activities was to request changes to the
2 Department's budget structure and performance measures. I
3 am very pleased to report that we got approval for 100
4 percent of our requested changes from the Legislative
5 Budget Board and the Office of the Governor.

6 We also updated the Board on our goals and
7 action plans for the report. And since the Board voted to
8 discontinue the balance score card initiatives at the
9 April 14th meeting, we simplified the budget structure so
10 the components match our goals, objectives, and strategies
11 in the General Appropriations Act.

12 The Plan also includes several other required
13 elements, including our list of redundancies and
14 impediments. The workforce plan and customer satisfaction
15 report and the complete strategic plan was submitted to
16 the LBB and Office of Governor on June 1st. And it is
17 published in your materials.

18 So I would be happy to answer any questions you
19 may have on this item.

20 MR. GRAHAM: Okay. Thank you. Does the
21 Committee have any questions for Glenna?

22 (No response.)

23 MR. GRAHAM: Okay. Hearing none, are there any
24 public comments for this item?

25 MS. AUCOIN: Aline Aucoin for the record.

1 There are no commenters for this item.

2 MR. GRAHAM: Okay. Thank you for that update.

3

4 We will now move to Agenda Item 4(b), which is
5 the preliminary fiscal year 2024 - 2025 Legislative
6 Appropriations Request. And I do note this is an action
7 item.

8 MS. BOWMAN: Yes, sir. Mr. Chairman, Committee
9 members, again, for the record, my name is Glenna Bowman,
10 CFO for the Texas Department of Motor Vehicles.

11 For this item I have with me today our budget
12 director, John Ralston, who will help me answer questions
13 at the end of this presentation, should you have those.

14 MR. GRAHAM: Could I interrupt you just a
15 moment? I am sorry. I need some assistance with the --
16 my Board book went to sleep. And I really need that up
17 for this item.

18 (Pause.)

19 MR. GRAHAM: Okay. Sorry for that
20 interruption. Please resume.

21 MS. BOWMAN: Okay. The Department's biennial
22 Legislative Appropriations Request will be submitted to
23 the Texas Legislature when it convenes in regular session
24 in January of next year, 2023. The LAR will request
25 funding for the FY 2024 to 2025 biennium, which begins

1 September 1, 2023, and ends August 31, 2025.

2 The LAR includes two primary components. The
3 first is baseline funding, which is the funding level that
4 is needed to maintain existing operations and capital
5 projects, plus adjustments for essential operational needs
6 that can be supported by revenues and available balances
7 within the TxDMV Fund Ten.

8 The LAR also includes exceptional items which
9 must include General Revenue or GR-funded requests that
10 exceed the baseline limit established by the Legislative
11 Budget Board, and may include other items that promote
12 transparency and provide visibility with the Legislature
13 and the Department's high priority needs.

14 The LAR also includes requests for additional
15 staffing or FTEs, the maximum salary allowed for our
16 Executive Director, the capital budget authority, and
17 updates and amendments to appropriation binders.

18 The Department is currently in the process of
19 evaluating needed increases to its baseline budget. With
20 the current economy, costs are increasing, which is
21 driving the cost of numerous items in our baseline budget.

22 We've worked to ensure that the items in the proposed
23 baseline are essential to the efficient operation of the
24 TxDMV, and are well within projected revenue levels and
25 available cash balances in the TxDMV Fund Ten.

1 The funding will provide for a wide array of
2 needs, including additional staff to continue improvements
3 in the temp tag activities; increases in facilities
4 maintenance costs, due to the transfer of the Camp Hubbard
5 campus from the Texas Department of Transportation to the
6 TxDMV; increases in information technology contractor
7 rates and other contract costs that will support hardware
8 and software, compliance upgrades and continued fraud
9 mitigation efforts; and cost in volume increases in
10 postage and sticker paper.

11 Staff is proposing to submit -- your materials
12 say a total of four exceptional items. I do have a note
13 on that, at the end of this. But the four that are in
14 your materials include \$5-1/2 million for replacement,
15 planning and design for our registration and titling
16 system.

17 This is Phase One of a two-part process to
18 study the entire RTS ecosystem, if you will -- all of the
19 surrounding systems besides just the primary system, and
20 all of the interfaces, and how all of that and the tax
21 assessor-collector offices -- it is a large project.

22 And so, this planning and design will take all
23 of that into account, so we are asking the Legislature to
24 provide capital authority for us to be able to do that
25 planning and design project.

1 Our second item is to expand the Regional
2 Service Center presence in Houston and Dallas. The
3 Houston and Dallas Regional Service Centers are expected
4 to outgrow their current facilities in 2028. In
5 anticipation of future growth, and to better serve our
6 customers, staff recommends opening a new RSC substation
7 in Houston, and another in Dallas.

8 A third item is \$14.2 million to appropriate
9 the full 20 percent of revenues collected under
10 Transportation Code Section 1006.153(e)(1) to the Motor
11 Vehicle Crime Prevention Authority, or the MVCPA, as
12 required by the statute. This has been requested in past
13 sessions, and we are getting closer. But we are not quite
14 there, so we are requesting it again.

15 And the fourth item that is in your materials
16 is funding authority for an estimated \$100 million for
17 Phase Two of the Camp Hubbard renewal project, which
18 includes a new office building, site work, and demolition
19 of Building Five, where the new building would go,
20 renovations to Building Six, and upgrades to our Central
21 Utility Plant.

22 I would note that this cost estimate is a
23 placeholder until additional planning and analysis is
24 completed by our contracted vendor, management at TxDMV,
25 and the Texas Facilities Commission. So, we have just

1 begun that project and are still continuing to look at the
2 costs.

3 An item that is not in your materials, but we
4 did -- there is information about additional FTEs in the
5 materials. But I had a conversation with the Legislative
6 Budget Board.

7 In order to get authority for additional FTEs
8 to go with that funding that we have money for in the
9 TxDMV Fund Ten, we need to request an exceptional item.
10 But it would be a zero dollar amount exceptional item, and
11 show the 32 FTEs. And we would lay out what those FTEs
12 are for.

