

# FINANCE COMMISSION OF TEXAS

## AUDIT COMMITTEE MEETING

Friday, February 19, 2021  
8:30 a.m.  
Via Webinar

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**Due to Governor Greg Abbott's March 13, 2020 proclamation of a state of disaster affecting all counties in Texas due to the Coronavirus (COVID-19) and the Governor's March 16, 2020 suspension of certain provisions of the Texas Open Meetings Act, the February 19, 2021 meeting of the Finance Commission of Texas will be held via webinar/telephonic conference call, as authorized under Texas Government Code section 551.125.**

Members of the public who would like to participate in this meeting will need to register at [www.fc.texas.gov](http://www.fc.texas.gov). An electronic copy of the agenda is now available at [www.fc.texas.gov](http://www.fc.texas.gov), and a copy of the meeting materials will be available on February 11, 2021 at [www.fc.texas.gov](http://www.fc.texas.gov). To access the recording visit [www.fc.texas.gov](http://www.fc.texas.gov) after February 19, 2021.

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*Public comment on any agenda item or issue under the jurisdiction of the Finance Commission of Texas agencies is allowed. Finance Commission members who are not members of the Audit Committee may be present at this committee meeting creating a quorum of the Finance Commission.*

- A. Review and Approval of the Minutes of the December 11, 2020 Audit Committee Meeting
- B. Review of Agencies' Activities
  - 1. Department of Savings and Mortgage Lending
  - 2. Office of Consumer Credit Commissioner
  - 3. Texas Department of Banking
- C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2021 First Quarter Investment Officer Reports
  - 1. Department of Savings and Mortgage Lending
  - 2. Office of Consumer Credit Commissioner
  - 3. Texas Department of Banking
- D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2021 First Quarter Financial Statements
  - 1. Department of Savings and Mortgage Lending
  - 2. Office of Consumer Credit Commissioner
  - 3. Texas Department of Banking
- E. Report on Activities Relating to the Texas Financial Education Endowment Fund
- F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Appointment of a New Grant Advisory Committee Member
- G. Discussion of and Consultation on Security Audit, Possible Issue Related to Confidential or Sensitive Information, Security Breach Audit and Assessment, or Security Assessments or Deployment Related to Information Resources Technology as Authorized by Tex. Govt. Code Secs. 551.076 and 551.089

**NOTE: The Audit Committee of the Finance Commission of Texas may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, Texas Government Code, Chapter 551.**

**Meeting Accessibility:** Under the Americans with Disabilities Act, the Finance Commission of Texas will accommodate special needs. Those requesting auxiliary aids or services should notify the Texas Department of Banking, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 936-6222, as far in advance of the meeting as possible.

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# MINUTES OF THE AUDIT COMMITTEE MEETING Friday, December 11, 2020

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m. on December 11, 2020 with the following members present:

**Audit Committee Members in Attendance (via webinar):**

Molly Curl, Chairman  
Phillip Holt (*temporarily filling in for Hector Cerna*)  
Hector Cerna  
Larry Long

Chairman Curl announced there was a quorum of the Audit Committee of the Finance Commission of Texas. (:38 on audio file). Hector Cerna joined the meeting at 8:39 a.m. (8:35 on audio file).

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the October 16, 2020 Audit Committee Meeting	Larry Long made a motion to Approve the Minutes of the October 16, 2020 Audit Committee Meeting. Phillip Holt seconded and the motion passed.	1:09 start of discussion  1:24 Vote
B. Review of Agencies' Activities 1. Office of Consumer Credit Commissioner 2. Texas Department of Banking 3. Department of Savings and Mortgage Lending	No Action Required.	1:51 start of discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' Fiscal Year 2021 Internal Auditor's Risk Assessment and Audit Plan 1. Office of Consumer Credit Commissioner 2. Texas Department of Banking 3. Department of Savings and Mortgage Lending	Kimberly Lopez-Gonzales with Garza/ Gonzalez & Associates presented this item. Hector Cerna made a motion to recommend that the Finance Commission Approve the Agencies' Fiscal Year 2021 Internal Auditor's Risk Assessment and Audit Plan. Larry Long seconded and the motion passed.	8:53 start of discussion  19:35 Vote
D. Report on Activities Relating to the Texas Financial Education Endowment Fund	No Action Required.	20:10 start of discussion
E. A Discussion of and Consultation on Security Audit, Possible Issue Related to Confidential or Sensitive Information, Security Breach Audit and Assessment, or Security Assessments or Deployment Related to Information Resources Technology as Authorized by Tex. Govt. Code Secs. 551.076 and 551.089	Deferred to Executive Session – no vote taken.	n/a

Chairman Curl called for an Executive Session at 8:53 a.m. *(22:13 on the audio file)*. The open meeting resumed at 9:38 a.m. *(23:10 on the audio file)*.

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Curl adjourned the meeting at 9:38 a.m. *(23:26 on the audio file)*.

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Molly Curl, Chairman, Audit Committee  
Finance Commission of Texas

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Charles G. Cooper, Executive Director  
Finance Commission of Texas

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Brenda Medina, Executive Assistant  
Finance Commission of Texas

**Texas Department of Savings and Mortgage Lending  
Audit Activities Report as of January 31, 2021**

None.

<b>Office of Consumer Credit Commissioner</b>
<b>Status of Agency Activities, Outstanding Audit Findings, and Recommendations as of 1/31/2021</b>

<b>Current Items</b>				
<b>Entity</b>	<b>Activity</b>	<b>Findings/Recommendations</b>	<b>Status</b>	<b>Date</b>
Department of Information Resources/AT&T Consulting	External Network Penetration Test and Web Application Vulnerability Scan	Related to Web Applications	In Process	TBD
Department of Information Resources/AT&T Consulting	Texas Cybersecurity Framework Assessment	Related to Cybersecurity	In Process	TBD
Department of Public Safety	Non-Criminal Justice Audit: Human Resources	Pending	In Process	TBD
Department of Public Safety	Non-Criminal Justice Audit: Licensing	Pending	In Process	TBD
Garza/Gonzales	Internal Audit: TFEF Fund Investment Portfolio	Pending	In Process	TBD

<b>Future Items</b>			
<b>Entity</b>	<b>Activity</b>	<b>Status</b>	<b>Date</b>
Garza/Gonzales	Internal Audit: Fiscal Activities	Planned	TBD

**Texas Department of Banking**  
**Audit Activities Report**  
**as of January 31, 2021**

<b>Auditor:</b>	<i>State Office of Risk Management</i>	<b>Audit Report Date:</b> <i>January 25, 2021</i>
<b>Audit Area:</b>	<i>On-site Consultation</i>	
<b>Findings:</b>	<i>None.</i>	<b>Status Update:</b> <i>Completed.</i>
<b>Auditor:</b>	<i>Department of Information Resources – AT&amp;T</i>	<b>Audit Report Date:</b> <i>Pending</i>
<b>Audit Area:</b>	<i>Texas Cybersecurity Framework Assessment</i>	
<b>Findings:</b>		<b>Status Update:</b> <i>In Progress – Audit field work began January 25, 2021.</i>
<b>Auditor:</b>	<i>Texas Comptroller of Public Accounts</i>	<b>Audit Report Date:</b> <i>Pending</i>
<b>Audit Area:</b>	<i>Post Payment Audit</i>	
<b>Findings:</b>		<b>Status Update:</b> <i>In Progress – Audit field work began January 25, 2021.</i>
<b>Auditor:</b>	<i>Garza/Gonzalez &amp; Associates</i>	<b>Audit Report Date:</b> <i>Pending</i>
<b>Audit Area:</b>	<i>Consumer Assistance</i>	
<b>Findings:</b>		<b>Status Update:</b> <i>Audit field work scheduled to begin the week of February 15, 2021.</i>
<b>Auditor:</b>	<i>Garza/Gonzalez &amp; Associates</i>	<b>Audit Report Date:</b> <i>Pending</i>
<b>Audit Area:</b>	<i>Management Information Systems - Includes Disaster Recovery Plan</i>	
<b>Findings:</b>		<b>Status Update:</b> <i>Audit field work pending for April 2021.</i>
<b>Auditor:</b>	<i>Texas Department of Public Safety</i>	<b>Audit Report Date:</b> <i>Pending</i>
<b>Audit Area:</b>	<i>Secure Site Confirmation - Background Checks</i>	
<b>Findings:</b>		<b>Status Update:</b> <i>Audit field work pending for March 2021.</i>



