



GARZA GONZALEZ & ASSOCIATES
— CERTIFIED PUBLIC ACCOUNTANTS —

FINANCE COMMISSION

Austin, Texas

INTERNAL AUDIT PLAN

For Fiscal Year 2026



(210) 227-1389



40 NE Loop 410, Ste. 305
San Antonio, TX 78216



www.gga-cpa.biz

FINANCE COMMISSION
Austin, Texas

Internal Audit Plan
For Fiscal Year 2026

TABLE OF CONTENTS

	<u>Page</u>
Internal Auditor’s Report.....	1
I. Methodology.....	2-3
II. Audit Scope.....	4
III. Texas Department of Banking	
Risk Assessment.....	5
Internal Audit Plan.....	6
IV. Department of Savings and Mortgage Lending	
Risk Assessment.....	7
Internal Audit Plan.....	8
V. Office of Consumer Credit Commissioner	
Risk Assessment.....	9
Internal Audit Plan.....	10
Attachments	
A. Risk Assessment Summary	
A-1 Texas Department of Banking.....	11
A-2 Department of Savings and Mortgage Lending.....	12
A-3 Office of Consumer Credit Commissioner.....	13
B. History of Areas Audited	
B-1 Texas Department of Banking.....	14
B-2 Department of Savings and Mortgage Lending.....	15
B-3 Office of Consumer Credit Commissioner.....	16

Finance Commission and Audit Committee Members
Finance Commission of Texas
Austin, Texas

Enclosed is the Finance Commission’s proposed Internal Audit Plan (Plan) that was prepared for audits and other functions to be performed in fiscal year 2026 for the Texas Department of Banking (DOB), Department of Savings and Mortgage Lending (SML), and the Office of Consumer Credit Commissioner (OCCC). This Plan determines the scope of internal audit activities and is the source for assignment and prioritization of internal audit responsibilities for fiscal year 2026. Specific planning for audit procedures is a naturally ongoing process; thus, the Plan is reviewed annually and may be revised by the Finance Commission or Audit Committee, as necessary.

This Plan has been prepared by Garza/Gonzalez & Associates, LLC, an independent Certified Public Accounting firm, following Generally Accepted Government Auditing Standards, International Standards for the Professional Practice of Internal Auditing, and the Institute of Internal Auditors’ Code of Ethics contained in the Professional Practices Framework.

Garza Gonzalez
& Associates, LLC

November 17, 2025

FINANCE COMMISSION

Austin, Texas

Internal Audit Plan For Fiscal Year 2026

I. Methodology

The Finance Commission is responsible for overseeing and coordinating the activities of the Texas Department of Banking (DOB), the Department of Savings and Mortgage Lending (SML), and the Office of Consumer Credit Commissioner (OCCC), which are financial regulatory agencies. The 3 agencies were granted a self-directed, semi-independent (SDSI) status by the Legislature. Under this SDSI status, each agency is responsible for its operational costs, prohibited from incurring any costs to the general revenue fund, operating independently from the legislative budgeting process. However, the Finance Commission retains the responsibility of establishing their spending authority and limits. Each agency relies entirely on fees assessed to the businesses they regulate to generate operating funds, which are then utilized to cover both direct and indirect costs.

This fiscal year 2026 Internal Audit Plan (Plan) encompasses all 3 agencies, and was developed using a risk assessment process, where we reviewed various documents and questionnaires completed by the Audit Committee Chair, management, and other staff from each of the 3 agencies, as documented below.

The following documents from the 3 agencies were reviewed and considered in our risk assessment process:

- Organizational Charts
- Operating Budgets
- Policies, Procedures, and Processes
- Applicable Laws and Rules
- Audit and/or Monitoring Reports from Third Party Agencies
- Prior Internal Audit Reports
- Finance Commission and Audit Committee Minutes

Questionnaires were developed for completion by the Finance Commission's Audit Committee Chair, Commissioners, a Deputy Commissioner, Division Directors, and other staff to update our understanding of each division, and its role within the overall scheme of the respective agency. The information obtained included topics; such as, changes in significant processes, systems, or key personnel; time elapsed since last audit or review; status from past audits or reviews; and, regulatory compliance requirements (i.e., TAC 202, *Information Security Standards* and contract management). Utilizing information obtained through the completed questionnaires and background information reviewed, audit areas for each of the 3 agencies were identified as the potential audit topics. A risk analysis was completed for each individual audit topic and then compiled to develop an overall risk assessment for each of the 3 agencies.