13 So that is new. And I apologize. That was not
14 in your materials.

15 The LAR will also propose the continuation of
16 riders that currently exist in our budget, with changes to
17 dates and amounts and certain naming conventions. And we
18 are also requesting a new rider that would make the
19 appropriation to the MVCPA an estimated appropriation
20 based on the revenues that are actually collected for that
21 purpose.

22 This is an action item for the Committee. And
23 staff is recommending that the Committee recommend that
24 the Board direct staff to prepare a '24 - '25 Legislative
25 Appropriations Request, to approve the LAR items presented

1 today and all reports and schedules required by the LBB
2 and the LAR instructions -- which by the way, we have not
3 yet received. We are still working on last biennium's
4 with their instructions.

5 And subject to any technical corrections that
6 are approved by the Department -- by me and by Daniel as
7 the Executive Director to comply with instructions from
8 the Legislative Budget Board.

9 At this time, Mr. Ralston and I will be happy
10 to answer questions that you may have.

11 MR. GRAHAM: Okay. Thank you. Well, let's
12 open it up to questions from the Committee.

13 MR. PREWITT: Mr. Chairman.

14 MR. GRAHAM: Yes, sir. Mr. Prewitt.

15 MR. PREWITT: Yes, sir.

16 Glenna, in regards to the registration titling,
17 \$5.5 million -- can we make that in such a manner -- given
18 what we are seeing with inflation and everything else, do
19 you feel we need to give that some more flex, as far as
20 that number upward, given the possible cost?

21 Or do you feel that that is a solid -- what are
22 your thoughts on that?

23 MS. BOWMAN: You know, we'll always take flex.

24 MR. PREWITT: Right.

25 MS. BOWMAN: I know that Wendy Davis [sic], our

1 IT Director, has had some conversations with Gardner Group
2 about this. But Daniel, would you like --

3 MR. AVITIA: Mr. Chairman.

4 MR. GRAHAM: Yes. Executive Director Avitia.

5 MR. AVITIA: For the record, Daniel Avitia,
6 Executive Director. Wendy Barron, Ms. Glenna --

7 MS. BOWMAN: What did I say?

8 MR. AVITIA: Wendy Davis.

9 MS. BOWMAN: Okay. Well, you know.

10 MR. AVITIA: You just renamed our CIO, but that
11 is okay.

12 MS. BOWMAN: My apologies.

13 MR. AVITIA: Member Prewitt, we appreciate the
14 question. And we have had conversations with both DIR, as
15 well as consulting firms. And I think that figure should
16 cover it.

17 MR. PREWITT: Okay. Thank you.

18 MR. AVITIA: Thank you, sir.

19 MR. GRAHAM: Are there -- does anybody have
20 any other questions?

21 I have just a few. Regarding the existing RTS
22 system, you described it as an --

23 MS. BOWMAN: Ecosystem.

24 MR. GRAHAM: An ecosystem.

25 MS. BOWMAN: Yes.

1 MR. GRAHAM: I mean, as far as I know, that
2 system has been in place since I have been involved with
3 the Board, maybe since inception of the DMV. I mean,
4 what --

5 MS. BOWMAN: Before -- I know it's over 30
6 years old.

7 MR. GRAHAM: Thirty years old.

8 MS. BOWMAN: It's very old technology.

9 MR. GRAHAM: And so you are trying to make the
10 case that there has been things that have changed in the
11 last 30 years.

12 MS. BOWMAN: One or two. Yes, sir.

13 MR. GRAHAM: Yes. Wow. Well, I know that
14 Member McRae lives it every day, right?

15 MS. MCRAE: Yes. Lots of band-aids throughout
16 the years.

17 MR. GRAHAM: Yes. I would think it is time. I
18 know that's an incredible endeavor. I wouldn't even -- I
19 don't want to even wrap my head around what that is going
20 to entail.

21 Did you want to add to that?

22 MR. AVITIA: I can certainly add. Again, for
23 the record, Daniel Avitia, Executive Director.

24 Chairman Graham, the regional RTS system,
25 registration and title system, has served its purpose over

1 the span of about 30 years or more. Member McRae, I
2 think, was around when the system kicked off.

3 MS. MCRAE: I was a baby. It was child labor.

4

5 MR. AVITIA: She was right out of high school.
6 Let's clarify that.

7 It has served its purpose. And not only is it
8 a challenge to keep the system moving forward and putting
9 band-aids on it continuously to keep it going forward, but
10 we are also seeing issues with the system now, very
11 frequently, with latency slowing everybody down or
12 shutting down altogether.

13 And so a system shutdown means that counties
14 are down, the DMV is down, and we can't do business at all
15 throughout the State of Texas. So, it is important that
16 we start researching new opportunities to replace this
17 system.

18 Now there is also a recruitment challenge to
19 replacing the RTS system. The system is based on old code
20 and old software. And so, when we are recruiting new
21 talent into the agency, it is difficult to tell new
22 talent, forget all the new wonderful things that you have
23 learned throughout your years in school. Come learn our
24 old system for us, and help us with our system.

25 So there is also a recruitment challenge when

1 it comes to RTS as well.

2 MR. GRAHAM: Thank you. I would imagine its
3 very, very challenging from a security standpoint. I know
4 that I just -- I am in the process of ditching a seven-
5 year-old server because Microsoft no longer supports their
6 seven-year-old software.

7 And so, I would think that is very important as
8 well. And a big piece of the --

9 MR. AVITIA: Absolutely. Yes, sir. Will is
10 nodding his heard in the back of the room there.

11 It is important to Will, and the rest of us as
12 well. Yes, sir.

13 MR. GRAHAM: Yes. I think that's an important
14 ask. And it is time to start what is going to be a tough
15 journey, but we got to do it, right.

