

FINANCE COMMISSION OF TEXAS AUDIT COMMITTEE MEETING

Friday, October 24, 2025
8:30 a.m.

Finance Commission Building
William F. Aldridge Hearing Room
2601 North Lamar Boulevard
Austin, Texas 78705

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 August 15, 2025 Audit Committee Meeting
- B. Review of Agencies' Activities
 - 1. Texas Department of Banking
 - 2. Office of Consumer Credit Commissioner
 - 3. Department of Savings and Mortgage Lending
- C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2025 Fourth Quarter Investment Officer Reports
 - 1. Texas Department of Banking
 - 2. Office of Consumer Credit Commissioner
 - 3. Department of Savings and Mortgage Lending
- D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2025 Fourth Quarter Financial Statements
 - 1. Texas Department of Banking
 - 2. Office of Consumer Credit Commissioner
 - 3. Department of Savings and Mortgage Lending
- E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Final Selection of Organizations to Receive Grant Funds from the Texas Financial Education Endowment Fund
- F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve Charging Certain Expenses Against the Texas Financial Education Endowment for Grant Administration and Management.
- G. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Activities of the Texas Financial Education Endowment Fund
- H. Discussion of the Activities of the Mortgage Grant Fund
- I. 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 §§ 551.076 and 551.089, Texas Government Code

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, August 15, 2025

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m., on August 15, 2025, with the following members present:

Audit Committee Members in Attendance:

Kathleen Fields, Chairman
Laura Warren, Vice-Chair, Finance Commission of Texas
David Osborn

Audit Committee Members Absent:

Roselyn "Rosie" Morris

Chairman Fields announced there was a quorum of the Audit Committee of the Finance Commission of Texas with three (3) members present. *(0:36 on audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the June 20, 2025 Audit Committee Meeting	David Osborn made a motion to Approve the Minutes of the June 20, 2025 Audit Committee Meeting. Laura Warren seconded, and the motion passed.	0:56 Start of Discussion 1:12 Vote
B. Review of Agencies' Activities 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	No Action Required.	1:35 Start of Discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2025 Third Quarter Investment Officer Reports 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Laura Warren made a motion to recommend that the Finance Commission Approve the Agencies' 2025 Third Quarter Investment Officer Reports. David Osborn seconded, and the motion passed.	8:39 Start of Discussion 11:35 Vote
D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Readoption of the Investment Policies for: 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	David Osborn made a motion to recommend that the Finance Commission Approve the Readoption of the Investment Policies for the Office of Consumer Credit Commissioner, Department of Savings and Mortgage Lending and the Texas Department of Banking. Laura Warren seconded, and the motion passed.	11:59 Start of Discussion 17:09 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2025 Third Quarter Financial Statements 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Laura Warren made a motion to recommend that the Finance Commission Approve the Agencies' 2025 Third Quarter Financial Statements. David Osborn seconded, and the motion passed.	17:36 Start of Discussion 23:43 Vote
F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' Fiscal Year 2026 Operating Budgets 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	David Osborn made a motion to recommend that the Finance Commission Approve the Office of Consumer Credit Commissioner's Fiscal Year 2026 Operating Budget. Laura Warren seconded, and the motion passed. Laura Warren made a motion to recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's Fiscal Year 2026 Operating Budget. David Osborn seconded, and the motion passed. David Osborn made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's Fiscal Year 2026 Operating Budget. Laura Warren seconded, and the motion passed	24:05 Start of Discussion 1:06:05 Vote 1:06:28 Vote 1:06:51 Vote
G. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve the Renewal of the Internal Auditor Contract for Garza/Gonzalez and Associates for Fiscal Year 2026	David Osborn made a motion to recommend that the Finance Commission Approve the Renewal of the Internal Auditor Contract for Garza/Gonzalez and Associates for Fiscal Year 2026. Laura Warren seconded, and the motion passed.	1:07:15 Start of Discussion 1:07:29 Vote
H. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Office of Consumer Credit Commissioner's 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	David Osborn made a motion to recommend that the Finance Commission Approve the Consumer Credit Commissioner's 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. Laura Warren seconded, and the motion passed.	1:07:52 Start of Discussion 1:13:50 Vote
I. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Department of Savings and Mortgage Lending's 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Laura Warren made a motion to recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. David Osborn seconded, and the motion passed.	1:14:15 Start of discussion 1:19:10 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
J. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Activities of the Texas Financial Education Endowment Fund	No Action Required.	1:19:37 Start of Discussion
K. Discussion of the Activities of the Mortgage Grant Fund	No Action Required.	1:20:21 Start of Discussion
L. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Department of Savings and Mortgage Lending's Mortgage Grant Administration Manual Pursuant to 7 TAC, Part 4, § 52.3(c)	David Osborn made a motion to recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's Mortgage Grant Administration Manual Pursuant to 7 TAC, Part 4, § 52.3(c). Laura Warren seconded, and the motion passed.	1:21:17 Start of Discussion 1:22:07 Vote
M. 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 §§ 551.076 and 55.089, Texas Government Code	No Discussion.	n/a

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Kathleen Fields adjourned the meeting at 9:53 a.m. (1:22:53 on the audio file).