## On-Site Consultation Report

Department of Banking

Version 2

January 25, 2021

**Conducted by:**  
Carly Hughes, Risk Manager







State Office of Risk Management

300 W. 15<sup>TH</sup>, AUSTIN, TEXAS 78701 / P.O. BOX 13777, AUSTIN, TEXAS 78711-3777  
(512) 475-1440, FAX (512) 370-9025 / WWW.SORM.STATE.TX.US

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January 25, 2021

Mr. Charles G. Cooper  
Banking Commissioner  
Department of Banking  
2601 North Lamar Blvd.  
Austin, TX 78705

Agency # 451

Re: On-Site Consultation (OSC)

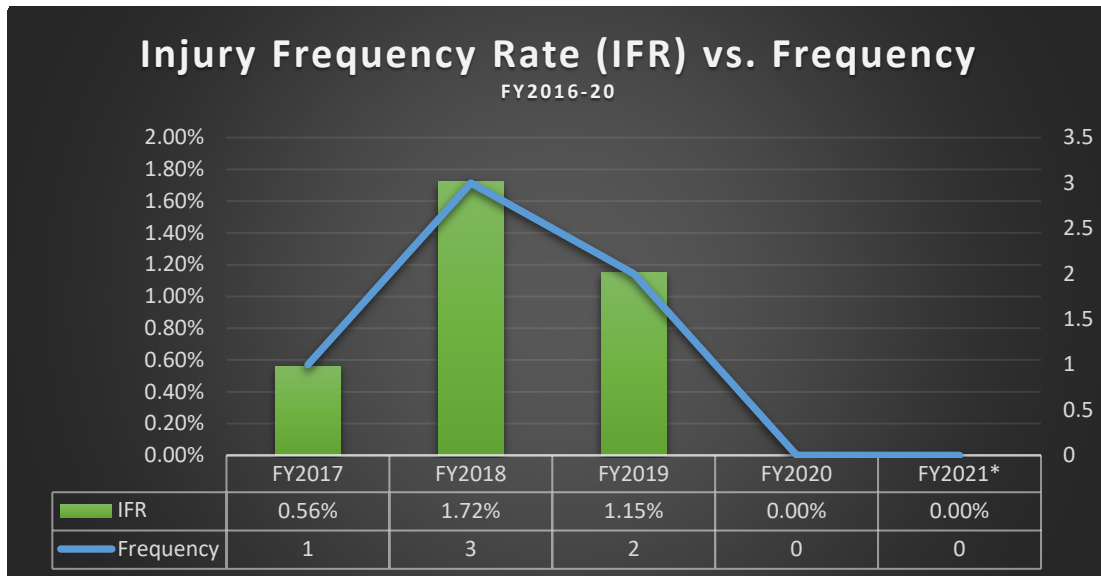
Dear Mr. Cooper,

On Thursday, December 10, 2020, The State Office of Risk Management (SORM) conducted an On-Site Consultation (OSC) of the Department of Banking (DOB) at 2601 North Lamar Blvd. Austin, TX 78705. The review was conducted under the authority of Texas Labor Code, Title V, Subtitle A, Chapter 412, and is designed to assist state agencies to develop and implement comprehensive risk management programs that meet Risk Management for Texas State Agencies (RMTSA) guidelines.

Mr. Sami Chadli accompanied SORM and actively participated during the OSC. The visit was scheduled by SORM as a consultation with agency risk management to discuss observed or potential exposures in an attempt to eliminate or mitigate those risks.

SORM conducted risk-based analysis of injury claims data from DOB prior to visit. Trend data was provided and discussed during the OSC. SORM reviewed and discussed the following workers' compensation insurance data and claims with DOB during the consultation. The information reflects claims received by SORM from FY17 through November 2020.

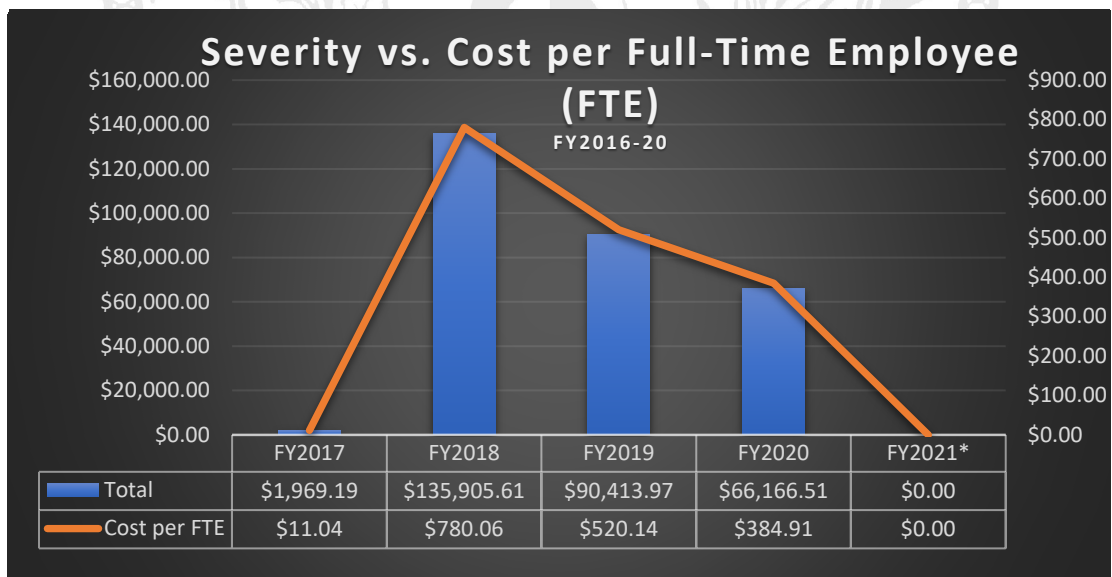
**The number and Injury Frequency Rates (IFR) of claims submitted by the DOB:**



*The IFR is calculated as # of Accepted Claims X100/FTEs.*

- Most of DOB claims occurred in FY18, these three injuries were caused by a Slip/Trip/Fall, motor vehicle and a cut/puncture/scrape.

**The cost of Workers' Compensation claims submitted by the DOB:**



*The cost per FTE is calculated by Severity/FTEs.*

- The spike in FY18 is primarily due to a slip/trip/fall injury which incurred a significant amount in temporary income benefits and impairment income benefits.