16 MR. AVITIA: Yes, sir. Indeed.

17 MR. GRAHAM: Thank you. I would also ask one
18 of you to maybe elaborate on -- when we started the
19 discussions on Camp Hubbard and the necessity for some
20 changes and some improvements in a fairly dated facility,
21 that was pre-Covid. And a few things have happened in the
22 last couple of years, and the workplace dynamics have
23 definitely changed.

24 If one of y'all would please expand on the
25 impact that that has had on the discussions as it pertains

1 to the necessity for space and building facilities and
2 what has come from that. I know that if I was out there
3 looking in, I would be thinking, there are so many more
4 people working from home. You know, is this the time for
5 a project like this?

6 MR. AVITIA: Absolutely.

7 MS. BOWMAN: Would you like to answer, or do
8 you want me to?

9 MR. AVITIA: I am happy to, Glenna.

10 MS. BOWMAN: Okay.

11 MR. AVITIA: Chairman Graham, that is an
12 excellent observation, and one that we have been mulling
13 through internally quite a bit, along with our architect
14 and engineering firm, Marmon-Mok. They are very familiar
15 with the challenges that Covid has presented when they are
16 laying out new floor plans for buildings.

17 And the discussions that we have had more
18 specifically are centered around the number of staff that
19 we realistically currently have and what we intend for
20 future growth. If you look at our strategic plan, you
21 will see that the majority of our teleworkers include our
22 customer service representatives, as well as our licensing
23 and permitting specialists -- which accounts for about 30
24 plus percent of our overall staffing.

25 That being said, the plans that we have worked

1 up -- initially -- remember, Glenna mentioned that these
2 are just initial plans. And we still have to work
3 extensively with the architect and engineering firm.

4 The current model, and their proposal based on
5 price and structure, is at about 60 to 65 percent, which
6 removes that 30 percent of those staff that we have
7 already identified that are currently teleworking or can
8 work 100 percent remotely. Again, those customer service
9 representatives and licensing and permitting specialists.

10

11 Now, looking down the road, Marmon-Mok is also
12 aware that there might be a potential for growth within
13 the agency. And so the design has to incorporate swing
14 space and spaces as we were talking about in the last
15 Board meeting, hoteling spaces. Not meaning spending the
16 night, but being able to switch spaces in and out.

17 So there is going to be a very flexible floor
18 plan that will allow for what we have today and for
19 potential growth for the next 50 years.

20 MR. GRAHAM: Yes. That's good, because I know
21 it's certainly -- it's changing the workplace quickly.

22 MR. AVITIA: Yes.

23 MR. GRAHAM: I have been -- you and I have
24 spoken on a number of occasions about, are we sure that
25 our quality of our product is not diminished by those who

1 are working remotely. And I know that that is something
2 that you all have worked really hard to measure.

3 Would you be comfortable just expanding on that
4 for a moment?

5 MR. AVITIA: Absolutely. Again, for the
6 record, Daniel Avitia, Executive Director.

7 Chairman Graham, we have an extensive amount of
8 key performance indicators that we monitor daily, weekly,
9 monthly. Customer service representatives and licensing
10 and permitting specialists are -- I don't want to use the
11 word "heavily regulated," but we do keep an eye on all of
12 their activity, their inputs, their outputs.

13 Director Johnson on the motor vehicle side, as
14 well as the Director from CRD as well, Amanda, she keeps
15 track of all of her staff activity. I think we had
16 mentioned in a previous Board meeting, the customer
17 service ratings that we have received have either remained
18 constant through teleworking opportunities, or have
19 increased in some areas.

20 And that is just two divisions that are
21 currently teleworking. Obviously, there are others. But
22 again, we have extensive key performance indicators
23 throughout the agency that help us monitor all of that
24 activity.

25 MR. GRAHAM: Okay. That's great. Coming as an

1 employer of a business, that I mean, we have no -- we are
2 in a business that we can't do that.

3 MR. AVITIA: Absolutely.

4 MR. GRAHAM: You know, you can't fix trucks
5 from home, you know.

6 MR. AVITIA: Right.

7 MR. GRAHAM: Or sell parts. So I don't really
8 have a grasp of that, because it is not a part of my
9 world.

10 But as I said, we have talked about it. And my
11 concern for making sure that the product that we provide
12 to the state is there. And it looks like y'all have it
13 dialed in, and I am glad to hear that.

14 MR. AVITIA: We monitor daily. You know,
15 Chairman Graham, you mentioned a great point. We have
16 identified staff that do need to be in the office every
17 day, based on the type of work that they do. So we have
18 gone through that process.

19 And the other thing that I will make mention
20 for the Board here today is we have identified certain
21 individuals in the Agency where outputs aren't where we
22 need them to be. And each director, as I said, monitors
23 those KPIs, where they do have staff that are either
24 working at 100 percent or a hybrid model.

25 And we have had staff, or asked staff to come

1 back to the office in certain situations where we just
2 don't see that the performance is where it needs to be.

3 MR. GRAHAM: Good. Excellent.

4 MS. OMUMU: Mr. Chairman, I have a question.

5 MR. GRAHAM: Yes, Member Omumu.

6 MS. OMUMU: While we are talking about working
7 from home and the new hybrid model, I think, is what helps
8 to keep us competitive in the state.

9 But I do want to ask a question about
10 cybersecurity initiative. I see that it is crossed out on
11 the capital budget project summary. I know that doesn't
12 mean that we have abandoned it altogether. Because I
13 think as we improve our technologies and budget to expand,
14 that is something that we have to keep our eye on, and
15 actually do a little bit more cybersecurity projects.

16 So I just want you to expand on that, Glenna,
17 if you don't mind.

18 MR. GRAHAM: Yes, Member Omumu. Thank you for
19 that question.

20 That is actually a technical change. We are
21 spending far more than \$400,000 on cybersecurity. Where
22 that particular item is sitting in the budget is in our
23 capital budget, which is generally supposed to be for
24 capital assets. And cybersecurity in and of itself is not
25 an asset.

1 It is a needed technology, but it is an
2 operational cost. So what we are doing is folding that
3 into our operations budget. But again, we are spending
4 more than \$400,000.