Kathleen Fields, Chairman, Audit Committee
Finance Commission of Texas

Charles G. Cooper, Executive Director
Finance Commission of Texas

Ruth Wright, Executive Assistant
Finance Commission of Texas

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Texas Department of Banking

Audit Activities Report

As of September 30, 2025

Auditor:	State Auditor's Office	Audit Report Date: June 17, 2025
Audit Area:	<i>An Audit of the Department of Banking: A Self-Directed, Semi- Independent Agency</i>	
Findings/Recommendation:	Status Update:	
Develop, Implement, and Document a Process to Periodically Monitor the Status of Penalties Assessed for Bank & Trust Division	<i>In Progress: The Legal division has created new processes and procedures to oversee penalty monitoring department wide. MIS is finalizing the software enhancements needed to better track penalties and verify payment(s) are received in accordance with the order. Field testing is underway with Legal for deployment by the end of October 2025. Email notifications and reporting capabilities are planned for the next phase of enhancements by year-end.</i>	

Auditor:	Texas Comptroller of Public Accounts	Audit Report Date: August 15, 2025
Audit Area:	<i>A Statewide Desk Audit: Commercial Charge Card Rebate Program</i>	
Findings:	Status Update:	
Under-compliance with the fiscal 2024 commercial charge card rebate program.	<i>Based on Department spending and payment timeline, the state received rebates of 2%. Maximum rebates are based on paying credit card balances on the third day of every month. This very short turn around payment time is not feasible as it takes time and effort to compile payment documents to pay the credit card balances. Efforts are made to pay the credit card balances within thirty days to comply with the prompt payment rule. Late payment interest: The Department incurred a 30-cent interest payment in fiscal 2024. This is an immaterial amount, and the Department will ensure no interest payments are incurred by hiring for vacant positions in the accounting area.</i>	

Auditor:	Department of Information Resources – AT&T	Audit Report Date: October 2, 2025
Audit Area:	<i>Texas Cybersecurity Framework Assessment</i>	
Findings:	Status Update:	
NA	<i>The final report was received and will be presented to the Audit Committee in Executive session.</i>	

Auditor:	Garza/Gonzalez & Associates	Audit Report Date: NA
Audit Area:	<i>Risk Assessment</i>	
Findings:	Status Update:	
NA	<i>Risk Assessment questionnaires completed and submitted for review by internal auditor.</i>	



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

August 15, 2025

Dear Agency Head:

The Texas Comptroller of Public Accounts has completed its annual Commercial Charge Card Rebate Program desk audit for 98 state agencies (agencies). The objective of this audit was to determine whether agencies complied with the requirement in Texas Government Code, Section 2251.030 to take advantage of early payment discounts and/or rebates. Attached please find the related statewide report.

This annual report covered agency rebates earned from September 2023 through August 2024. The audit scope included a review of:

- Semiannual Citibank rebate reports.
- Uniform Statewide Accounting System (USAS) late payment interest paid, unpaid interest, and fiscal 2024 payment ad hoc reports.

Auditors also compared agencies' actual paid rebates to the minimum and maximum potential rebates under the program.

We intend for this report to be used by agency management and certain state officials and other agencies as listed in Texas Government Code, Section 403.071. However, this report is a public record and its distribution is not limited.

We would like input from you or your designee on the quality of the audit process. Please take our [Fiscal Management Audit Survey](#) to rate and comment on the rebate program desk audit process. Your feedback is greatly appreciated.

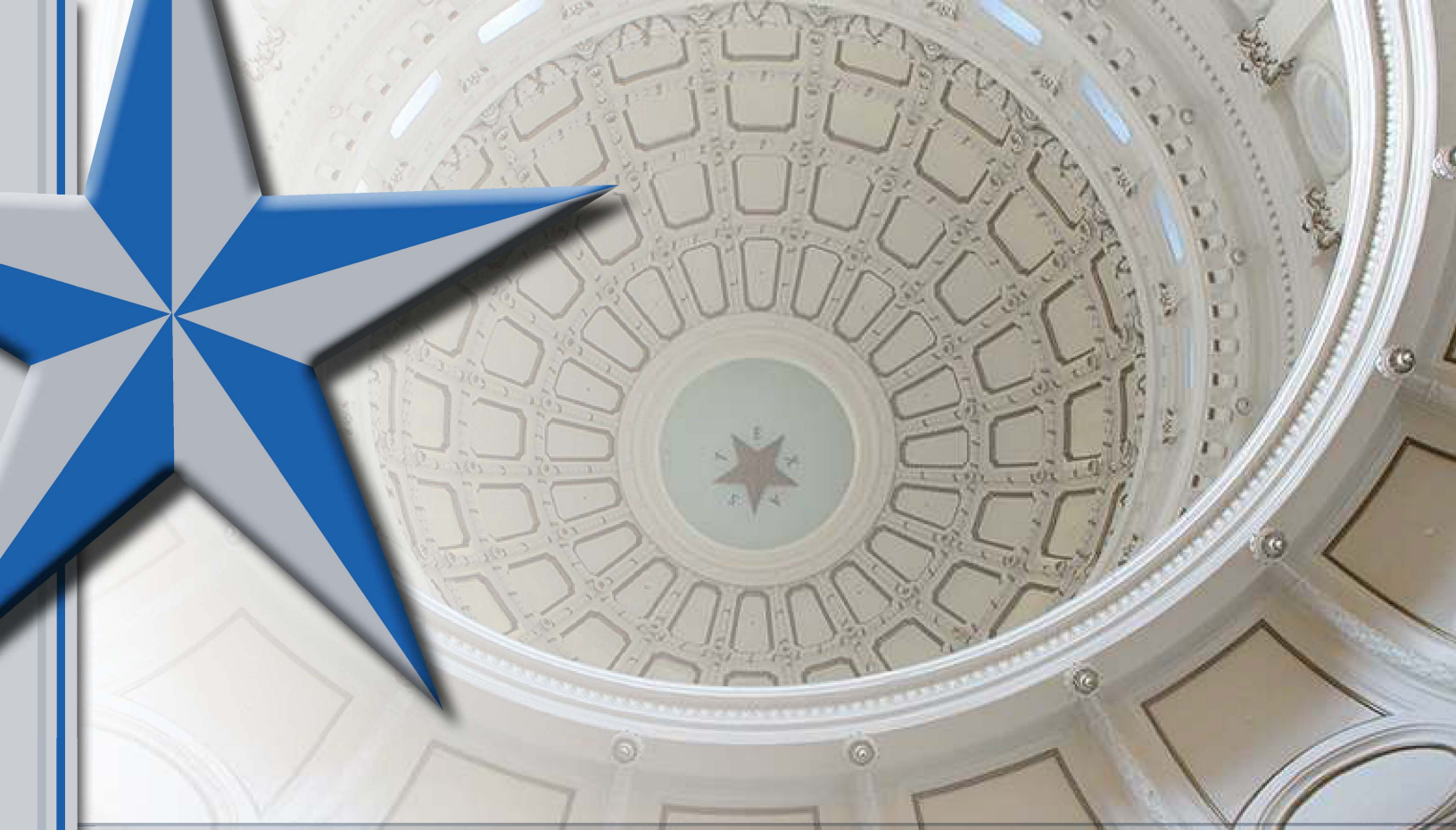
Thank you for your cooperation. If you have any questions or comments regarding this audit, please contact Somaia Farag at (512) 475-4079, or email exp.audit@cpa.texas.gov.