**Claims risk assessment data for DOB during FY17-FY21 (Year-to-date):**

Claims by Injury Group				
Injury Group	Frequency	Severity	Cost per Claim	Percentage
Fall, Slip or Trip	3	\$301,100.64	\$100,366.88	50.00%
Cut, Puncture, Scrape	1	\$1,679.75	\$1,679.75	16.67%
Motor Vehicle	1	\$1,912.37	\$1,912.37	16.67%
Strain	1	\$876.56	\$876.56	16.67%
Grand Total	6	\$305,569.32	\$50,928.22	100.00%

- *Slip/Trip/Falls were the primary injuries for DOB, totaling 50% of all reported claims, and they were also the most severe in claims cost.*

Noteworthy observations made during this consultation include the following:

- The majority of DOB reported injuries occurred when employees were traveling on state business. SORM discussed strategies to avoid further incidents from occurring, such as expanding training, policies and procedures to include traveling safety and awareness.
- Housekeeping was exemplary throughout the entire agency.
- SORM identified a potential electrical hazard in the maintenance room. Since the visit, DOB has obtained signage stating “Danger- Restricted Area” and posted it accordingly. SORM commends DOB for taking quick action on this recommendation.
- SORM commends the DOB for implementing exemplary Covid-19 safety measures such as sanitization stations, signage, staggered work schedules, and an ionization system for the heating, ventilation, and air conditioning (HVAC) system.
- DOB scheduled a meeting with SORM after the consultation to gather more information regarding SORM’s complimentary “Claims Coordinator” training. SORM suggests each agency Claims Coordinator(s) attend this training at least every two years, or as needed due to continual changes with workers’ compensation laws and regulations.

The following action items require follow-up by the SORM per DOB request:

- DOB requested information regarding two active workers’ compensation claims. Since the visit, the SORM Claims department has made themselves available to answer any questions DOB may have regarding their claims data.

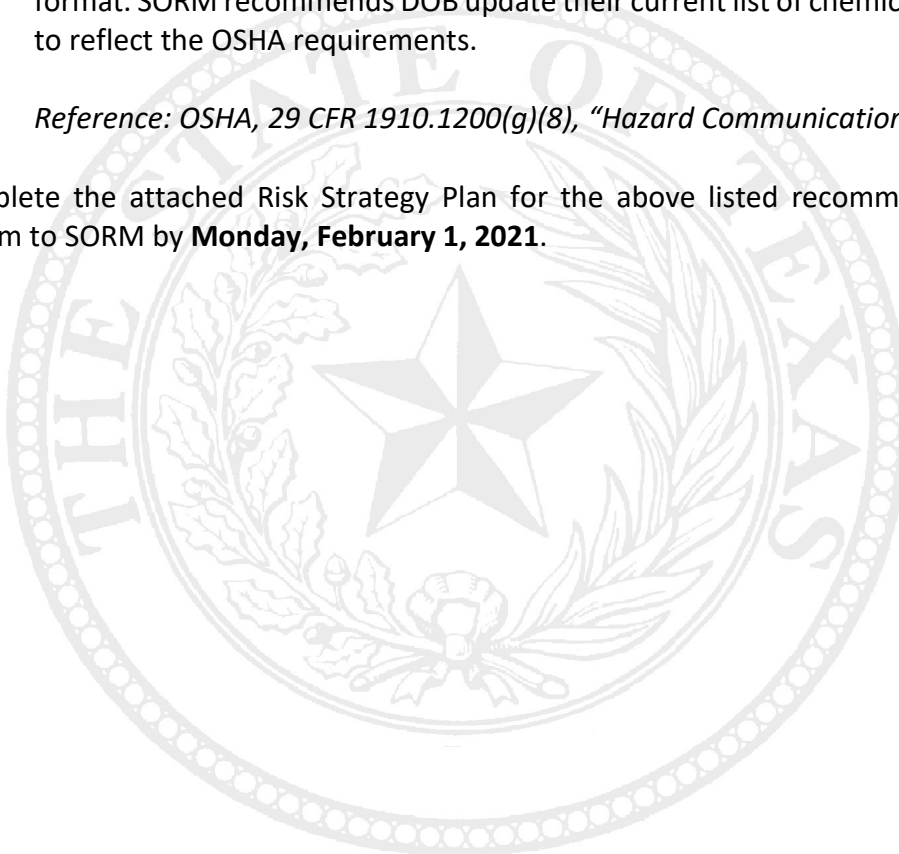
Recommendations to maintain the efficiency of your Risk Management Program from this SORM visit include the following:

**21-12-01      Safety: Hazard Communication – Safety Data Sheets (SDS)**

A Material Safety Data Sheet (MSDS) was observed in the storage area where cleaning supplies are stored. Occupational Safety and Health Administration (OSHA) revised the Hazard Communication Standard in 2012 and now requires updates to compliance materials. This includes the elimination of MSDS and added requirements for Safety Data Sheets (SDS) in a mandated 16-section information format. SORM recommends DOB update their current list of chemicals accordingly to reflect the OSHA requirements.

*Reference: OSHA, 29 CFR 1910.1200(g)(8), "Hazard Communication"*

Please complete the attached Risk Strategy Plan for the above listed recommendations and forward them to SORM by **Monday, February 1, 2021**.



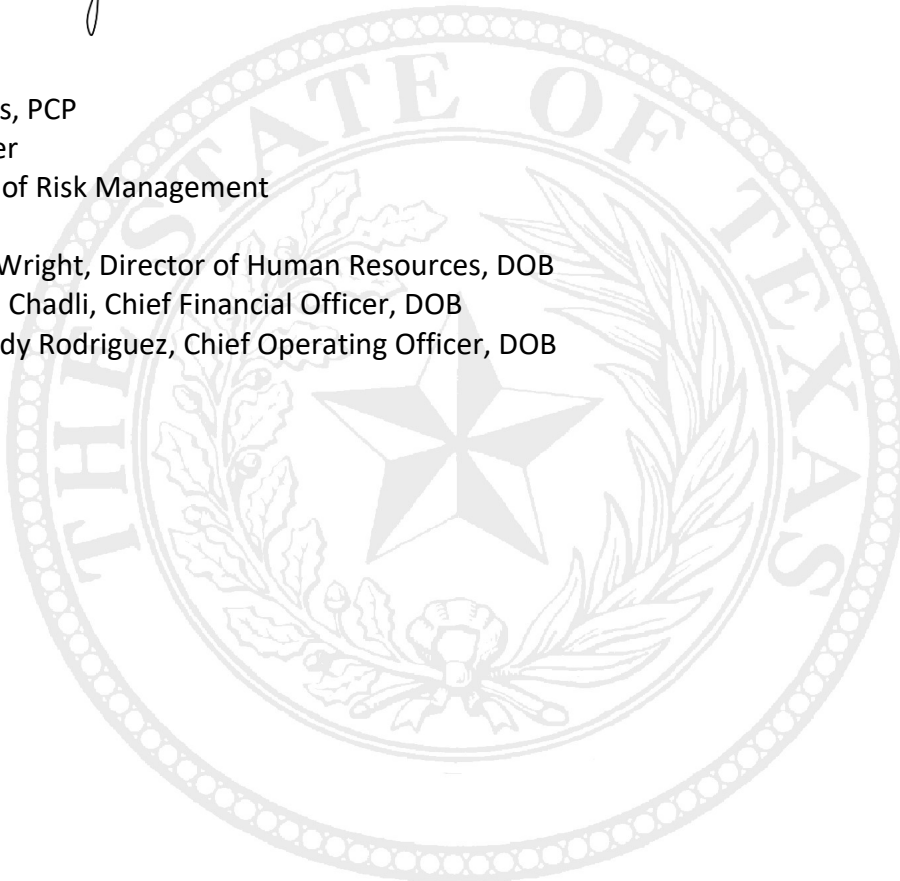
Please convey my sincere appreciation to the staff at DOB for their cooperation and assistance during the consultation. If you have any questions or concerns regarding the information detailed in this report, please contact me by either phone at 512-936-1573 or email at [Carly.Hughes@sorm.texas.gov](mailto:Carly.Hughes@sorm.texas.gov).