5 And in addition, in our baseline increase with
6 some of the FTEs that we are requesting, two of those are
7 for additional cybersecurity positions to augment that.
8 And then, there are also -- there is a couple of database
9 administrators. Because in addition to just the
10 cybersecurity, there is the making sure that our databases
11 are functioning as they should to support all the systems
12 that kind of sit on top of those systems.

13 MS. OMUMU: Okay. Thank you.

14 MS. BOWMAN: Thank you for the question.

15 MR. GRAHAM: So I guess I would conclude
16 comments with a redirecting question to you, if I may.
17 Obviously, this is not an insignificant ask of FTEs, or
18 budget, for that matter.

19 If you would, make a broad case of why this
20 is -- how is this going to make this agency stronger,
21 better? And at the end of the day, how are the taxpayers
22 of Texas going to benefit from this request?

23 MS. BOWMAN: Thank you for that question. We
24 are always, as you know, focused on the customer, and
25 trying to make sure that we are providing the best

1 customer service that we can. Costs are increasing. And
2 so we are needing to recruit and retain staff.

3 Historically -- so we have two items. One, we
4 haven't asked for an increase in our baseline since 2016.

5 We had some exceptional items for new projects. But just
6 to run the day-to-day and keep things going, and moving
7 ahead of that curve, we have not had an increase since
8 2016. So, it is a significant increase.

9 In terms of the additional FTEs, as you are
10 well aware, we've had additional temp tag efforts so that
11 we can really shore up our customer service and reduce
12 fraud. We again are trying to stay ahead of the curve,
13 because we also -- well, we are taking over the facilities
14 from the Texas Department of Transportation, and we'll
15 need FTEs to support that.

16 We are also -- you know, as we grow and we can
17 talk about cybersecurity and all of those things, we need
18 additional internal audit staff so that we can make sure
19 that we are looking internally at what we are doing. In
20 the VTR, specialty plates, it is a revenue generator. But
21 it takes a lot of time, so we need staff to help with
22 that.

23 We have lots of open records requests. So from
24 a broad view, we are just trying to make sure that, one,
25 we are keeping up. And then in addition, trying to plan

1 for the future so that we can meet the needs of our
2 growing customer base, and just all of the things that
3 need to be done.

4 MR. GRAHAM: Thank you.

5 Yes, Member McRae.

6 MS. MCRAE: Glenna, and I'm sure this is in our
7 current budget, but I just want to be sure. The
8 replacement of all of the fiber in the counties -- I know
9 that there is a project that is -- I don't even know where
10 we stand with that right now. But that is included in our
11 current budget?

12 MS. BOWMAN: So there is funding in the current
13 budget, and it is based on risk. So we are looking at
14 those areas that have the greatest issues with
15 connectivity and being able to get the data that they need
16 from our system. So we are continuing that.

17 There was some discussion about a wholesale, do
18 everybody. But because we are looking at the new RTS
19 system and planning for that, the hope is that that will
20 be a web-based system and will eliminate the need for some
21 of that physical infrastructure.

22 And so, we didn't feel like it was the best use
23 of state resources to invest a whole lot into
24 infrastructure that in several years is not going to be
25 needed for what we are doing. But we are still absolutely

1 supporting the T1 project, and addressing those areas that
2 need it the most.

3 MS. MCRAE: Thank you.

4 MR. GRAHAM: Member Prewitt.

5 MR. PREWITT: Yes, sir. Thank you, Mr.
6 Chairman.

7 Glenna -- and we had briefly mentioned this the
8 other day in a pre-meeting, but I think it -- I mean, I
9 know you have to abide by certain protocols in the
10 presentation of the budget. But I do think it is worth
11 noting that DMV as a part of state government has a very,
12 I would just say, a very nominal staffing level relative
13 to the revenue it generates, especially when you compare
14 it to other state agencies.

15 And I would certainly, if you feel it is
16 appropriate, or if we feel we can make that case, I would
17 certainly present that to the Legislative Budget Board.
18 Because the 32 FTEs seem like a lot, but in reference to
19 our overall revenue base they would bring to the fore as
20 an Agency, it is really, you know, not that much.

21 And so, I just -- you know, to the degree that
22 we can, I hate to say it, toot our own horn. But in
23 terms, we can say, look, we are doing more with less. As
24 a state agency, I think it behooves us to do that, because
25 it is critical we get the monies we are asking for, as you

1 know.

2 MS. BOWMAN: Right. And I think that's a
3 really good point. And I think -- we didn't have the
4 opportunity to talk about this the other day, but I do
5 think we want to make sure that we message that
6 appropriately. Because --

7 MR. PREWITT: Right.

8 MS. BOWMAN: We are not a private company. So,
9 our business is not to raise revenue. But it is to be
10 good stewards, and make sure that we do have the staffing
11 and so forth that we need to manage it properly.

12 MR. PREWITT: Right.

13 MS. BOWMAN: So, yes. I think that is great.
14 We do have information on revenues, but we could certainly
15 draw a little more attention to that. It is a significant
16 amount of revenue, even at the statewide level, that we
17 manage.

18 MR. PREWITT: Right.

19 MS. BOWMAN: Thank you, sir.

20 MR. PREWITT: Yes, ma'am.

21 MR. GRAHAM: An FTE question. I think I would
22 direct this to Executive Director Avitia.

23 And I was sitting here thinking back. And you
24 know, like the last two years are a little hazy. I am not
25 sure what happened. But it is like a blur in there, kind

1 of a crazy blur.

2 But so, I was trying to remember. I remember
3 that two years ago, three years ago, maybe even up to
4 current, there was a freeze on FTEs on the state level.

5 Am I -- and so the nature of my question is,
6 when we talk about adding these FTEs, is that onto -- you
7 know, we had approved FTEs. And then, for a period of
8 time, even if you lost someone, if it was an approved FTE,
9 you couldn't replace them.