FINANCE COMMISSION

Internal Audit Plan

The following 8 risk factors were considered for each potential audit topic:

Risk Factor	Description
1. Materiality	Measure of the auditable unit's <i>financial</i> materiality based on the dollar amount per year of assets, receipts, or disbursements for which the unit is responsible, or the license/charter holders' assets that the unit supervises; or, <i>non-financial</i> materiality based on the degree of its responsibility related to the agency's primary mission.
2. Time Since Last Audit or Review	Measure of the number of years between the date of the previous audit or review and the date of the risk assessment.
3. Results of Prior Audit or Review	Measure of the results and status of prior audits or reviews.
4. Personnel	Measure of personnel changes and the adequacy of the auditable unit's staffing level as it relates to the achievement of its objectives.
5. Policies & Procedures and Processes	Measure of established internal controls (policies and procedures documenting the auditable unit's activities) and changes in processes and systems.
6. Compliance Requirements	Measure of the complexity of contracts, laws, and/or regulations for which the auditable unit is responsible for ensuring compliance.
7. Fraud, Waste, or Abuse	Measure of the auditable unit's risks and controls in place as it relates to fraud, waste, or abuse.
8. Commission & Management Feedback	Measure of feedback expressed in completed questionnaires.

FINANCE COMMISSION

Internal Audit Plan

II. Audit Scope

In accordance with the **International Standards for the Professional Practice of Internal Auditing**, the audit scope will encompass the examination and evaluation of the adequacy and effectiveness of the respective agency's system of internal control and the quality of performance in carrying out assigned responsibilities. The audit scope, as applicable, considers the following objectives:

- **Reliability and Integrity of Financial and Operational Information** – Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- **Compliance with Policies, Procedures, Laws, Regulations, and Contracts** – Review the systems established to ensure compliance with those policies, procedures, laws, regulations, and contracts which could have a significant impact on operations and reports, and determine whether the organization is in compliance.
- **Safeguarding of Assets** – Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
- **Effectiveness and Efficiency of Operations and Programs** – Appraise the effectiveness and efficiency with which resources are employed.
- **Achievement of the Organization's Strategic Objectives** – Review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

FINANCE COMMISSION

Internal Audit Plan

III. Texas Department of Banking (DOB)

Risk Assessment

Using information obtained from the completed questionnaires and the background information reviewed, 18 audit areas were identified as the potential audit topics. A risk analysis was performed for each area using the 8 risk factors described in section I of this report, and the results were compiled to develop DOB’s overall risk assessment.

Following are the results of the risk assessment performed for the 18 potential audit topics identified:

HIGH RISK	MODERATE RISK	LOW RISK
Bank Examinations Legal – Penalty Monitoring Asset Management IT Examinations Revenue Accounting Process	Consumer Assistance Financial Reporting	Travel Procurement and Contract Management Management Information Systems (MIS) – IT General Controls and Disaster Recovery Plan Payroll and Human Resources Imaging & Records Management Prepaid Funeral Guaranty Fund Trust Examinations Corporate Activities Money Services Businesses Perpetual Care Cemeteries Prepaid Funeral Contracts

This report includes the “Risk Assessment Summary” as Attachment A-1; and, the “History of Areas Audited” as Attachment B-1, which lists audits and/or reviews performed from fiscal year 2016 through 2025 for the above 18 potential audit topics.

In the prior 3 years, the following *internal audit functions* were performed:

Fiscal Year 2025:

- Risk Assessment & Preparation of the Internal Audit Plan
- Revenue Accounting Process – Non-Depository Supervision (NDS) Audit
- Money Services Businesses (MSB) Audit
- Follow-up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2024:

- Risk Assessment & Preparation of the Internal Audit Plan
- Payroll and Human Resources Audit
- Trust Examinations Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2023:

- Risk Assessment & Preparation of the Internal Audit Plan
- Corporate Activities Audit
- Procurement and Contract Management
- Preparation of the Internal Audit Annual Report

FINANCE COMMISSION

Internal Audit Plan

Internal Audit Plan

In addition to completing the Fiscal Year (FY) 2026 risk assessment as the basis for preparation of this Internal Audit Plan (Plan), the Plan includes one audit to be performed, a follow-up on the prior year audit recommendations, preparation of the FY 2026 Internal Audit Annual Report, and a special assignment outlined in the “Other Tasks” section.