Sincerely,



Carly Hughes, PCP  
Risk Manager  
State Office of Risk Management

cc: Lori Wright, Director of Human Resources, DOB  
Sami Chadli, Chief Financial Officer, DOB  
Wendy Rodriguez, Chief Operating Officer, DOB





## Important SORM Resources

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[Request Training](#)

[SORM Safety Videos](#)

[Workers' Compensation Healthcare Network](#)

## SORM Contact Information

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Main: (512) 475-1440

Toll-Free: (877) 445-0006

Website: [www.sorm.texas.gov](http://www.sorm.texas.gov)

Nick Witkowski	Interim Director of Enterprise Risk	512-936-1483	<a href="mailto:nick.witkowski@sorm.texas.gov">nick.witkowski@sorm.texas.gov</a>
Shelly Milvo	Insurance Manager	512-936-1561	<a href="mailto:shelly.milvo@sorm.texas.gov">shelly.milvo@sorm.texas.gov</a>
Shelby Hyman	COOP Task Force Leader, Director of Public Relations	512-936-1457	<a href="mailto:shelby.hyman@sorm.texas.gov">shelby.hyman@sorm.texas.gov</a>
Frank Peña	Statewide Continuity Advisor	512-936-1596	<a href="mailto:frank.pena@sorm.texas.gov">frank.pena@sorm.texas.gov</a>
Courtney Page	Training Consultant	512-936-1572	<a href="mailto:courtney.page@sorm.texas.gov">courtney.page@sorm.texas.gov</a>
Jamell Collins	Training Consultant	512-936-1512	<a href="mailto:jamell.collins@sorm.texas.gov">jamell.collins@sorm.texas.gov</a>



State Office of Risk Management

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To: Mr. Charles G. Cooper  
From: Carly Hughes  
January 28, 2021  
Subject: Risk Strategy Plan

Agency #451

To whom it may concern:

On Thursday, December 10, 2020, The State Office of Risk Management (SORM) conducted an On-Site Consultation (OSC) of the Department of Banking (DOB) at 2601 North Lamar Blvd. Austin, TX 78705.

During the OSC, the attached recommendations were made to help the agency mitigate potential risk(s). Please complete and return this Risk Strategy Plan to SORM by **Monday, February 1, 2021**.

If you have any questions or concerns regarding your agency's Risk Strategy Plan, please feel free to contact me by either phone at 512-936-1573 or email at [Carly.Hughes@sorm.texas.gov](mailto:Carly.Hughes@sorm.texas.gov).

Sincerely,

Carly Hughes  
Risk Manager  
State Office of Risk Management



**Recommendation:** 21-12-02      **Safety:** Hazard Communication – Safety Data Sheets (SDS)

**Details:**

A Material Safety Data Sheet (MSDS) was observed in the storage area where cleaning supplies are stored. Occupational Safety and Health Administration (OSHA) revised the Hazard Communication Standard in 2012 and now requires updates to compliance materials. This includes the elimination of MSDS and added requirements for Safety Data Sheets (SDS) in a mandated 16-section information format. SORM recommends DOB update their current list of chemicals accordingly to reflect the OSHA requirements.

Reference: OSHA, 29 CFR 1910.1200(g)(8), "Hazard Communication"

**Current Status of Recommendation (check appropriate box and comment below):**

- ☒ Recommendation has already been completed.  
Completion Date: 1/26/2021
- ☐ Will implement with a target date of completion.  
Target Date: Click or tap to enter a date.
- ☐ Other (*Please detail in Comments below*)

**Risk Strategy**

- ☐ Avoidance      ☒ Mitigation      ☐ Retention      ☐ Transfer

**Comments:**

Safety Data Sheets related to stored cleaning supplies are in place at this time. These data sheets replaced the Material Safety Data Sheets that were used previously.

**Name:** Sami Chadli

**Title/Position:** Chief Financial Officer  
/ Risk Manager

**Date:** January 27, 2021



# Department of Savings and Mortgage Lending

## Investment Officer Report as of November 30, 2020

### Recovery Fund

	Beginning Balance 9/1/2020	Additions/ Reductions	Interest Received	Bank Fees	Ending Balance 8/31/2020
Cash & Cash Equivalents	\$4,378,652.58	\$45,820.00	\$16,113.58	(\$228.35)	\$4,440,357.81

Bank Name	Type	Maturity Date	Interest Rate	Book/Market Value	Accrued Interest
Tx Treasury Safekeeping Trust Co	Overnight Repurchase Agreements	12/1/2020	0.04%	\$3,190,357.81	\$3.28
Horizon Bank SSB	CD - 24 months	1/31/2021	2.27%	250,000.00	472.92
TBK Bank	CD - 24 months	4/7/2021	3.00%	250,000.00	2,145.10
First Fed Community Bank, SSB	CD - 18 months	6/13/2021	1.70%	250,000.00	4,167.36
South Star Bank SSB	CD - 24 months	4/17/2022	1.20%	250,000.00	283.33
Dalhart Federal Savings	CD - 24 months	10/18/2022	1.25%	250,000.00	373.26
				\$4,440,357.81	\$7,445.25

### Investment Position:

The Fund is capable of meeting all known obligations.

Investment Officer: /s/Antonia Antov

Investment Officer: /s/Janie Recio

### Investment Compliance:

The Department's Investment Policy has been followed.

Date: 1/7/2021

Date: 1/7/2021

**Office of Consumer Credit Commissioner  
Fiscal Year 2021 - 1st Quarter**

**Residential Mortgage Loan Originator Recovery Trust Fund #3008**

<u>Beginning Balance at 09/01/2020</u>	<u>Additions / *(Deductions)</u>	<u>Interest Paid</u>	<u>Paid Bank Fees</u>	<u>Ending Balance at 11/30/2020</u>	<u>Current Interest Rate</u>
\$ 160,611.06	\$ -	\$ 13.91	\$ (30.66)	\$ 160,594.31	0.036%

Prepared By: /s/ Adrian Alejandro Hernandez

Date: 02/01/2021

Investment Officer: /s/ Mirand Diamond

Date: 02/02/2021

Note: These funds are held at the Texas Treasury Safekeeping Trust Company in overnight repurchase agreements.  
The above investments are in compliance with the agency's investment policy.

**Office of Consumer Credit Commissioner**  
**Fiscal Year 2021 - 1st Quarter**

<b>Texas Financial Education Endowment Fund #3071</b>								
	Beginning Balance at 09/01/2020	Additions	Interest Paid	Transfers	Grant Disbursements	Paid Bank Fees	Ending Balance at 11/30/2020	Current Interest Rate
<b>Cash</b>	\$ 1,091,088.89	\$ 2,133.50	\$ 95.90	\$ -	\$ -	\$ (2,196.09)	\$ 1,091,122.20	0.036%
<b>Invested Portfolio</b>	Beginning Balance at 09/01/2020	Additions	*Change in Value	Transfers	Transfer Out	Paid Fees	Ending Balance at 11/30/2020	
Cash in Bank	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Investments - STIF	3,614,518.26	5,190.15	(21,356.96)			(5,047.55)	3,593,303.90	
Interest & Dividends Receivable	135.42		(66.44)				68.98	
Trade Receivables	-		-				-	
Investments - Equities	2,761.85		1,989.12				4,750.97	
Investments - Alternatives	3,504,468.89		314,180.58				3,818,649.47	
Investments - Fixed Income	56,627.75		(41,848.71)				14,779.04	
Investments - Futures	-		-				-	
Investments - SWAPS, at Fair Value	36,030.73		(5,283.13)				30,747.60	
Total Assets-Invested Portfolio	\$ 7,214,542.90	\$ 5,190.15	\$ 247,614.46	\$ -	\$ -	\$ (5,047.55)	\$ 7,462,299.96	
<b>Liabilities</b>								
Accounts Payable	\$ (33,556.25)	\$ (3,028.69)	\$ -	\$ -	\$ -	\$ -	\$ (36,584.94)	
Interest Payable	-	(320.41)					(320.41)	
Trade Payables	(307.45)	307.45					-	
Futures Contracts, at Fair Value	-	-					-	
Swaps, at Fair Value	-	-					-	
Total Liabilities	\$ (33,863.70)	\$ (3,041.65)	\$ -	\$ -	\$ -	\$ -	\$ (36,905.35)	
Total Net Fiduciary Assets-Invested Portfolio	\$ 7,180,679.20						\$ 7,425,394.61	
<b>Total Endowment Funds</b>	<u>\$ 8,271,768.09</u>						<u>\$ 8,516,516.81</u>	

Note: These funds are invested with the Texas Treasury Safekeeping Trust Company.  
The above investments are in compliance with the agency's investment policy.