Sincerely,

Jennifer Smith
Payment Operations Area Manager
Fiscal Management Division

Attachments

cc: Clarisse Roquemore, Fiscal Management Division Director, Texas Comptroller of Public Accounts
Agency heads and CFOs at all audited agencies



A Statewide Desk Audit

Commercial Charge Card Rebate Program

Audit Report #001-24-03
August 15, 2025

Kelly Hancock
Acting Texas Comptroller of Public Accounts



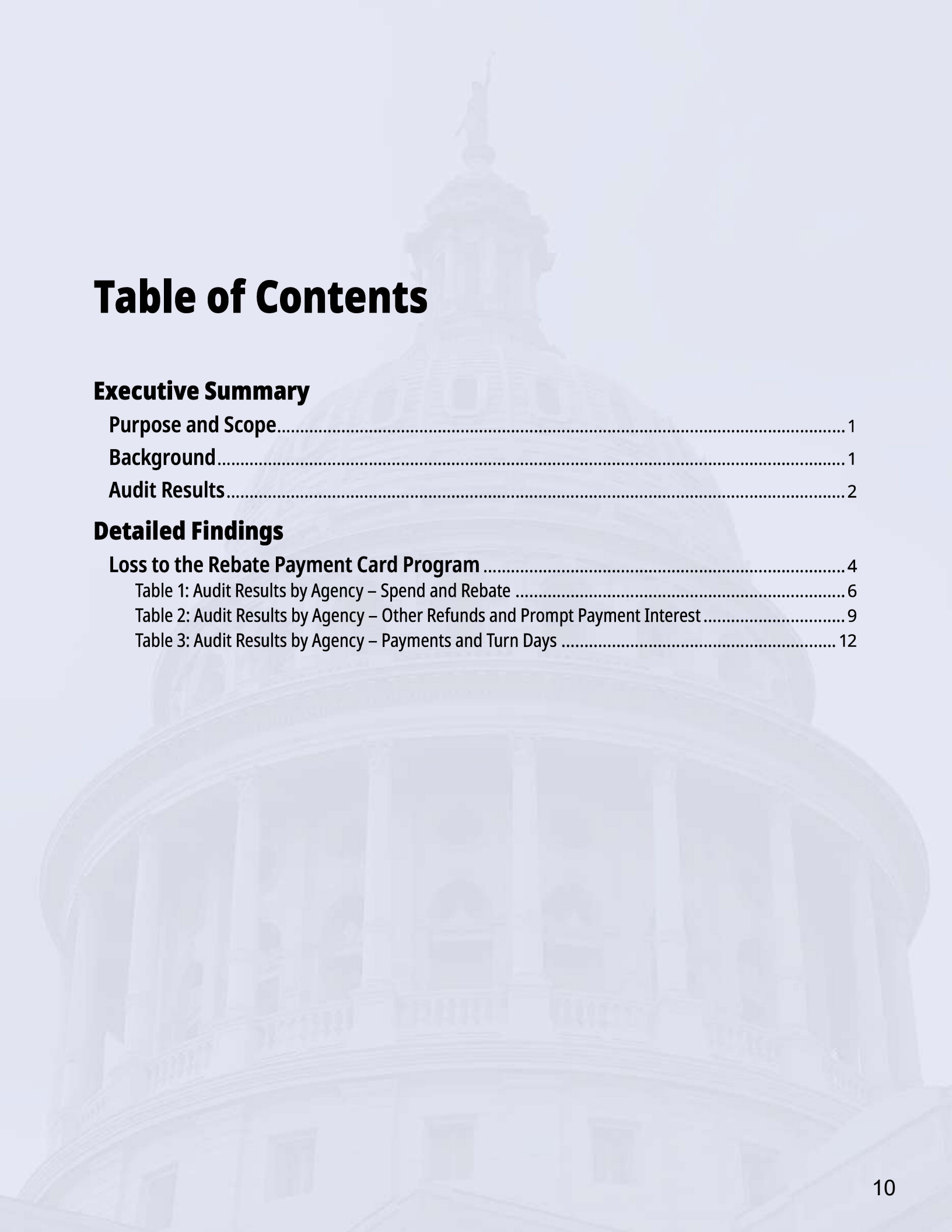


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Executive Summary

Purpose and Scope

The Texas Comptroller of Public Accounts (Comptroller's office) performed a desk audit of the Commercial Charge Card Rebate Program and rebates earned at state agencies (agencies).

The objective of the audit was to determine whether agencies complied with the requirement in [Texas Government Code, Section 2251.030](#) to take advantage of early payment discounts and/or rebates. The audit was conducted in accordance with Texas Government Code, Section 403.071.