The following audit and activities are recommended for fiscal year 2026:

1. Completion of the Fiscal Year 2026 Risk Assessment and Development of the Internal Audit Plan
Perform the FY 2026 risk assessment and use the results to develop this Internal Audit Plan in accordance with applicable standards.
2. Consumer Assistance Audit
An audit of this area will be conducted to assess whether DOB’s policies, procedures, and internal controls are designed and operating effectively to ensure the proper receipt, review, response, resolution, and closure of consumer complaints and other consumer assistance requests in accordance with state requirements and Finance Commission mandates.
3. Follow-Up of Prior Year Internal Audit Recommendations
Follow-up procedures will be performed to determine the implementation status of prior year audit recommendations that were not fully implemented as of August 31, 2025. Each recommendation will be classified as: (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete/Ongoing; or, (4) Not Implemented.
4. Preparation of the FY 2026 Internal Audit Annual Report
The FY 2026 Internal Audit Annual Report will be prepared in the format prescribed by the State Auditor’s Office, and in compliance with the Texas Internal Auditing Act.
5. Other Tasks
Liquidity Reports Reconciliation Validation
A validation of the management-prepared reconciliations for the quarterly liquidity reports for fiscal years 2024 and 2025 will be performed. Management will be responsible for preparing all reconciliations and providing the supporting documentation for reported cash inflows, outflows, and changes in payables and receivables.

The validation will include confirming that amounts reported on the quarterly liquidity reports are supported by underlying documentation, that reconciling items are properly identified and substantiated, and that no unsupported amounts are included.

FINANCE COMMISSION

Internal Audit Plan

IV. Department of Savings and Mortgage Lending (SML)

Risk Assessment

Using information obtained from the completed questionnaires and the background information reviewed, 13 audit areas were identified as the potential audit topics. A risk analysis was performed for each area using the 8 risk factors described in section I of this report, and the results were compiled to develop SML's overall risk assessment.

Following are the results of the risk assessment performed for the 13 potential audit topics identified:

HIGH RISK	MODERATE RISK	LOW RISK
Thrift Supervision and Compliance	Procurement and Contract Management Payroll and Human Resources Mortgage Examinations Records Management Legal & Enforcement Thrift Examinations	Revenue Accounting Process Mortgage Licensing & Registration MIS (Includes IT General Controls and Disaster Recovery Plan) Financial Reporting (Includes Asset Management & Travel) Consumer Responsiveness Mortgage Grant Fund Administration

This report includes the "Risk Assessment Summary" as Attachment A-2; and, the "History of Areas Audited" as Attachment B-2, which lists audits and/or reviews performed from fiscal year 2016 through 2025 for the above 13 potential audit topics.

In the prior 3 years, the following *internal audit functions* were performed:

Fiscal Year 2025:

- Risk Assessment & Preparation of the Internal Audit Plan
- Thrift Examinations Audit
- Follow-up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2024:

- Risk Assessment & Preparation of the Internal Audit Plan
- Mortgage Grant Fund Administration Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2023:

- Risk Assessment & Preparation of the Internal Audit Plan
- Mortgage Examinations Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

FINANCE COMMISSION

Internal Audit Plan

Internal Audit Plan

In addition to completing the Fiscal Year (FY) 2026 risk assessment as the basis for preparation of this Internal Audit Plan (Plan), the Plan includes one audit to be performed, a follow-up on the prior year audit recommendations, preparation of the FY 2026 Internal Audit Annual Report, and other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management throughout the year.

The following audit and activities are recommended for fiscal year 2026:

1. Completion of the Fiscal Year 2026 Risk Assessment and Development of the Internal Audit Plan
Perform the FY 2026 risk assessment and use the results to develop this Internal Audit Plan in accordance with applicable standards.
2. Thrift Supervision and Compliance Audit
An audit of this area will be conducted to evaluate whether the policies, procedures, and internal controls established by the Thrift Supervision area are designed and operating effectively to provide reasonable assurance that thrift institutions are regulated and supervised in accordance with applicable state laws, regulations, and the Texas Finance Code.
3. Follow-Up of Prior Year Internal Audit Recommendations
Follow-up procedures will be performed to determine the implementation status of prior year audit recommendations that were not fully implemented as of August 31, 2025. Each recommendation will be classified as: (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete/Ongoing; or, (4) Not Implemented.
4. Preparation of the FY 2026 Internal Audit Annual Report
The FY 2026 Internal Audit Annual Report will be prepared in the format prescribed by the State Auditor's Office, and in compliance with the Texas Internal Auditing Act.
5. Other Tasks
Perform other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