\* Reflects redistributed amount among the asset classes in addition to market value adjustment.

Prepared By: /s/ Adrian Alejandro Hernandez

Date: 02/02/2021

Investment Officer: /s/ Mirand Diamond

Date: 02/02/2021

Department of Banking Quarterly Investment Report  
 September 1, 2020 to November 30, 2020

Seized Prepaid Funeral Funds Held in a Financial Institution	Book Value at August 31, 2020	Interest Income Received	Trustee Fees Paid	Other Deductions	Other Additions	Book Value at November 30, 2020	Financial Institution	Investment Type	Maturity Date	Interest Rate
None	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			N/A	N/A
Total Seized Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				

Notes:

/s/ Jesse Saucillo

Investment Officer

/s/ Sami Chadli

Investment Officer

12/17/2020

Date

12/17/2020

Date

**Trust-Funded Prepaid Funeral Guaranty Fund Quarterly Investment Report**  
**September 1, 2020 to November 30, 2020**

<u>Book Value at August 31, 2020</u>	<u>Interest Income Received</u>	<u>Trustee Fees Paid</u>	<u>(1) Other Deduction(s)</u>	<u>(2) Other Addition(s)</u>	<u>Book/Market Value at November 30, 2020</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Accrued Interest on CDs</u>
\$1,372,891.01	\$3,150.63	\$64.55	\$6,137.15	\$10,369.81	\$1,380,209.75	--	--	\$626.81

Trust Account Balances at Trustee/Depositories

Texas Treasury Safekeeping Trust Company *	\$648,711.63	12/1/2020	0.04%	
United Texas Bank, Dallas, Texas (CD)	\$246,972.43	12/19/2020	1.95%	\$131.94
State Bank of Texas, Dallas, Texas (CD)	\$240,000.00	12/16/2020	1.85%	\$145.97
Frontier Bank of Texas, Elgin, Texas (CD)	\$244,525.69	7/18/2021	1.24%	\$348.90
Subtotal	\$1,380,209.75			

(1) Other deductions include: (a) \$2,047.63 restitution checks issued to eight consumers and escheatment of funds for four consumers totaling \$1,452.37 issued to the Comptroller's Office as abandoned property related to Marc Gonzalez and Gonzalez Funeral Home; and (b) \$2,637.15 restitution check reissued to the next of kin related to Hernandez Funeral Home.

(2) Other additions include: (a) \$300.00 restitution received from Mr. Roy and Ms. Kay Bryant dba Amarillo Family Funeral Home; (b) \$600.00 restitution received from Mr. Marc Gonzalez on behalf of Gonzalez Funeral Home; (c) \$5,700.00 restitution received from Ms. Maria de la Luz Hernandez on behalf of Hernandez Funeral Home; (d) \$1,000.00 restitution received from Mr. Kevin Keeney on behalf of Howell-Doran Funeral Home; (e) \$2,637.15 stop payment of a restitution check related to Hernandez Funeral Home that was requested to be paid to consumer's next of kin; and (f) \$132.66 stop payment of a restitution check related to Amarillo Family Funeral Home that was not negotiated by consumer.

\* These funds are held at the Texas Treasury Safekeeping Trust Company in overnight repurchase agreements.  
The above investments are in compliance with the investment strategies of Administrative Memorandum 2016.

/s/ Jesse Saucillo  
Investment Officer

12/17/2020  
Date

/s/ Sami Chadli  
Investment Officer

12/17/2020  
Date

**Insurance-Funded Prepaid Funeral Guaranty Fund Quarterly Investment Report**  
**September 1, 2020 to November 30, 2020**

<u>Book</u> <u>Book Value at August 31, 2020</u>	<u>Interest Income</u> <u>Received</u>	<u>Trustee</u> <u>Fees Paid</u>	<u>Other</u> <u>Deduction(s)</u>	<u>Other</u> <u>Addition(s)</u>	<u>Book/Market</u> <u>Value at November 30, 2020</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Accrued Interest</u> <u>on CDs</u>
\$721,042.75	\$598.59	\$52.33	\$0.00	\$0.00	\$721,589.01			\$84.79

Account Balances at Trustee/Depositories

Texas Treasury Safekeeping Trust Company *	\$475,957.46	12/1/2020	0.04%	
AccessBank, Denton, Texas (CD)	<u>\$245,631.55</u>	7/14/2021	0.90%	\$84.79
Subtotal	\$721,589.01			

\* These funds are held at the Texas Treasury Safekeeping Trust Company in overnight repurchase agreements.  
The above investments are in compliance with the investment strategies of Administrative Memorandum 2016.

<u>/s/ Jesse Saucillo</u>	<u>12/17/2020</u>
Investment Officer	Date
 <u>/s/ Sami Chadli</u>	 <u>12/17/2020</u>
Investment Officer	Date

**Department of Savings and Mortgage Lending**  
**Operating Statement and Budget Analysis**  
**For the Quarter Ending November 30, 2020**

	FY 2020 ACTUAL	FY 2021 BUDGET	QUARTER PERFORMANCE				FY 2021 PERFORMANCE			
			1st Quarter BUDGET	1st Quarter ACTUAL	(Over)/Under BUDGET	Percent BUDGET	YTD BUDGET	YTD ACTUAL	(Over)/Under BUDGET	Percent BUDGET
<b>REVENUES</b>										
Thrift Industry										
Assessments	\$ 2,765,352	\$ 3,770,930	\$ 958,423	\$ 1,024,635	\$ (66,212)	106.9%	\$ 958,423	\$ 1,024,635	\$ (66,212)	106.9%
Application Fees	60,600	20,000	5,000	17,500	(12,500)	350.0%	5,000	17,500	(12,500)	350.0%
Mortgage Industry										
Licensing Fees	3,877,988	3,229,865	1,532,610	2,018,159	(485,549)	131.7%	1,532,610	2,018,159	(485,549)	131.7%
Administrative Penalties	320,731	-	-	60,370	(60,370)		-	60,370	(60,370)	
Misc. Revenues	101,144	49,000	11,500	1,076	10,424	9.4%	11,500	1,076	10,424	9.4%
<b>TOTAL REVENUES</b>	<b>\$ 7,125,814</b>	<b>\$ 7,069,795</b>	<b>\$ 2,507,533</b>	<b>\$ 3,121,739</b>	<b>\$ (614,206)</b>	<b>124.5%</b>	<b>\$ 2,507,533</b>	<b>\$ 3,121,739</b>	<b>\$ (614,206)</b>	<b>124.5%</b>
<b>EXPENDITURES</b>										
Personnel Costs										
Employee Compensation	\$ 3,794,690	\$ 5,235,338	\$ 1,286,709	\$ 1,034,741	\$ 251,968	80.4%	\$ 1,286,709	\$ 1,034,741	\$ 251,968	80.4%
Employee Benefits	1,245,107	1,608,639	393,477	324,176	69,301	82.4%	393,477	324,176	69,301	82.4%
Add'l Health/Retirement	55,464	78,507	19,301	14,703	4,598	76.2%	19,301	14,703	4,598	76.2%
Other Personnel Costs	145,849	88,174	20,920	27,088	(6,168)	129.5%	20,920	27,088	(6,168)	129.5%
Subtotal Personnel Costs	\$ 5,241,109	\$ 7,010,658	\$ 1,720,407	\$ 1,400,708	\$ 319,699	81.4%	\$ 1,720,407	\$ 1,400,708	\$ 319,699	81.4%
Travel										
In-State	\$ 102,237	\$ 131,691	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%
Out-of-State	40,712	45,500	-	-	-	0.0%	-	-	-	0.0%
Subtotal Travel	\$ 142,949	\$ 177,191	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%
Operating Costs										
Professional Fees	\$ 49,923	\$ 110,196	\$ 24,396	\$ 21,573	\$ 2,823	88.4%	\$ 24,396	\$ 21,573	\$ 2,823	88.4%
Consumables	7,213	12,000	2,000	1,145	855	57.2%	2,000	1,145	855	57.2%
Office Utilities	13,197	14,244	3,442	2,861	581	83.1%	3,442	2,861	581	83.1%
Rent - Space & Equipment	4,336	2,800	450	367	83	81.5%	450	367	83	81.5%
Communications	75,186	94,726	40,426	39,935	491	98.8%	40,426	39,935	491	98.8%
Information Technology	188,375	126,537	26,125	26,000	125	99.5%	26,125	26,000	125	99.5%
Employee Training	24,575	69,820	2,455	1,845	610	75.2%	2,455	1,845	610	75.2%
Misc. Operating Costs	133,592	142,023	28,237	26,579	1,658	94.1%	28,237	26,579	1,658	94.1%
Subtotal Operating Costs	\$ 496,395	\$ 572,346	\$ 127,531	\$ 120,304	\$ 7,227	94.3%	\$ 127,531	\$ 120,304	\$ 7,227	94.3%
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,880,453</b>	<b>\$ 7,760,195</b>	<b>\$ 1,847,938</b>	<b>\$ 1,521,012</b>	<b>\$ 326,926</b>	<b>82.3%</b>	<b>\$ 1,847,938</b>	<b>\$ 1,521,012</b>	<b>\$ 326,926</b>	<b>82.3%</b>
<b>EXPENDITURES (OVER)/ UNDER REVENUES</b>	<b>\$ 1,245,361</b>	<b>\$ (690,400)</b>	<b>\$ 659,595</b>	<b>\$ 1,600,727</b>	<b>\$ (941,132)</b>		<b>\$ 659,595</b>	<b>\$ 1,600,727</b>	<b>\$ (941,132)</b>	