The audit scope included a review of the semiannual rebate reports from the charge card program provider, Citibank. Auditors compared the actual rebates earned to the minimum and maximum rebates that could have been earned if agencies had paid their Citibank statements within the required 30 days, or as early as three days, after the receipt of the statements. Auditors also ran and reviewed three Uniform Statewide Accounting System (USAS) ad hoc reports relating to payment dates, prompt payment interest paid to Citibank for late payments, and payments agencies waived interest on by overriding the interest payment calculations during fiscal 2024.

Background

The commercial charge card services provider for the state of Texas during the audit period was Citibank, N.A. The Citibank charge card contract [946-M2](#) contains a rebate program based on the total annual expenditures of all participating agencies. In addition to the rebate percentage, there is an early payment incentive that increases each day Citibank receives a full payment within 30 days of the statement date. Statements are issued on the third of every month and are available to the agencies on the Citibank website the next day (the fourth). The discount rebate calculation starts the day after the statement is posted on the website. Additionally, since charge-offs for delinquent accounts are deducted from the rebate as credit losses at the rebate-payable level, agencies should pay account balances as quickly as possible.

Citibank pays a base rebate on payments received 30 days after the statement date, which increases each day a payment is processed before the 30 days elapse. The first day for calculating the rebate for the semiannual period is the next calendar day after the billing cycle date for each billing account provided for a state agency. If a cycle date falls on a weekend or New Year's Day, Thanksgiving, or Christmas, Citibank will cycle on the previous business day and the statement will be available the following calendar day.



For example, if the cycle date falls on a Saturday, the account would cycle on the Friday before and the statement would be available the following day, Saturday. At 31 or more days from the statement date, no rebate is paid.

Rebates accrue from the first dollar of spend on all card products including virtual card and ePayables (excluding individual charge cards issued to employees). Citibank also pays rebates on large-ticket transactions with merchants typically considered business-to-business and offers a lower interchange rate on merchant-negotiated transactions with merchants who have negotiated a lower interchange rate.

Citibank pays a semiannual rebate based on spend in March through August and September through February, starting at a base rebate with possible additional rebate tiers and a bonus for early payment.

Citibank pays rebates for balances paid up to 30 days from the statement date. If a partial payment is made within 30 days, that partial payment will earn a rebate. If agencies make multiple payments until the 30 day point, the amounts paid will receive the respective payment incentives based on the timeliness of each payment.

Audit Results

Auditors reviewed fiscal 2024 Citibank rebate earned reports for 98 agencies. Since some agencies paid late and did not take advantage of the early rebate incentives, the state lost nearly \$1,409,153 or 56 percent of the minimum rebates that would have been earned if statements had been paid within the required 30 days.

Chart 1: Number of Agencies in Each % Group of Actual Earned to Minimum Rebates

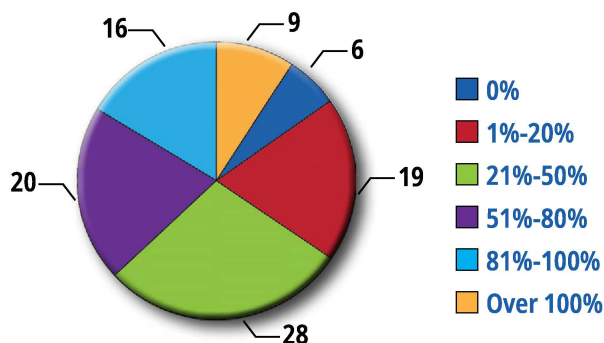
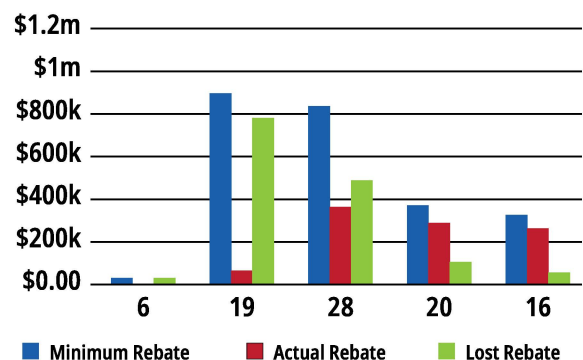


Chart 2: Minimum/Actual/Lost Rebates for Each % Group From Chart 1





Nine agencies did earn rebates consistently by paying their Citibank statements within the required 30 days to earn the minimum rebate. All nine earned more than 100 percent of the minimum rebate offered.

According to [eXpendit – Prompt Payment](#) and [Texas Government Section 2251.021](#), a state agency's payment is due on the 30th day after the latest of:

- The date the agency receives the goods under the contract.
- The date the performance of the contracted service is completed.
- The date the agency receives an invoice for the goods or services.

See [Table 1](#) for a list of audited agencies, total annual credit card spending using Citibank charge cards for each agency, and the actual amount of rebate earned by each agency. The table also shows the minimum and maximum rebates that agencies could have earned if Citibank statements had been paid at three and 30 days after receipt. Citibank statements are issued on the third of every month and are available to the agencies on the Citibank website the next day (the fourth). The table also shows the percentage of actual rebates earned to the minimum rebate (30 days).

See [Table 2](#) for the average number of days it took to pay the monthly Citibank statements, late payment interest that agencies paid, and the separate rebates earned by some agencies due to large-ticket and merchant-negotiated transactions.

Citibank determines an agency's rebate amount based on "turn days," the average number of days after the statement date that Citibank has to fund the receivable on the account. "File turn" is calculated by dividing the sum of the daily balance by the net charge volume. See [Table 3](#) for each agency's spend amount that was paid after more than 30 turn days (in dollars and percent). This explains why an agency is not receiving even the minimum rebate amount, since payments made after 30 days earn no rebate.