FINANCE COMMISSION

Internal Audit Plan

V. Office of Consumer Credit Commissioner (OCCC)

Risk Assessment

Using information obtained from the completed questionnaires and the background information reviewed, 12 audit areas were identified as the potential audit topics. A risk analysis was performed for each area using the 8 risk factors described in section I of this report, and the results were compiled to develop OCCC's overall risk assessment.

Following are the results of the risk assessment performed for the 12 potential audit topics identified:

HIGH RISK	MODERATE RISK	LOW RISK
Procurement and Contract Management Business Registration & Professional Licensing	TFEE Fund Grant Administration Legal and Enforcement Examinations Fiscal Division (Includes Asset Management & Travel) Revenue Accounting Process	Payroll and Human Resources Business Licensing Information Technology – IT General Controls and Disaster Recovery Plan Complaint Intake and Investigation Records Management

This report includes the “Risk Assessment Summary” as Attachment A-3; and, the “History of Areas Audited” as Attachment B-3, which lists audits and/or reviews performed from fiscal year 2016 through 2025 for the above 12 potential audit topics.

In the prior 3 years, the following *internal audit functions* were performed:

Fiscal Year 2025:

- Risk Assessment & Preparation of the Internal Audit Plan
- TFEE Fund Investment Portfolio Administration Audit (*Required Periodic Audit*)
- Business Licensing Audit
- Follow-up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2024:

- Risk Assessment & Preparation of the Internal Audit Plan
- Examinations: Data Collection Area Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2023:

- Risk Assessment & Preparation of the Internal Audit Plan
- TFEE Fund Investment Portfolio Administration Audit (*Required Periodic Audit*)
- Human Resources and Payroll Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

FINANCE COMMISSION

Internal Audit Plan

Internal Audit Plan

In addition to completing the Fiscal Year (FY) 2026 risk assessment as the basis for preparation of this Internal Audit Plan (Plan), the Plan includes one audit to be performed, a follow-up on the prior year audit recommendations, preparation of the FY 2026 Internal Audit Annual Report, and other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management throughout the year.

The following audit and activities are recommended for fiscal year 2026:

1. Completion of the Fiscal Year 2026 Risk Assessment and Development of the Internal Audit Plan
Perform the FY 2026 risk assessment and use the results to develop this Internal Audit Plan in accordance with applicable standards.
2. Procurement and Contract Management
An audit of this area will be conducted to evaluate whether the policies, procedures, and internal controls within the Procurement area are designed and operating effectively to provide reasonable assurance that OCCC's procurement of goods and services complies with applicable state statutes and rules.
3. Follow-Up of Prior Year Internal Audit Recommendations
Follow-up procedures will be performed to determine the implementation status of prior year audit recommendations that were not fully implemented as of August 31, 2025. Each recommendation will be classified as: (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete/Ongoing; or, (4) Not Implemented.
4. Preparation of the FY 2026 Internal Audit Annual Report
The FY 2026 Internal Audit Annual Report will be prepared in the format prescribed by the State Auditor's Office, and in compliance with the Texas Internal Auditing Act.
5. Other Tasks
Perform other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