10 Is this number on top of the original FTE
11 count, or the FTE count that was frozen? Does that make
12 sense?

13 MS. BOWMAN: Yes. I mean, I can take that
14 question.

15 MR. GRAHAM: Yes.

16 MS. BOWMAN: Okay. So the freeze did not go in
17 and actually reduce the number of FTEs that were
18 authorized for TxDMV. Correct me if I'm wrong, John.

19 But it simply said we couldn't hire if they
20 were vacant. Once that hiring freeze was lifted, we had
21 access to all of those 800 FTEs. So this 32 is in
22 addition to.

23 MR. GRAHAM: Okay. Got it. I was just
24 wondering if that was the case, hope so.

25 Well, you know, I have given this a lot of

1 scrutiny myself. It is -- any time I serve on any
2 organizational board, I take my duty to oversee the funds
3 very seriously. And I also recognize -- I'm on another
4 Board currently that is making a similar ask.

5 And you know, with the amount of growth, if you
6 are not ahead of it -- I mean, if you get behind the
7 curve, especially when we are seeing the kind of growth
8 that we are seeing in this state, it is very, very
9 difficult to get back in front of it. And I am
10 comfortable with this, because there are serious
11 repercussions to getting behind the curve --

12 MS. BOWMAN: Yes, sir.

13 MR. GRAHAM: -- that are detrimental to the
14 people in this state. And so, I think it is very, very
15 important that we make sure that we are taking care of
16 business, and doing it to the level that is expected. So,
17 those are just my thoughts.

18 Okay. Are there any more questions on Item
19 4(b), which is the preliminary fiscal year 2024-'25
20 Legislative Appropriations Request?

21 (No response.)

22 MR. GRAHAM: All right. Hearing none, I
23 will -- I think -- am I supposed to check and see if we
24 have public comment?

25 MR. AVITIA: Yes.

1 MS. AUCOIN: Aline Aucoin, Associate General
2 Counsel for TxDMV for the record. After the motion is
3 read and seconded, then there is a request --

4 MR. GRAHAM: So, you are telling me if I would
5 flip the page, I would see that. Okay. All right.

6 With that, we have -- I will now entertain a
7 motion regarding Agenda Item 4(b).

8 MR. PREWITT: Mr. Chairman.

9 MR. GRAHAM: Yes.

10 MR. PREWITT: I would like to make a motion. I
11 move that the Committee recommend that the Board direct
12 staff to prepare the FY 2024 - 2025 Legislative
13 Appropriations Request to include the LAR items presented
14 by staff, and all reports and schedules required by the
15 Legislative Budget Board and its LAR instructions, subject
16 to any technical corrections that are approved by the
17 Department's Chief Financial Officer and Executive
18 Director to comply with the instructions from the
19 Legislative Budget Board.

20 MS. MCRAE: Chairman, I'd like to second that
21 motion.

22 MR. GRAHAM: Okay. Member McRae seconds.

23 Does the Committee have any further discussion?

24 (No response.)

25 MR. GRAHAM: I will now ask if there's any

1 public comments.

2 MS. AUCOIN: Aline Aucoin, for the record.

3 There are no commenters for this item.

4 MR. GRAHAM: Okay. Hearing none, I call for
5 the vote. Board members, when I call your name, please
6 state your vote for the record.

7 Member McRae.

8 MS. MCRAE: Aye.

9 MR. GRAHAM: Member Omumu.

10 MS. OMUMU: Aye.

11 MR. GRAHAM: Member Prewitt.

12 MR. PREWITT: Aye.

13 MR. GRAHAM: And I, Chairman Graham, vote aye.

14 Let the record reflect that there are four votes for and
15 zero votes against. The motion passes. Okay.

16 We'll move on to Agenda Item 4(c), Texas
17 Comptroller of Public Accounts post-payment audit of
18 TxDMV. This is a briefing item only. And I guess we'll
19 turn this over to Eric Horn.

20 MR. HORN: Thank you. Good afternoon, Chairman
21 Graham, Committee members. For the record, my name is
22 Eric Horn. I am the Director of Accounting Operations
23 with the Texas Department of Motor Vehicles.

24 Today, I will be briefing you on the recent
25 completion of a routine post-payment audit conducted by

1 the Texas Comptroller of Public Accounts. This audit
2 covered a twelve month period from December 1, 2019,
3 through November 30, 2020.

4 You may recall field work began in July of
5 2021. And the Board was notified of this audit at the
6 August 2021 Board meeting. We received a final report
7 dated April 7, 2022. And it can be found in your meeting
8 materials beginning on page 108.

9 The objectives of the audit included validating
10 that contracts were procured according to applicable state
11 laws and Comptroller requirements, also that payments were
12 processed according to applicable state laws, Comptroller
13 requirements, and statewide automated system guidelines.
14 Documentation to support those payments were properly
15 maintained by TxDMV staff, that financial transactions and
16 high risk assets were properly recorded, and that
17 appropriate security measures over payments were
18 implemented.

19 Very happy to report that the results of the
20 audit were mostly favorable. The audit team used a stop
21 light chart to rate TxDMVs performance in each area of the
22 audit, with green being fully compliant, yellow being
23 compliant with a finding, and red being non-compliant.

24 You can see our results on page 113 of your
25 eBook. TxDMV was green or fully compliant in five of the

1 areas that were included in the scope of the audit. And
2 yellow or compliant with a finding in the remaining three
3 other areas, with recommendations from the audit team that
4 have since been fully implemented by TxDMV staff. A
5 summary of those recommendations can be found on page 114
6 of your eBook.

7 The five areas that were fully compliant
8 included transactions related to payroll, travel
9 reimbursements, grants, refunds of revenue, and fixed
10 assets. Quickly, I would like to just take a brief moment
11 to publicly thank my staff for their efforts and diligence
12 in ensuring that we were fully compliant in each of those
13 areas.

14 The three areas that were compliant with
15 findings and recommendations that have since been
16 implemented include failure to report information to the
17 vendor performance tracking system, or VPTS, when closing
18 a contract. Contract closeout checklist has been
19 implemented since by our purchasing staff in December of
20 2021 to address this finding and to ensure that vendor
21 performance is filed in VPTS timely.