The rebate is paid on net charge volume. Annual net charge volume is calculated as purchases less returns, credits, cash advances, and convenience checks. It does not include adjustments unless the adjustment is related to the transfer of a purchase or cash advance between accounts. In addition, net charge volume does not include Citibank credit cards that are individually billed to and are the responsibility of agency employees. As a result, spending with these types of cards is not included in the tables.



Detailed Findings

Loss to the Rebate Payment Card Program

Of the 98 agencies audited, 89 were not in full compliance with the early payment discount and/or rebate requirements because they failed to fully take advantage of early discounts and/or rebates offered by the payment card vendor.

Based on the Citibank semiannual rebate reports and the analysis in Table 1 and Table 2, auditors noted:

- 98 agencies lost a combined discount/rebate amount ranging from the minimum of \$1,409,153.02 to the maximum of \$1,747,301.45.
- 89 agencies did not meet the prompt payment requirement of paying on the 30th day.
- 47 agencies paid a total of \$70,392.39 in late payment interest to the credit card vendor.

In addition, \$41,420,118.38 of credit card spending was paid to the credit card vendor without calculating interest. Auditors did not verify if interest should have been paid on some of these payments because confirming the validity of agencies' recorded statement/invoice dates, payment dates, or override reason codes for not calculating interest was not within the scope of this audit. However, it should be noted that for some of these payments, reports showed that agencies may have used incorrect statement/invoice dates that allowed the payments to be processed without late-payment interest being calculated. Other payments were processed without interest being calculated due to agencies overriding the system by indicating that interest is not applicable to their transactions. Some of these cited reason codes appeared to be inappropriate, such as "automation issue" or "no invoice received," while the payment was for Citibank and the statements/invoices are always available to agencies on Citibank's website.

The agencies did not take advantage of the discounts and/or rebates offered by Citibank and paid their invoices over 90 days after the statement dates and/or paid their largest payments after 30 turn days. In addition to costing the state money in lost interest payments and unearned rebates, when these agencies fail to take advantage of the rebates, they also hinder the Comptroller's Statewide Procurement Division's ability to negotiate rebates on future contracts.

According to [Texas Government Code, Section 2251.030](#), the Legislature expects agencies to take advantage of early payment discounts; therefore, agencies must submit payment documents to the Comptroller's office in time to do so. See Table 2 for agencies that are not complying.



Recommendation/Requirement

Agencies must change their payment processes to comply with requirements, take advantage of rebates, and avoid the double penalty of lost rebates and late payment interest. Agencies should:

- Receive Citibank commercial card account statements online. Citibank statements are issued on the third of every month and are available to the agencies on the Citibank website the next day (the fourth).
- Work with Citibank to develop automated reconciliation for travel and purchase receipts as transactions occur or shortly after the statement is issued.
- Make partial payments based on supporting documentation received and reconcile and pay as costs arise.



Tables

Table 1: Audit Results by Agency – Spend and Rebate

Agy Nbr	Agency Name	Spend Amount	Regular Rebate (Does Not Include Other Refunds)			% of Actual to Min.
			Actual	Min. (30 days)	Max. (3 Days)	
101	Senate	\$63,434.34	\$409.78	\$1,224.28	\$1,352.74	33%
102	House of Representatives	\$177,602.76	\$204.50	\$3,427.73	\$3,787.38	6%
103	Texas Legislative Council	\$359,374.47	\$6,656.05	\$6,935.93	\$7,663.66	96%
104	Legislative Budget Board	\$6,475.85	\$62.75	\$124.98	\$138.10	50%
105	Legislative Reference Library	\$12,002.30	\$175.07	\$231.64	\$255.95	76%
116	Sunset Advisory Commission	\$20,334.02	\$219.19	\$392.45	\$433.62	56%
201	Supreme Court	\$160,950.91	\$1,134.53	\$3,106.35	\$3,432.28	37%
202	State Bar of Texas	\$131,156.33	\$2,581.17	\$2,531.32	\$2,796.91	102%
203	Board of Law Examiners	\$44,710.78	\$385.37	\$862.92	\$953.46	45%
211	Court of Criminal Appeals	\$9,892.61	\$153.80	\$190.93	\$210.96	81%
212	Office of Court Administration	\$78,981.82	\$967.43	\$1,524.35	\$1,684.29	63%
215	Office of Capital and Forensic Writs	\$55,389.33	\$1,126.28	\$1,069.01	\$1,181.18	105%
222	Court of Appeals Second Court of Appeals District	\$4,579.92	\$55.39	\$88.39	\$97.67	63%
224	Court of Appeals Fourth Court of Appeals District	\$2,161.45	\$42.80	\$41.72	\$46.09	103%
225	Court of Appeals Fifth Court of Appeals District	\$49,973.00	\$360.73	\$964.48	\$1,065.67	37%
242	State Commission on Judicial Conduct	\$47,516.89	\$601.68	\$917.08	\$1,013.30	66%
243	State Law Library	\$8,075.97	\$135.39	\$155.87	\$172.22	87%
301	Governor Executive	\$165,024.19	\$275.75	\$3,184.97	\$3,519.14	9%
302	Attorney General	\$923,552.19	\$4,468.07	\$17,824.56	\$19,694.75	25%
303	Texas Facilities Commission	\$1,620,229.82	\$23,557.16	\$31,270.44	\$34,551.40	75%
304	Comptroller of Public Accounts	\$367,077.11	\$2,750.37	\$7,084.59	\$7,827.92	39%
305	General Land Office	\$736,411.82	\$5,061.28	\$14,212.75	\$15,703.98	36%
306	Texas State Library and Archives Commission	\$53,400.80	\$33.88	\$1,030.64	\$1,138.77	3%
307	Secretary of State	\$52,093.67	\$524.93	\$1,005.41	\$1,110.90	52%
308	State Auditor	\$198,448.28	\$3,125.29	\$3,830.05	\$4,231.91	82%
312	State Securities Board	\$26,891.50	\$360.21	\$519.01	\$573.46	69%
313	Department of Information Resources	\$160,283.59	\$480.79	\$3,093.47	\$3,418.05	16%
320	Texas Workforce Commission	\$1,136,159.68	\$11,800.07	\$21,927.88	\$24,228.61	54%
323	Teacher Retirement System of Texas	\$1,031,069.30	\$195.00	\$19,899.64	\$21,987.55	1%
325	Firefighter's Pension Commissioner	\$40,806.33	\$424.32	\$787.56	\$870.19	54%
327	Employees Retirement System of Texas	\$281,594.64	\$1,255.02	\$5,434.78	\$6,005.01	23%
329	Texas Real Estate Commission	\$33,809.92	\$525.05	\$652.53	\$721.00	80%
332	Texas Department of Housing and Community Affairs	\$165,231.16	\$2,446.88	\$3,188.96	\$3,523.55	77%
338	State Pension Review Board	\$22,927.04	\$167.16	\$442.49	\$488.92	38%
347	Texas Public Finance Authority	\$158.98	\$0.00	\$3.07	\$3.39	0%
352	Bond Review Board	\$898.89	\$0.00	\$17.35	\$19.17	0%