ATTACHMENTS

TEXAS DEPARTMENT OF BANKING
Risk Assessment Summary
For Fiscal Year 2026

RISK FACTOR WEIGHT							
10.00%	17.00%	13.00%	12.00%	16.00%	12.00%	9.00%	11.00%
RISK FACTORS							
1	2	3	4	5	6	7	8

POTENTIAL AUDIT TOPIC	Materiality	Time Since Last Audit or Review	Results of Prior Audit or Review	Personnel	Policies Procedures and Processes	Compliance Requirements	Fraud Waste or Abuse	Commission & Management Feedback	Total								
High Risk: > 163																	
1 Bank Examinations	3	30.00	2	34.00	1	13.00	1	12.00	2	32.00	3	36.00	1	9.00	1	11.00	177.00
2 Legal - Penalty Monitoring	1	10.00	1	17.00	2	26.00	1	12.00	3	48.00	2	24.00	2	18.00	2	22.00	177.00
3 Asset Management	2	20.00	2	34.00	1	13.00	1	12.00	2	32.00	1	12.00	2	18.00	3	33.00	174.00
4 IT Examinations	3	30.00	2	34.00	1	13.00	2	24.00	1	16.00	3	36.00	1	9.00	1	11.00	173.00
5 Revenue Accounting Process	3	30.00	1	17.00	2	26.00	2	24.00	1	16.00	2	24.00	2	18.00	1	11.00	166.00
Moderate Risk: 149 - 163																	
6 Consumer Assistance	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	3	33.00	161.00
7 Financial Reporting	1	10.00	2	34.00	1	13.00	2	24.00	1	16.00	2	24.00	1	9.00	2	22.00	152.00
Low Risk: < 149																	
8 Travel	2	20.00	2	34.00	1	13.00	2	24.00	1	16.00	1	12.00	2	18.00	1	11.00	148.00
9 Procurement and Contract Management	2	20.00	1	17.00	1	13.00	1	12.00	2	32.00	2	24.00	2	18.00	1	11.00	147.00
10 Management Information Systems (MIS) - IT General Controls and Disaster Recovery Plan	2	20.00	1	17.00	1	13.00	2	24.00	1	16.00	2	24.00	2	18.00	1	11.00	143.00
11 Payroll and Human Resources	3	30.00	1	17.00	1	13.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	141.00
12 Imaging & Records Management	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00
13 Prepaid Funeral Guaranty Fund	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00
14 Trust Examinations	2	20.00	1	17.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	134.00
15 Corporate Activities	3	30.00	1	17.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	132.00
16 Money Service Businesses	3	30.00	1	17.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	132.00
17 Perpetual Care Cemeteries	1	10.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	129.00
18 Prepaid Funeral Contracts	1	10.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	129.00

Risk Factor Rating:
 1 - Low Risk
 2 - Moderate Risk
 3 - High Risk

**DEPARTMENT OF SAVINGS AND MORTGAGE LENDING
Risk Assessment Summary
For Fiscal Year 2026**

RISK FACTOR WEIGHT							
10.00%	17.00%	13.00%	12.00%	16.00%	12.00%	9.00%	11.00%

RISK FACTORS							
1	2	3	4	5	6	7	8

POTENTIAL AUDIT TOPIC	Materiality	Time Since Last Audit or Review		Results of Prior Audit or Review		Personnel		Policies Procedures and Processes		Compliance Requirements		Fraud Waste or Abuse		Commission & Management Feedback		Total	
		1	2	3	4	5	6	7	8	9	10	11	12				
High Risk: > 183																	
1 Thrift Supervision and Compliance	3	30.00	3	51.00	2	26.00	1	12.00	2	32.00	3	36.00	1	9.00	1	11.00	207.00
Moderate Risk: 159 - 183																	
2 Procurement and Contract Management	2	20.00	2	34.00	1	13.00	2	24.00	2	32.00	2	24.00	2	18.00	1	11.00	176.00
3 Payroll and Human Resources	3	30.00	2	34.00	1	13.00	1	12.00	2	32.00	2	24.00	2	18.00	1	11.00	174.00
4 Mortgage Examinations	3	30.00	1	17.00	1	13.00	3	36.00	1	16.00	3	36.00	1	9.00	1	11.00	168.00
5 Records Management	2	20.00	2	34.00	1	13.00	2	24.00	2	32.00	1	12.00	2	18.00	1	11.00	164.00
6 Legal & Enforcement	3	30.00	2	34.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	161.00
7 Thrift Examinations	3	30.00	1	17.00	1	13.00	1	12.00	2	32.00	3	36.00	1	9.00	1	11.00	160.00
Low Risk: < 159																	
8 Revenue Accounting Process	3	30.00	1	17.00	1	13.00	2	24.00	1	16.00	2	24.00	2	18.00	1	11.00	153.00
9 Mortgage Licensing & Registration	2	20.00	2	34.00	1	13.00	2	24.00	1	16.00	2	24.00	1	9.00	1	11.00	151.00
10 MIS (Includes IT General Controls and Disaster Recovery Plan)	2	20.00	1	17.00	1	13.00	1	12.00	2	32.00	2	24.00	2	18.00	1	11.00	147.00
11 Financial Reporting (Includes Asset Management & Travel)	1	10.00	1	17.00	1	13.00	2	24.00	1	16.00	2	24.00	2	18.00	2	22.00	144.00
12 Consumer Responsiveness	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	139.00
13 Mortgage Grant Fund Administration	2	20.00	1	17.00	1	13.00	1	12.00	2	32.00	1	12.00	2	18.00	1	11.00	135.00