22 The second area was a timely notice to the
23 Comptrollers Office to remove access for two of our
24 separating employees. In this case, we had two employees
25 that had a final physical working day on a Friday. And

1 the Comptroller did not receive requests to remove their
2 access until the following Tuesday.

3 We have updated. We updated our internal
4 procedures and implemented the recommendation to be more
5 proactive in notifying the Comptrollers Office prior to
6 the last physical working day of future employees that
7 separate.

8 And finally, the last recommendation was
9 regarding issuing -- pardon me. Our last recommendation
10 that was issued was related to improving our internal
11 control structure process as it relates to internal
12 promotions.

13 So in this case, we had two employees that
14 received internal promotions and were provided additional
15 security access for their new roles that conflicted with
16 the security access that they had previously. The audit
17 team conducted additional analysis and found that no
18 issues occurred due to this conflict, but did make the
19 recommendation. And we have corrected and implemented
20 this recommendation to improve the security process going
21 forward.

22 This concludes my remarks. And I am available
23 for any questions that you may have.

24 MR. GRAHAM: Okay. Thank you, Mr. Horn. Do
25 you feel confident that the actions that have been taken

1 by the Agency regarding these recommendations are being
2 performed to the level that is necessary to ensure we have
3 got them taken care of?

4 MR. HORN: Yes, sir. I am.

5 MR. GRAHAM: Okay. And as the Audit Chair,
6 overall, my thoughts on this are that this was a good
7 audit return. There were a couple of things. They were
8 relatively minor, quickly resolvable, and I think it was a
9 good net result.

10 So does the Committee have any questions for
11 Mr. Horn?

12 MR. PREWITT: Mr. Chairman.

13 MR. GRAHAM: Mr. Prewitt.

14 MR. PREWITT: Just a question. I know we talk
15 about different parts of reporting. Today, we'll talk
16 about the maturity assessment rating.

17 In regards to -- would that apply also to this,
18 as far as looking at this audit of this function? Do we
19 look at a maturity assessment rating as far as how we did
20 on the audit versus where we think we should be, or -- do
21 you want to address that? Or Salem, would you like --

22 MR. GRAHAM: Yes. We are now bringing Salem
23 Chuah to the podium.

24 MS. CHUAH: Salem Chuah, Texas DMV, for the
25 record.

1 Member Pruitt, in terms of maturity assessment
2 level, that is an internal audit function and an internal
3 audit rating that we assign. As this was conducted by the
4 Comptroller of Public Accounts, there was no rating that
5 they had assigned us.

6 MR. PREWITT: Perfect. Thank you.

7 MR. GRAHAM: Okay. Thank you, Member Prewitt.

8
9 Are there any further questions from the
10 Committee?

11 MS. MCRAE: I would just like to say that I
12 think -- I thought the audit overall was just outstanding.
13 I appreciate the hard work of you and your team.

14 MR. HORN: Thank you.

15 MR. GRAHAM: Okay. With that I will request if
16 there are any public comments.

17 MS. AUCOIN: Aline Aucoin, for the record.
18 There are no commenters on this item.

19 MR. GRAHAM: Okay. Thank you. Okay. That is
20 no action required, briefing only.

21 We will now move to -- thank you, Mr. Horn.
22 Appreciate it.

23 We will move to Agenda Item 4(d), Internal
24 Audit Division status update, internal and external
25 engagements, including the dealer licensing process audit.

1 This item is a briefing only.

2 I will now ask -- well, he is back. Salem
3 Chuah is back to the plate. Please proceed.

4 MR. CHUAH: Good afternoon, Chairman Graham,
5 Committee members, Executive Director Avitia. For the
6 record, my name is Salem Chuah. I am the Director of the
7 Internal Audit Division.

8 The purpose of this briefing is to provide you
9 with a status update on the Internal Audit Division's
10 activities on fraud, waste and abuse, internal engagements
11 and external engagements.

12 Starting out with fraud, waste and abuse
13 complaints. From April to May, we received six
14 complaints. Four of the six complaints came to us from
15 the State Auditors Office, and we referred those
16 complaints internally to the Enforcements Division,
17 because the complaints involved external parties like
18 dealers or issues that are outside our purview -- so
19 things like odometer fraud.

20 Two of the six complaints came from within the
21 Department and have also been referred to the Enforcement
22 Division because they do not deal with internal fraud,
23 waste or abuse. We currently do not have any active
24 investigations.

25 In terms of the Fraud pulse survey, in March of

1 this year, we sent this survey to all of the Department
2 employees, so that totaled 710 employees. On page 126 of
3 your Board materials, you can see that the survey consists
4 of 13 questions in various areas. And these areas consist
5 of ethics, reporting misconduct, accountability, and work
6 culture.

7 We received 362 responses. So, that is a 51
8 percent response rate, which is a pretty high engagement
9 level from our employees.

10 As for the results, the two questions which
11 were answered the most favorably were questions number
12 four and question number one. So, on question number
13 four, we saw 94 percent of respondents stating "no" to
14 having personally felt pressure to compromise the
15 organization's code of ethic. And for question number
16 one, we saw 93 percent of our respondents stating "yes" to
17 their supervisor acting in an honest and ethical way.

18 The two questions with the least favorable
19 scores were questions number 13 and number 7. On question
20 number 13, we saw 39 percent of respondents stating "yes"
21 to the organization focusing on long term results.
22 Question number 7 saw 60 percent of respondents stating
23 "yes" to being confident that wrongdoing will stop when
24 reported.

25 Now we are using the results here and taking

1 action on several fronts. The first is we are updating
2 our fraud policy.

3 The second is we are developing processes to
4 continue to build and enhance trust. This includes
5 creating a quarterly report which will show the types of
6 complaints and the action that we are doing to address
7 those complaints. We are still going to keep the person
8 making that complaint confidential, even though we are
9 doing this quarterly reporting.