Agy Nbr	Agency Name	Spend Amount	Regular Rebate (Does Not Include Other Refunds)			% of Actual to Min.
			Actual	Min. (30 days)	Max. (3 Days)	
356	Texas Ethics Commission	\$2,257.35	\$0.52	\$43.57	\$48.14	1%
359	Office of Public Insurance Counsel	\$10,950.31	\$0.00	\$211.34	\$233.52	0%
360	State Office of Administrative Hearings	\$6,899.04	\$139.98	\$133.15	\$147.12	105%
362	Texas Lottery Commission	\$77,358.20	\$423.41	\$1,493.01	\$1,649.66	28%
364	Health Professions Council	\$20,646.41	\$348.19	\$398.48	\$440.28	87%
401	Texas Military Department	\$4,016,074.57	\$8,075.62	\$77,510.24	\$85,642.79	10%
403	Texas Veterans Commission	\$368,396.89	\$79.11	\$7,110.06	\$7,856.06	1%
405	Department of Public Safety	\$36,366,050.71	\$325,851.70	\$701,864.78	\$775,506.03	46%
407	Texas Commission on Law Enforcement	\$153,849.08	\$1,760.86	\$2,969.29	\$3,280.83	59%
409	Commission on Jail Standards	\$16,007.10	\$92.72	\$308.94	\$341.35	30%
411	Texas Commission on Fire Protection	\$46,777.05	\$127.75	\$902.80	\$997.52	14%
448	Office of Injured Employee Counsel	\$6,478.47	\$107.20	\$125.03	\$138.15	86%
450	Department of Savings and Mortgage Lending	\$59,281.39	\$955.01	\$1,144.13	\$1,264.18	83%
451	Texas Department of Banking	\$129,787.94	\$2,436.67	\$2,504.91	\$2,767.73	97%
452	Texas Department of Licensing and Regulation	\$174,829.83	\$1,469.90	\$3,374.22	\$3,728.25	44%
454	Texas Department of Insurance	\$228,729.07	\$2,521.51	\$4,414.47	\$4,877.65	57%
455	Railroad Commission of Texas	\$537,621.19	\$1,967.37	\$10,376.09	\$11,464.77	19%
456	Texas State Board of Plumbing Examiners	\$30,820.72	\$98.43	\$594.84	\$657.25	17%
457	Texas State Board of Public Accountancy	\$2,750.78	\$49.02	\$53.09	\$58.66	92%
458	Texas Alcoholic Beverage Commission	\$106,375.25	\$1,257.48	\$2,053.04	\$2,268.45	61%
459	Texas Board of Architectural Examiners	\$30,487.39	\$624.22	\$588.41	\$650.14	106%
460	Texas Board of Professional Engineers and Land Surveyors	\$75,103.39	\$1,462.07	\$1,449.50	\$1,601.58	101%
466	Office of Consumer Credit Commissioner	\$39,567.34	\$632.59	\$763.65	\$843.77	83%
469	Credit Union Department	\$61,168.80	\$1,248.25	\$1,180.56	\$1,304.42	106%
473	Public Utility Commission of Texas	\$42,471.84	\$797.62	\$819.71	\$905.71	97%
475	Office of Public Utility Counsel	\$6,880.52	\$76.08	\$132.79	\$146.73	57%
476	Texas Racing Commission	\$73,368.40	\$683.44	\$1,416.01	\$1,564.58	48%
477	Commission on State Emergency Communications	\$50,013.77	\$539.46	\$965.27	\$1,066.54	56%
479	State Office of Risk Management	\$681.82	\$0.25	\$13.16	\$14.54	2%
481	Texas Board of Professional Geoscientists	\$3,663.51	\$27.02	\$70.71	\$78.12	38%
503	Texas Medical Board	\$290,752.62	\$2,443.34	\$5,611.53	\$6,200.30	44%
504	State Board of Dental Examiners	\$102,589.22	\$1,943.99	\$1,979.97	\$2,187.72	98%
507	Texas Board of Nursing	\$26,723.38	\$126.69	\$515.76	\$569.88	25%
508	Texas Board of Chiropractic Examiners	\$26,294.03	\$108.77	\$507.47	\$560.72	21%
514	Texas Optometry Board	\$10,883.52	\$0.00	\$210.05	\$232.09	0%
515	Texas State Board of Pharmacy	\$23,772.02	\$379.85	\$458.80	\$506.94	83%
520	Texas State Board of Examiners of Psychologists	\$4,735.16	\$42.32	\$91.39	\$100.98	46%
529	Health and Human Services Commission	\$13,186,679.54	\$201,385.10	\$254,502.92	\$281,205.94	79%
530	Department of Family and Protective Services	\$15,280,680.83	\$238,061.59	\$294,917.14	\$325,860.52	81%