## Department of Savings and Mortgage Lending

### Budget Variance Analysis

For the Quarter Ending November 30, 2020

Revenues: Overall revenues are at 24.5% over budget.

Thrift Industry:

Assessments – This category is 7% over budget due to growth in the asset size of the thrift industry.

Application Fees – This category is significantly over budget due to application fees received in excess of budgeted amounts.

Mortgage Industry:

Licensing Revenues – Overall licensing revenues are 31.7% over budget, the majority of which is attributable to higher than expected new RMLO license applications received.

Fines and Penalties – No amount was budgeted.

Miscellaneous Revenues – This category is under budget, due to lower than budgeted depository interest received.

Expenditures: Overall expenditures are at 17.7% under budget.

Personnel Costs – This category is 18.6% under budget due to unfilled vacancies. Other Personnel Costs subcategory is over budget due to a lump sum paid to a separating employee.

Travel – Due to the travel restrictions imposed in response to COVID-19 pandemic, no travel costs were budgeted or incurred.



**Department of Savings and Mortgage Lending**  
**Liquidity Report**  
**For the Quarter Ending November 30, 2020**

	<b>ACTUAL</b>
Cash at Beginning of Period	\$ 11,449,131
Revenues Over (Under) Expenditures CY	1,600,727
Revenues Over (Under) Expenditures PY	(138)
Increase (Decrease) in Payables	(69,185)
(Increase) Decrease in Receivables	(53,033)
<b>Cash at End of Period</b>	<b>\$ 12,927,502</b>
Reserved Cash Balance:	
Bldg. maintenance/IT	\$ -
Long-term facilities planning	6,278,066
Payables (net of receivables)	438,824
Lump Sums for Retirements	178,484
Program Funds	-
Other	-
Total Reserved Cash Balance	<u>\$ 6,895,374</u>
Unreserved Cash Balance:	
Future Operations	<u>\$ 6,032,128</u>
Total Unreserved Cash Balance	<u>\$ 6,032,128</u>
<b>Total Cash Balance</b>	<b><u>\$ 12,927,502</u></b>
Unreserved Cash/FY2021 Monthly Budget	9.3 months

**Office of Consumer Credit Commissioner  
Operating Statement and Budget Analysis  
For the Quarter Ending November 30, 2020**

	FY 2020 ACTUAL	FY 2021 BUDGET	QUARTER PERFORMANCE				FY 2021 PERFORMANCE			
			1st Quarter BUDGET	1st Quarter ACTUAL	(Over)/Under BUDGET	Percent BUDGET	YTD BUDGET	YTD ACTUAL	(Over)/Under BUDGET	Percent BUDGET
<b>REVENUES</b>										
Industry										
Consumer Lending Industry	\$ 2,182,094	\$ 2,230,185	\$ 354,350	\$ 657,979	\$ 303,629	185.7%	\$ 354,350	\$ 657,979	\$ 303,629	185.7%
Credit Access Industry	1,116,650	1,084,540	190,834	175,975	(14,859)	92.2%	190,834	175,975	(14,859)	92.2%
MVSF Industry	1,140,179	3,987,339	3,133,617	3,329,144	195,527	106.2%	3,133,617	3,329,144	195,527	106.2%
Pawn	848,860	738,158	15,735	60,645	44,910	385.4%	15,735	60,645	44,910	385.4%
Registered Industry of Entities	339,875	314,070	35,684	82,310	46,626	230.7%	35,684	82,310	46,626	230.7%
Penalties	68,900	0	0	8,000	8,000	0.00%	0	8,000	8,000	0.00%
Miscellaneous Revenue	115,626	58,000	21,071	1,258	(19,813)	6.0%	21,071	1,258	(19,813)	6.0%
<b>TOTAL REVENUES</b>	<b>\$ 5,812,183</b>	<b>\$ 8,412,292</b>	<b>\$ 3,751,292</b>	<b>\$ 4,315,311</b>	<b>\$ 564,019</b>	<b>115.0%</b>	<b>\$ 3,751,292</b>	<b>\$ 4,315,311</b>	<b>\$ 564,019</b>	<b>115.0%</b>
<b>EXPENDITURES</b>										
Personnel Costs										
Employee Compensation	\$ 4,702,643	\$ 5,121,433	\$ 1,280,358	\$ 1,129,241	\$ 151,117	88.2%	\$ 1,280,358	\$ 1,129,241	\$ 151,117	88.19%
Employee Benefits	1,688,213	1,807,730	451,933	394,098	57,834	87.2%	451,933	394,098	57,834	87.2%
Add'l Health/Retirement	72,429	76,821	19,205	17,835	1,370	92.9%	19,205	17,835	1,370	92.9%
Other Personnel Costs	117,163	71,911	17,978	16,297	1,681	90.6%	17,978	16,297	1,681	90.6%
Subtotal Personnel Costs	<b>\$ 6,580,449</b>	<b>\$ 7,077,896</b>	<b>\$ 1,769,474</b>	<b>\$ 1,557,472</b>	<b>\$ 212,002</b>	<b>88.0%</b>	<b>\$ 1,769,474</b>	<b>\$ 1,557,472</b>	<b>\$ 212,002</b>	<b>88.02%</b>
In-State Travel	\$ 401,900	\$ 633,045	\$ 158,261	\$ 22,015	\$ 136,246	13.9%	\$ 158,261	\$ 22,015	\$ 136,246	13.9%
Out of State - Travel	11,724	2,000	2,500	0	2,500	0.00%	2,500	0	2,500	0.00%
Subtotal Travel	<b>\$ 413,624</b>	<b>\$ 635,045</b>	<b>\$ 160,761</b>	<b>\$ 22,015</b>	<b>\$ 138,746</b>	<b>13.7%</b>	<b>\$ 160,761</b>	<b>\$ 22,015</b>	<b>\$ 138,746</b>	<b>13.7%</b>
Operating Costs										
Professional Services & Fees	\$ 159,436	\$ 263,351	\$ 65,838	\$ 25,093	\$ 40,745	38.1%	\$ 65,838	\$ 25,093	\$ 40,745	38.1%
Consumables	9,905	13,000	3,250	3,017	233	92.8%	3,250	3,017	233	92.8%
Office Utilities	16,202	18,500	4,625	3,121	1,504	67.5%	4,625	3,121	1,504	67.5%
Rent - Building/Space	25,391	26,829	6,707	8,569	(1,861)	127.7%	6,707	8,569	(1,861)	127.7%
Rent - Equipment/Other	3,106	3,500	875	675	200	77.1%	875	675	200	77.1%
Communications	70,266	85,405	21,351	21,450	(99)	100.5%	21,351	21,450	(99)	100.5%
Information Technology	166,120	373,016	93,254	52,481	40,773	56.3%	93,254	52,481	40,773	56.3%
Employee Training	3,348	15,000	3,750	950	2,800	25.3%	3,750	950	2,800	25.3%
Misc. Operating Costs	225,052	332,140	83,035	112,065	(29,030)	134.0%	83,035	112,065	(29,030)	134.0%
Subtotal Operating Costs	<b>\$ 678,827</b>	<b>\$ 1,130,741</b>	<b>\$ 282,685</b>	<b>\$ 227,420</b>	<b>\$ 55,265</b>	<b>80.4%</b>	<b>\$ 282,685</b>	<b>\$ 227,420</b>	<b>\$ 55,265</b>	<b>80.4%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,672,899</b>	<b>\$ 8,843,682</b>	<b>\$ 2,212,920</b>	<b>\$ 1,806,906</b>	<b>\$ 406,014</b>	<b>81.6%</b>	<b>\$ 2,212,920</b>	<b>\$ 1,806,906</b>	<b>\$ 406,014</b>	<b>81.6%</b>
<b>EXPENDITURES (OVER) / UNDER REVENUES</b>	<b>\$ (1,860,716)</b>	<b>\$ (431,390)</b>	<b>\$ 1,538,371</b>	<b>\$ 2,508,404</b>	<b>\$ 970,033</b>		<b>\$ 1,538,371</b>	<b>\$ 2,508,404</b>	<b>\$ 970,033</b>	