10 Third, we are incorporating comments that we
11 see from the survey into the risk assessment process,
12 which, as you all know, feeds into the Internal Audit Plan
13 for the upcoming fiscal year. And lastly, we are
14 communicating -- we have, rather, communicated the
15 Department results to division directors so that they can
16 use the results to better their own divisions.

17 I will be sending out division results to the
18 division directors soon, because we have only communicated
19 the results on a department-wide level. And I want to
20 take a moment here to just emphasize that this specific
21 comments from the Fraud pulse survey are never shared. We
22 aggregate that information and we share a general overview
23 of the comments that we have seen, department-wide.

24 Are there any questions here on the Fraud pulse
25 survey or the complaints that we have received, before I

1 move on to internal and external engagements?

2 MR. GRAHAM: I have a comment for the
3 Committee. When we reviewed -- when Salem and I reviewed
4 these results, I had asked them to do a little deeper dive
5 into the numbers to a couple of these questions, which
6 they did.

7 They did a great job in analyzing that, which
8 we then reviewed with Executive Director Avitia. And
9 since that time, clearly, you have laid out a really good
10 plan on how to take this data and make sure that we are
11 using it in a way that will -- we won't miss something.

12 I mean, these are really good snapshots into, I
13 like to say the soul of the organization. And I am glad
14 that you do it. And we should take that information very
15 seriously.

16 And I appreciate you all doing that. Clearly,
17 you have expanded on the plan to make sure that we are
18 addressing any sign of trouble, to get ahead of the curve,
19 so to speak.

20 So, I just wanted to pass that along to you
21 all. We had really dug down into that.

22 MS. BOWMAN: Thank you.

23 MR. GRAHAM: So, okay. Any questions on this
24 part?

25 (No response.)

1 MR. GRAHAM: Okay. Please proceed.

2 MR. CHUAH: Salem Chuah, for the record, again
3 here. And Chairman Graham, we are also planning to send
4 out the survey again to the full population in the fall of
5 this year --

6 MR. GRAHAM: Great.

7 MR. CHUAH: -- so that we can compare the
8 information from period to period.

9 Moving on to internal engagements. Here on
10 page 127 of your Board materials, you'll see a graphic
11 showing the status of our internal and external
12 engagements.

13 Starting with the internal engagements here, we
14 have three projects that are in a planning phase. The
15 first is the business continuity and disaster recovery
16 audit. The second is the contract development audit. And
17 the third is the fiscal year 2023 risk assessment for the
18 first six months of the new fiscal year.

19 All of these projects were recently approved by
20 the full Board in the April Board meeting of this year.
21 There is one engagement now in the field work phase, and
22 that is the third quarter recommendation implementation
23 follow-up.

24 There were four recommendations that were due
25 for the period ending May 31 of this year. Divisions have

1 self-reported that they implemented all four. And we are
2 starting the follow-up process now to verify that they
3 have indeed been implemented.

4 We also completed and issued three engagements
5 in the past few months. This includes the access
6 management advisory, which is a confidential report. The
7 website components and security audit, which is also a
8 confidential report. And the dealer licensing audit.

9 On page 128 of your Board materials, there is a
10 high level summary of the dealer licensing audit results.

11 The full audit report is also included in the following
12 pages. The objective of this audit was to evaluate the
13 Department's processes, designed to ensure verification of
14 dealer applicants identities and criminal history.

15 The scope covered September 2020 to October
16 2021. We found that during this time period, that the
17 Motor Vehicle Division has defined policies and procedures
18 along with checklists to guide the application review
19 process. We also found that they had implemented and are
20 keeping track of key performance indicators to ensure that
21 those applications are being reviewed efficiently.

22 Lastly, we also recognize that the Board and the
23 Department have implemented new measures to prevent and
24 deter fraudulent activity.

25 During this time period, however, we found that

1 the application review process did not consistently detect
2 deficient application materials or consider other
3 components to include in its review. In addition, the
4 review process alone is not enough to identify potential
5 bad actors. So this means that we need a well designed
6 control environment, which is a mixture of preventive and
7 detective controls, so that continuous monitoring.

8 There is a total of four recommendations that
9 were made. All four of these recommendations are rated
10 high, high priority, that is. And the recommendations
11 deal with number one, improving quality control. Number
12 two, identifying components to include an application
13 review process.

14 Number three, evaluating the revoked licenses
15 and implementing training. And number four, enhancing
16 monitoring and notating higher risk applicants. The
17 Department has either acted on, or is currently taking
18 action to address many of the recommendations that we
19 made.

20 And then, lastly, I just want to say that we
21 have appreciated the support and the partnership with
22 Monique and the MVD team throughout the course of this
23 audit.

24 Are there any questions from the Committee
25 members?

1 MR. GRAHAM: So this is the audit that the
2 Board essentially requested, back in, if I recall
3 correctly, the October/November time frame?

4 MR. CHUAH: Yes, sir.

5 MR. GRAHAM: And the Audit team spent a
6 significant amount of time on this audit. And both -- it
7 started with Jason, was the -- started the charge. And
8 then, you know, Salem jumped in the middle of it. And we
9 kept charging forwards.

10 You know, one might look at the date range of
11 the data and ask what -- I mean, there is a lot that has
12 happened since the conclusion of that date range, right.
13 What benefit did we get from looking at old data?

14 Well, that data from that time range really
15 gave us a view into, you know, some people who are abusing
16 the system. And allowed the team to dig down and figure
17 out how did they get there. How did we let them in the
18 door?

19 How can we improve that? What needs to change?
20 And that is the real benefit to that.

21 Now, even upon conclusion of the first
22 conclusion of the audit, we -- I, as Audit Chair,
23 requested some updated information to look at the more --
24 even newer snapshot, which we did -- which, you know,
25 looks better. And my guess would be that we will be

1 revisiting this in the very near future, to look at even
2 fresher data.

3 But it has been very beneficial for the Audit
4 Team to bring a plan to the Executive leadership team on
5 how we can begin to tighten the reins, so to speak. And I
6 am sure you -- I would ask you maybe to -- I am sure you
7 are chomping at the bit here to expand on that, as you
8 can. I appreciate it.