Risk Factor Rating:

- 1 - Low Risk
- 2 - Moderate Risk
- 3 - High Risk

OFFICE OF CONSUMER CREDIT COMMISSIONER
Risk Assessment Summary
For Fiscal Year 2026

RISK FACTOR WEIGHT							
10.00%	17.00%	13.00%	12.00%	16.00%	12.00%	9.00%	11.00%

RISK FACTORS							
1	2	3	4	5	6	7	8

	POTENTIAL AUDIT TOPIC	Materiality	Time Since Last Audit or Review		Results of Prior Audit or Review		Personnel	Policies Procedures and Processes		Compliance Requirements	Fraud Waste or Abuse	Commission & Management Feedback		Total				
			3	51.00	2	26.00		1	12.00			1	16.00		1	11.00		
High Risk: > 167																		
1	Procurement and Contract Management	2	20.00	3	51.00	2	26.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	178.00
2	Business Registration & Professional Licensing	2	20.00	3	51.00	2	26.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	169.00
Moderate Risk: 157 - 167																		
3	TFEE Fund Grant Administration	2	20.00	3	51.00	2	26.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	166.00
4	Legal and Enforcement	3	30.00	2	34.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	161.00
5	Examinations	3	30.00	1	17.00	1	13.00	1	12.00	2	32.00	3	36.00	1	9.00	1	11.00	160.00
6	Fiscal Division (Includes Asset Management & Travel)	1	30.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	158.00
7	Revenue Accounting Process	3	30.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	158.00
Low Risk: < 157																		
8	Payroll and Human Resources	3	30.00	1	17.00	1	13.00	2	24.00	1	16.00	2	24.00	2	18.00	1	11.00	153.00
9	Business Licensing	2	20.00	1	17.00	2	26.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	147.00
10	Information Technology - IT General Controls and Disaster Recovery Plan	2	20.00	1	17.00	1	13.00	1	12.00	2	32.00	2	24.00	2	18.00	1	11.00	147.00
11	Complaint Intake and Investigation	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	139.00
12	Records Management	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00

Risk Factor Rating: 1 - Low Risk 2 - Moderate Risk 3 - High Risk
--

TEXAS DEPARTMENT OF BANKING
History of Areas Audited
For Fiscal Year 2026

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1	Asset Management		A	C*			C*				
2	Bank Examinations		A/B*	E				A			B*
3	Consumer Assistance			E			A				
4	Corporate Activities			E					A		
5	Financial Reporting		B	E*							B*
6	Imaging and Records Management	A				A					
7	IT Examinations	A		E				A			
8	Legal - Penalty Monitoring										A*/B*
9	Management Information Systems (MIS) - IT General Controls and Disaster Recovery Plan ¹		B	E*	A1*/D		A*/D		D	D*	D
10	Money Services Businesses		B*	E	A1*	A*					A
11	Payroll and Human Resources			C*/F*	F*		C*			A/F*	B*/C1*
12	Perpetual Care Cemeteries		B*	E	A1*	A*					
13	Prepaid Funeral Contracts		B*	E	A1*	A*					
14	Prepaid Funeral Guaranty Fund			A/E	A1*	A*					
15	Procurement and Contract Management		B*	C*			C*		A		B*/C1*
16	Revenue Accounting Process		B	E	A1*	A					A*/B*
17	Travel		B*	C*/E*			C*				B*/C1*
18	Trust Examinations			A/E						A	B*

¹ Periodic vulnerability scans are performed by the DIR or a third-party procured through the DIR, which are considered standardized reviews and therefore not reflected in this schedule by year.

Note: Performance Measures are included in the scope of the applicable audit area(s).