Agy Nbr	Agency Name	Spend Amount	Regular Rebate (Does Not Include Other Refunds)			% of Actual to Min.
			Actual	Min. (30 days)	Max. (3 Days)	
533	Executive Council of Physical and Occupational Therapy Examiners	\$1,417.10	\$28.19	\$27.35	\$30.22	103%
537	Department of State Health Services	\$1,617,415.40	\$21,897.35	\$31,216.12	\$34,491.38	70%
542	Cancer Prevention and Research Institute of Texas	\$43,761.14	\$99.79	\$844.59	\$933.21	12%
551	Department of Agriculture	\$566,304.84	\$4,576.88	\$10,929.68	\$12,076.45	42%
554	Texas Animal Health Commission	\$352,738.24	\$2,783.80	\$6,807.85	\$7,522.14	41%
578	State Board of Veterinary Medical Examiners	\$19,664.26	\$176.28	\$379.52	\$419.34	46%
580	Texas Water Development Board	\$613,191.26	\$0.00	\$11,834.59	\$13,076.30	0%
582	Texas Commission on Environmental Quality	\$1,499,959.18	\$699.29	\$28,949.21	\$31,986.63	2%
592	Soil and Water Conservation Board	\$37,815.81	\$94.36	\$729.85	\$806.42	13%
601	Texas Department of Transportation	\$42,073,335.25	\$818,584.99	\$812,015.37	\$897,213.87	101%
608	Texas Department of Motor Vehicles	\$361,049.75	\$6,602.64	\$6,968.26	\$7,699.39	95%
644	Texas Juvenile Justice Department	\$781,799.52	\$4,809.37	\$15,088.73	\$16,671.87	32%
696	Texas Department of Criminal Justice	\$23,582,276.93	\$30,192.28	\$455,137.94	\$502,892.06	7%
701	Texas Education Agency	\$270,124.94	\$4,232.06	\$5,213.41	\$5,760.41	81%
706	Texas Permanent School Fund Corporation	\$33,304.93	\$147.65	\$642.79	\$710.23	23%
771	Texas School for the Blind and Visually Impaired	\$977,077.19	\$7,390.76	\$18,857.59	\$20,836.17	39%
772	Texas School for the Deaf	\$629,596.38	\$4,741.23	\$12,151.21	\$13,426.14	39%
781	Texas Higher Education Coordinating Board	\$208,486.24	\$1,307.97	\$4,023.78	\$4,445.97	33%
802	Parks and Wildlife Department	\$12,333,968.64	\$27,704.41	\$238,045.59	\$263,021.88	12%
808	Texas Historical Commission	\$607,499.70	\$1,615.10	\$11,724.74	\$12,954.93	14%
809	State Preservation Board	\$327,164.12	\$4,929.78	\$6,314.27	\$6,976.77	78%
813	Texas Commission on the Arts	\$16,960.08	\$9.20	\$327.33	\$361.67	3%
930	Texas Treasury Safekeeping Trust Company	\$84,728.16	\$0.00	\$1,635.25	\$1,806.83	0%
Total — 98 State Agencies		\$166,986,779.17	\$1,813,691.62	\$3,222,844.84	\$3,560,993.07	

*Minimum Lost Rebate \$1,409,153.22

*Maximum Lost Rebate \$1,747,301.45



Table 2: Audit Results by Agency – Other Refunds and Prompt Payment Interest

Agy Nbr	Agency Name	% of Actual to Min.	Average # of Days From Statement to Payment	Other Refunds		Late Payment Interest Paid
				Large Tickets	Merchant Negotiated	
101	Senate	33%	36	\$0.00	\$47.13	\$0.00
102	House of Representatives	6%	23	\$0.00	\$4.29	\$118.08
103	Texas Legislative Council	96%	26	\$193.69	\$7.90	\$0.00
104	Legislative Budget Board	50%	53	\$0.00	\$0.44	\$0.00
105	Legislative Reference Library	76%	0	\$0.00	\$11.56	\$0.00
116	Sunset Advisory Commission	56%	19	\$0.00	\$8.06	\$0.00
201	Supreme Court	37%	35	\$0.00	\$20.33	\$0.44
202	State Bar of Texas	102%	0	\$0.00	\$116.27	\$0.00
203	Board of Law Examiners	45%	0	\$0.00	\$10.02	\$0.00
211	Court of Criminal Appeals	81%	25	\$0.00	\$3.79	\$0.00
212	Office of Court Administration	63%	26	\$0.00	\$23.17	\$23.51
215	Office of Capital and Forensic Writs	105%	5	\$0.00	\$13.98	\$0.00
222	Court of Appeals Second Court of Appeals District	63%	37	\$0.00	\$0.00	\$0.00
224	Court of Appeals Fourth Court of Appeals District	103%	0	\$0.00	\$9.62	\$0.00
225	Court of Appeals Fifth Court of Appeals District	37%	0	\$0.00	\$1.58	\$0.00
242	State Commission on Judicial Conduct	66%	21	\$0.00	\$0.00	\$1.08
243	State Law Library	87%	12	\$0.00	\$0.11	\$0.53
301	Governor Executive	9%	27	\$0.00	\$21.18	\$0.12
302	Attorney General	25%	43	\$0.00	\$35.21	\$239.69
303	Texas Facilities Commission	75%	57	\$0.00	\$350.60	\$0.00
304	Comptroller of Public Accounts	39%	21	\$0.00	\$55.24	\$14.00
305	General Land Office	36%	33	\$0.00	\$84.75	\$238.34
306	Texas State Library and Archives Commission	3%	29	\$0.00	\$0.79	\$15.41
307	Secretary of State	52%	36	\$0.00	\$8.27	\$0.06
308	State Auditor	82%	17	\$0.00	\$10.98	\$0.00
312	State Securities Board	69%	24	\$0.00	\$0.00	\$0.00
313	Department of Information Resources	16%	36	\$0.00	\$3.67	\$102.96
320	Texas Workforce Commission	54%	27	\$0.00	\$71.26	\$0.00
323	Teacher Retirement System of Texas	1%	31	\$0.00	\$13.63	\$534.92
325	Firefighter's Pension Commissioner	54%	0	\$0.00	\$0.00	\$0.00
327	Employees Retirement System of Texas	23%	21	\$0.00	\$130.05	\$77.77
329	Texas Real Estate Commission –	80%	96	\$0.00	\$6.29	\$0.00
332	Texas Department of Housing and Community Affairs	77%	26	\$0.00	\$9.11	\$0.00
338	State Pension Review Board	38%	40	\$0.00	\$0.75	\$0.00
347	Texas Public Finance Authority	0%	0	\$0.00	\$0.00	\$12.51
352	Bond Review Board	0%	0	\$0.00	\$0.00	\$0.00
356	Texas Ethics Commission	1%	41	\$0.00	\$0.00	\$0.00
359	Office of Public Insurance Counsel	0%	0	\$0.00	\$0.00	\$95.39