9 MR. AVITIA: Chairman Graham, thank you for the
10 opportunity. For the record, Daniel Avitia, Executive
11 Director.

12 Chairman and Members, I just want to thank
13 Salem, Jason, and Derek, and the rest of the Audit Team
14 for their partnership in this engagement. And not just
15 this engagement, but all engagements that we work with
16 them on.

17 They are a very professional and steadfast
18 team. And they have proven that we can work together
19 within the bounds of the audit and agency relationship,
20 really accomplish a lot of good things.

21 Without giving away the ways and means, per se,
22 of how things have been working on the back end to improve
23 processes, I can tell you honestly that the snapshot this
24 audit looked like is different today, as it was compared
25 to when this audit was conducted. And I look forward to

1 working continuously with Salem and his team as we move
2 forward.

3 Especially into tomorrow's -- with the most
4 important thing that we are going to bring forward to the
5 Board is the implementation of fingerprinting. My hope
6 that it will pass. And then, I think at that point, we
7 might want to take a look at the impact of fingerprinting,
8 if the Board so approves -- what impact that has had with
9 regard to not just the fraudulent activity, but the
10 internal controls as well, that have been implemented and
11 will continue to be implemented by Director Johnson in the
12 Motor Vehicle Division.

13 MR. GRAHAM: Absolutely. Absolutely. Yeah,
14 and I will join you in, once again, thanking Jason for his
15 steady hand in the course of that. We were right in the
16 middle of the transition from one audit director to
17 another, and Jason grabbed the reins and helped -- really
18 worked hard to guide us through this.

19 And his whole team did a great job. So, no
20 question that the Agency is stronger and in a better place
21 for it. And the work continues. It is not over yet.

22 But a lot of good things came from this audit,
23 so --

24 MS. MCRAE: Great job.

25 MR. GRAHAM: Are there any further questions

1 regarding the dealer licensing audit?

2 (No response.)

3 MR. GRAHAM: Okay. Was that your conclusion?

4 MR. CHUAH: No, it was not --

5 MR. GRAHAM: I didn't think so. Well, we were
6 still moving along.

7 MR. CHUAH: Salem Chuah, for the record.

8 Chairman and Committee members, I just want to take a
9 minute here to just echo the sentiments that you all have
10 made. I really appreciate my team.

11 You know, this was really handled by Jason
12 Gonzalez, as well as Jacob Geray, who is no longer with us
13 right now. But they did a lot of the heavy lifting prior
14 to my arrival, so I just wanted to give them a shout-out
15 there.

16 Moving on to external engagements here.
17 Regarding external engagements, the Comptroller of Public
18 Accounts is currently conducting an employment desk audit.

19 The objective of this audit is to determine whether
20 applicable requirements are followed for employees with
21 multiple concurrent employment with the State. This audit
22 is currently in field work, and will be completed in the
23 coming months.

24 You have also just heard from my colleague
25 about the completed post-payment audit, so I won't go over

1 that again here.

2 And then lastly, the State Auditors Office
3 completed its contract monitoring assessment in April.
4 The Department was selected for this assessment because it
5 is one of the 25 largest state agencies based on the
6 cumulative contracted amounts as identified by the
7 Legislative Budget Board. Glad to report that we were
8 assigned the best rating of no additional monitoring
9 warranted.

10 That concludes my prepared remarks. I am happy
11 to answer any questions that you may have.

12 MR. GRAHAM: Okay. Thank you, Mr. Chuah.

13 Is there any other comments from the Committee,
14 or questions?

15 (No response.)

16 MR. GRAHAM: Okay. Hearing none, we will now
17 move to see if there is any public comment.

18 MS. AUCOIN: Aline Aucoin, for the record.
19 There are no commenters on this item.

20 MR. GRAHAM: Okay. Outstanding. Thank you.
21 All right.

22 With that, we will move to Agenda Item 5,
23 closed session. We are going to go into closed session at
24 this time.

25 It is now 2:59. Is everybody good with 2:59

1 p.m. -- on June 29, 2022. We will go into closed session
2 under Texas Government Code Sections 551.071, 551.076, and
3 551.089.

4 For those of you in the audience, I anticipate
5 being in closed session for approximately 20 minutes. And
6 we will reconvene in open session after that. With that,
7 we are recessed from the public meeting, and we go into
8 closed session.

9 (Whereupon, the Committee recessed into closed
10 session at 2:59 p.m.)

11 MR. GRAHAM: It is 3:29 p.m. and the Finance
12 and Audit Committee is now back in open session. No
13 action items will be taken up from closed session.

14 We will now move to Agenda Item 7, public
15 comment.

16 Aline, are there any public comments today?

17 MS. AUCOIN: Aline Aucoin, for the record.
18 There are no public comments on Item 7.

19 MR. GRAHAM: Okay, great. Thank you.

20 Unless there is any further business, I would
21 entertain a motion to adjourn.

22 MR. PREWITT: So moved, Mr. Chairman.

23 MR. GRAHAM: Member Prewitt.

24 MS. OMUMU: I second.

25 MR. GRAHAM: Member Omumu.

1 When I call your name, please state your vote
2 for the record. Member McRae.

3 MS. MCRAE: Aye.

4 MR. GRAHAM: Member Omumu.

5 MS. OMUMU: Aye.

6 MR. GRAHAM: Member Prewitt.

7 MR. PREWITT: Aye.

8 MR. GRAHAM: And I, Chairman Graham, vote aye.

9 Let the record reflect the vote is unanimous.

10 This meeting is adjourned.

11 (Whereupon, at 3:30 p.m., the meeting was
12 concluded.)

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C E R T I F I C A T E

MEETING OF: TxDMV Finance & Audit Committee
LOCATION: Austin, Texas
DATE: June 29, 2022

I do hereby certify that the foregoing pages, numbers 1 through 51, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Motor Vehicles.

DATE: July 11, 2022

/s/ Carol Bourgeois
(Transcriber)

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