**Office of Consumer Credit Commissioner  
Budget Variance Analysis  
For the Quarter Ending November 30, 2020**

**Revenues:** Overall revenues are 15% over budget.

Consumer Lending- The positive variance is primarily due to timing issues. Revenue collections were greater in Q1 due to industries renewing earlier in the renewal period.

CAB- The variance (8% under budget) is due to timing issues related to renewal.

MVSF- The variance (6% over budget) results from a renewal rate that was greater than anticipated.

Pawn- The revenue variance is due to an increase in unforeseen late filing fees collected.

Registered entities- The positive variance is due to timing issues related to renewal.

Misc Revenue- The negative variance (94% under budget) is due to decreased interest earnings.

**Expenditures:** Overall expenditures are 18% under budget.

Personnel - These expenditures are ~12% under budget primarily due to a planned delay in filling vacant positions.

Travel - \_ Due to travel restrictions in response to covid-19, these expenditures are significantly under budget.

	In- State	Out of State	
	FY21	FY21	TOTAL
Regulatory Supervision	\$21,869.55	-	\$21,869.55
Development & Training	\$145.24	-	\$145.24
Other Reg Activities	-	-	-
Non-Employee	-	-	-
	\$22,014.79	-	\$22,014.79

Professional Services & Fees – This category is currently ~ 60% under budget because costs have not yet been incurred some costs for computer programming services for ALECS upgrades & enhancements, legal services, financial and accounting services or architectural/engineering services.

Information Technology – This category is ~44% under budget due to timing of projects and expenses.

Misc. Operating Costs – Fees for receiving electronic payments were higher than anticipated in the first quarter due to the renewal period for motor vehicle sales finance licenses.

**Office of Consumer Credit Commissioner**  
**Liquidity Report**  
**For the Quarter Ending November 30, 2020**

	<b>Actual</b>
Cash at Beginning of Period	\$ 11,508,476.91
Revenues Over (Under) Expenditures	2,508,404.15
Increase (Decrease) in Payables/Encumbrances	88,476.62
(Increase) Decrease in Receivables	(123,744.79)
Prior period correction	-
<b>Cash at End of Period</b>	<u><u>\$ 13,981,612.89</u></u>

Reserved Cash Balance:	
Building Maintenance/IT	\$ -
Long-term facilities planning	6,276,874.83
Payables (net of receivables)	708,939.40
Lump sums for Retirements	216,670.00
Program Funds	-
Other	-
<b>Total Reserved Cash Balance</b>	<u>7,202,484.23</u>
Unreserved Cash Balance:	
Future Operations	<u>6,779,128.66</u>
<b>Total Unreserved Cash Balance</b>	<u>6,779,128.66</u>
 <b>Total Cash Balance</b>	 <u><u>\$ 13,981,612.89</u></u>
 Unreserved Cash / FY 2020 Monthly Budget	 9.2

**Texas Department of Banking**  
**Operating Statement and Budget Analysis**  
**For the Quarter Ending November 30, 2020**