Legend (audits/reviews with an asterisk are considered limited scope for the audit area)

- A Internal audit performed by Garza/Gonzalez & Associates, CPAs.
- A1 Internal audit performed by McConnell & Jones LLP.
- B Audit performed by the State Auditor's Office (SAO).
- C Post-Payment audit performed by the Comptroller of Public Accounts (CPA).
- C1 Post-Payment audit follow-up performed by the CPA.
- D IT assessment performed by the Department of Information Resources (DIR) or a third-party vendor procured through the DIR.
- E Sunset Review performed by the Sunset Advisory Commission.
- F Review performed by the Texas Workforce Commission.

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING
History of Areas Audited
For Fiscal Year 2026

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1	Consumer Responsiveness		B*	D							B*
2	Financial Reporting (includes Asset Management & Travel)		B	D*/E*							B/E*
3	Legal & Enforcement		B	D			A				B*
4	MIS - IT General Controls and Disaster Recovery Plan ¹	A	B*	C/D*	A1*		C		C	C*	C
5	Mortgage Examinations (to include Training)		B*	D			G*		A		B
6	Mortgage Grant Fund Administration									A	
7	Mortgage Licensing and Registration (Mortgage and Servicers)		B*	D			G*				
8	Payroll and Human Resources			E*	F*						B* / F* / E*
9	Procurement and Contract Management		B	E*/D*			A				B* / E*
10	Records Management					A					
11	Revenue Accounting Process		B	D*							B
12	Thrift Examinations (to include Training)		A	D							A/B*
13	Thrift Supervision and Compliance		B*	A/D							

¹ Periodic vulnerability scans are performed by the DIR or a third-party procured through the DIR, which are considered standardized reviews and therefore not reflected in this schedule by year.

Note: Performance Measures are included in the scope of the applicable audit area(s).

Legend (audits/reviews with an asterisk are considered limited scope for the audit area)

- A Internal audit performed by Garza/Gonzalez & Associates, CPAs.
- A1 Internal audit performed by McConnell & Jones LLP.
- B Audit performed by the State Auditor's Office (SAO).
- C IT assessment performed by the Department of Information Resources (DIR) or a third-party vendor procured through the DIR.
- D Sunset Review performed by the Sunset Advisory Commission.
- E Post Payment Audit performed by the Comptroller of Public Accounts (CPA).
- F Review performed by the Texas Workforce Commission.
- G Mortgage accreditation review performed by the Conference of State Bank Supervisors.

OFFICE OF CONSUMER CREDIT COMMISSIONER
History of Areas Audited
For Fiscal Year 2026

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1	Business Licensing		B*	D							A
2	Business Registration & Professional Licensing		A*/B*	D							
3	Complaint Intake and Investigation			D				B*			
4	Examinations	A*		A*/D				A*		A	
5	Fiscal Division (Includes Asset Management & Travel)		B	C*/D*		CI*	A*	B			
6	Legal and Enforcement		B*	D				B*			
7	Information Technology - IT General Controls and Disaster Recovery Plan ¹		B*	D*	A1*		E	B*	E		E
8	Payroll and Human Resources			C*	F*				A		F*
9	Procurement and Contract Management		B	C*/D*							
10	Records Management					A					
11	Revenue Accounting Process		B	D				B			
12	TFEE Fund Grant Administration		A*	D							

Required Periodic Audit

13	TFEE Fund Investment Portfolio Administration		A	D	A1		A		A		A
----	---	--	---	---	----	--	---	--	---	--	---

¹ Periodic vulnerability scans are performed by the DIR or a third-party procured through the DIR, which are considered standardized reviews and therefore not reflected in this schedule by year.

Note: 1. Performance Measures are included in the scope of the applicable audit area(s).

2. Effective FY23 —

- All examinations-related areas were combined into the "Examinations" auditable area.
- Business Registration and Professional Licensing were combined into the "Business Registration & Professional Licensing" auditable area.

Legend (audits/reviews with an asterisk are considered limited scope for the audit area)

- A** Internal audit performed by Garza/Gonzalez & Associates, CPAs.
- A1** Internal audit performed by McConnell & Jones LLP.
- B** Audit performed by the State Auditor's Office (SAO).
- C** Post-Payment audit performed by the Comptroller of Public Accounts (CPA).
- CI** Overpayment Recovery audit performed by the CPA.
- D** Sunset Review performed by the Sunset Advisory Commission.
- E** IT assessment performed by the Department of Information Resources (DIR) or a third-party vendor procured through the DIR.
- F** Policy review performed by the Texas Workforce Commission.