	FY 2020 ACTUAL	FY 2021 BUDGET	QUARTER PERFORMANCE				FY 2021 PERFORMANCE			
			1st Quarter BUDGET	1st Quarter ACTUAL	(Over)/Under BUDGET	Percent BUDGET	YTD BUDGET	YTD ACTUAL	(Over)/Under BUDGET	Percent BUDGET
<b>REVENUES</b>										
Bank & Trust Regulation	\$22,720,521	\$25,888,937	\$6,906,983	\$6,967,738	(\$60,755)	100.9%	\$6,906,983	\$6,967,738	(\$60,755)	100.9%
Penalties - Bank & Trust Regulation	10,000	0	0	0	0	0.0%	0	0	0	0.0%
Non-Depository Supervision	2,802,379	3,347,565	1,154,659	1,155,078	(419)	100.0%	1,154,659	1,155,078	(419)	100.0%
Penalties - Non-Depository Supervision	648,360	404,900	113,800	303,950	(190,150)	267.1%	113,800	303,950	(190,150)	267.1%
Miscellaneous Revenues	123,425	206,000	2,250	2,169	81	96.4%	2,250	2,169	81	96.4%
<b>TOTAL REVENUES</b>	<b>\$26,304,685</b>	<b>\$29,847,402</b>	<b>\$8,177,692</b>	<b>\$8,428,935</b>	<b>(\$251,243)</b>	<b>103.1%</b>	<b>\$8,177,692</b>	<b>\$8,428,935</b>	<b>(\$251,243)</b>	<b>103.1%</b>
<b>EXPENDITURES</b>										
Personnel Costs										
Employee Compensation	\$17,356,529	\$19,557,429	\$4,676,050	\$4,547,816	\$128,234	97.3%	\$4,676,050	\$4,547,816	\$128,234	97.3%
Employee Benefits	4,998,458	\$5,707,592	1,341,696	1,273,509	68,187	94.9%	1,341,696	1,273,509	\$68,187	94.9%
Add'l Health/Retirement	248,089	\$290,645	70,141	65,540	4,601	93.4%	70,141	65,540	\$4,601	93.4%
Other Personnel Costs	350,095	\$570,194	64,926	82,890	(17,964)	127.7%	64,926	82,890	(\$17,964)	127.7%
Subtotal Personnel Costs	\$22,953,171	\$26,125,860	\$6,152,813	\$5,969,754	\$183,059	97.0%	\$6,152,813	\$5,969,754	\$183,059	97.0%
Travel										
In-State	\$791,009	\$968,704	\$8,189	\$8,281	(\$92)	101.1%	\$8,189	\$8,281	(\$92)	101.1%
Out-of-State	330,242	\$431,616	0	0	0	0.0%	0	0	0	0.0%
Subtotal Travel	\$1,121,250	\$1,400,320	\$8,189	\$8,281	(\$92)	101.1%	\$8,189	\$8,281	(\$92)	101.1%
Operating Costs										
Professional Fees	\$232,474	\$331,580	\$29,006	\$24,583	\$4,423	84.8%	\$29,006	\$24,583	\$4,423	84.8%
Consumables	19,871	\$40,100	13,943	11,501	2,441	82.5%	13,943	11,501	2,441	82.5%
Office Utilities	34,386	\$42,025	12,990	12,249	741	94.3%	12,990	12,249	741	94.3%
Rent - Building/Space	420,591	\$421,077	132,783	131,860	923	99.3%	132,783	131,860	923	99.3%
Rent - Equipment/Other	28,087	\$29,398	6,187	5,911	276	95.5%	6,187	5,911	276	95.5%
Communications	257,638	\$324,025	74,702	75,859	(1,158)	101.5%	74,702	75,859	(1,158)	101.5%
Information Technology	521,309	\$495,557	95,104	95,300	(196)	100.2%	95,104	95,300	(196)	100.2%
Employee Training	150,177	\$244,466	55,051	38,192	16,859	69.4%	55,051	38,192	16,859	69.4%
Misc. Operating Costs	452,211	\$392,994	105,063	116,283	(11,220)	110.7%	105,063	116,283	(11,220)	110.7%
Subtotal Operating Costs	\$2,116,742	\$2,321,222	\$524,829	\$511,738	\$13,091	97.5%	\$524,829	\$511,738	\$13,091	97.5%
<b>TOTAL EXPENDITURES</b>	<b>\$26,191,164</b>	<b>\$29,847,401.96</b>	<b>\$6,685,831</b>	<b>\$6,489,774</b>	<b>\$196,058</b>	<b>97.1%</b>	<b>\$6,685,831</b>	<b>\$6,489,774</b>	<b>\$196,058</b>	<b>97.1%</b>
<b>EXPENDITURES (OVER) / UNDER REVENUES</b>	<b>\$113,522</b>	<b>\$0</b>	<b>\$1,491,861</b>	<b>\$1,939,162</b>	<b>(\$447,301)</b>		<b>\$1,491,861</b>	<b>\$1,939,162</b>	<b>(\$447,301)</b>	

## Texas Department of Banking

**Overview of Budget Variances for the First Quarter of Fiscal Year 2021** - (Variances in excess of \$1,000 and 5% from budget are reported).

**Penalties - Non-Depository Supervision** – The variance is mainly due to the higher than anticipated collected penalties from unlicensed money service businesses.

**Employee Compensation and Benefits** – The positive variance relates to vacant staff positions. Vacancies in terms of FTEs as of November 30, 2020 are listed below:

Administrative	9
Examiners	11

**Other Personnel Costs** – The negative variance is due to a lump sum payment related to an unanticipated retirement.

### Travel Breakdown

	In-State Travel	Out-of-State Travel
Regulatory Supervision	\$162.31	\$0.00
Development and Training	6,976.42	0.00
Other Regulatory Activities	1,142.37	0.00
Non-Employee	0.00	0.00
Total	\$8,281.10	\$0.00

**Professional Fees** – The positive variance is due to: (1) budgeted building related outside counsel expenditures that did not occur and (2) lower expenditures than budgeted for administrative law judge fees.

**Consumables** – The positive variance is due to lower than anticipated expenditures for office supplies.

**Employee Training** – The positive variance is due to cancelled training.

**Miscellaneous Operating Costs** – The negative variance relates to higher than anticipated assessments from the State Office of Risk Management.

**TEXAS DEPARTMENT OF BANKING**  
**Liquidity Report**  
**For the Period Ending November 30, 2020**

	<b>Actual</b>
Cash at Beginning of Period	\$ 15,245,935
Revenues Over (Under) Expenditures	\$ 1,939,162
Increase (Decrease) in Payables/Encumbrances	\$ (329,877)
(Increase) Decrease in Receivables	\$ (12,432)
<b>Cash at End of Period</b>	<b><u>\$ 16,842,789</u></b>

Reserved Cash Balance:	
Bldg. maintenance/IT	\$ -
Long-term facilities planning	\$ 6,277,372
Payables (net of receivables)	\$ 1,879,794
Lump Sums for Retirements	\$ 657,292
Program Funds	\$ -
Other	\$ -
<b>Total Reserved Cash Balance</b>	<b><u>\$ 8,814,458</u></b>
Unreserved Cash Balance:	
Future Operations	\$ 8,028,330
<b>Total Unreserved Cash Balance</b>	<b><u>\$ 8,028,330</u></b>
<b>Total Cash Balance</b>	<b><u>\$ 16,842,789</u></b>
Unreserved Cash/FY2021 Monthly Budget	3.23 months



## TFEE Report – February 19, 2021

### **APPOINTMENT OF NEW GRANT ADVISORY COMMITTEE MEMBER**

The Grant Advisory Committee (GAC) has one vacancy that was previously filled by a representative of the Texas Department of Savings and Mortgage Lending. Staff are recommending that the Finance Commission appoint Justin Accola to fill the vacancy.

Justin Accola is a Supervisory Compliance Examiner with the Texas Department of Savings and Mortgage Lending. He earned a bachelor's degree from the University of Minnesota in 2000 and has over 17 years of experience in the home mortgage industry, with roles in both the public and private sectors. Justin has been a member of the State Regulatory Registry's Mortgage Testing and Education Board since May 2017 and currently serves as the board's chairman.

### **ACTIVITIES RELATED TO THE TEXAS FINANCIAL EDUCATION ENDOWMENT FUND**

The second quarter of the 2020-2021 TFEE grant cycle ended on December 31, 2020. Grantees have submitted their semi-annual reports for this quarter. The total requested amount for reimbursement is \$66,749.92. These reports are being reviewed for accuracy by the Grant Coordinator. An update on grant funds disbursements will be provided to the Finance Commission during the April meeting.

The TFEE Grant Advisory Committee (TFEE) met on February 1<sup>st</sup> to discuss the status of reimbursement requests and preparations for the next grant cycle. Additionally, the GAC approved a request from Family Eldercare to amend their grant agreement from one year to two years.

### **PLANNING FOR THE 2022-2023 GRANT CYCLE**

The next grant cycle will open for applications in the summer. TFEE grant items, including the grant application, grant application review process, and recipient reporting documents are currently under review. The timeline for the 2022-2023 TFEE Grant Cycle is as follows:

May 2021:	GAC Advisory Committee will meet to discuss 2022-2023 TFEE cycle and review TFEE application forms. GAC members will be provided with copies of forms. Any comments on forms are due by the end of the month.
June 2021:	TFEE Grant Coordinator will submit final TFEE application forms and the TFEE funding recommendation at the June 18, 2021 Finance Commission meeting.
July 2021:	2022-2023 TFEE application period opens.
August 2021:	2022-2023 TFEE application period continues.





## Texas Financial Education Endowment (TFEE)

September 2021:	TFEE application submission deadline. GAC conflict of interest forms due. GAC application review begins.
October 2021:	GAC member application reviews and scores are due. GAC members will meet to discuss applications, recommendations, and awards. The 2022-2023 TFEE Grant Cycle recommendations will be presented to the Finance Commission at the October 15, 2021 meeting.
November 2021:	TFEE Award Announcements.
December 2021:	New Grantee Orientation Webinar.
January 2022:	The 2022-2023 TFEE Grant Cycle Begins.

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