Agy Nbr	Agency Name	% of Actual to Min.	Average # of Days From Statement to Payment	Other Refunds		Late Payment Interest Paid
				Large Tickets	Merchant Negotiated	
360	State Office of Administrative Hearings	105%	34	\$0.00	\$2.49	\$0.00
362	Texas Lottery Commission	28%	24	\$0.00	\$2.40	\$0.00
364	Health Professions Council	87%	0	\$0.00	\$6.22	\$17.22
401	Texas Military Department	10%	152	\$0.00	\$71.86	\$49,749.29
403	Texas Veterans Commission	1%	39	\$0.00	\$0.00	\$66.79
405	Department of Public Safety	46%	110	\$175.35	\$1,690.73	\$2,647.09
407	Texas Commission on Law Enforcement	59%	49	\$0.00	\$8.35	\$0.00
409	Commission on Jail Standards	30%	29	\$0.00	\$0.00	\$0.00
411	Texas Commission on Fire Protection	14%	38	\$0.00	\$3.39	\$22.21
448	Office of Injured Employee Counsel	86%	23	\$0.00	\$0.00	\$0.00
450	Department of Savings and Mortgage Lending	83%	21	\$0.00	\$15.18	\$0.00
451	Texas Department of Banking	97%	32	\$0.00	\$150.83	\$0.30
452	Texas Department of Licensing and Regulation	44%	52	\$0.00	\$5.49	\$143.44
454	Texas Department of Insurance	57%	24	\$0.00	\$58.73	\$0.00
455	Railroad Commission of Texas	19%	35	\$0.00	\$76.97	\$1,551.54
456	Texas State Board of Plumbing Examiners	17%	32	\$0.00	\$0.22	\$3.77
457	Texas State Board of Public Accountancy –	92%	14	\$0.00	\$1.78	\$0.00
458	Texas Alcoholic Beverage Commission	61%	42	\$0.00	\$6.42	\$0.00
459	Texas Board of Architectural Examiners –	106%	12	\$0.00	\$15.95	\$0.00
460	Texas Board of Professional Engineers and Land Surveyors	101%	17	\$0.00	\$12.18	\$0.00
466	Office of Consumer Credit Commissioner –	83%	39	\$0.00	\$6.28	\$0.00
469	Credit Union Department –	106%	10	\$0.00	\$4.71	\$0.00
473	Public Utility Commission of Texas	97%	14	\$0.00	\$5.50	\$10.88
475	Office of Public Utility Counsel	57%	23	\$0.00	\$1.02	\$0.00
476	Texas Racing Commission	48%	23	\$0.00	\$10.16	\$0.00
477	Commission on State Emergency Communications	56%	47	\$0.00	\$3.99	\$60.66
479	State Office of Risk Management	2%	56	\$0.00	\$1.17	\$0.00
481	Texas Board of Professional Geoscientists	38%	109	\$0.00	\$0.00	\$0.00
503	Texas Medical Board	44%	73	\$0.00	\$6.58	\$0.00
504	State Board of Dental Examiners	98%	19	\$0.00	\$22.21	\$0.00
507	Texas Board of Nursing	25%	45	\$0.00	\$3.14	\$0.00
508	Texas Board of Chiropractic Examiners	21%	25	\$0.00	\$0.00	\$0.00
514	Texas Optometry Board	0%	96	\$0.00	\$0.00	\$0.00
515	Texas State Board of Pharmacy	83%	16	\$0.00	\$5.81	\$0.00
520	Texas State Board of Examiners of Psychologists	46%	0	\$0.00	\$2.52	\$0.00
529	Health and Human Services Commission	79%	32	\$0.00	\$6,173.55	\$197.88
530	Department of Family and Protective Services	81%	37	\$0.00	\$6,494.82	\$5,046.36
533	Executive Council of Physical and Occupational Therapy Examiners	103%	19	\$0.00	\$0.09	\$0.00
537	Department of State Health Services	70%	54	\$0.00	\$322.88	\$368.73



Agy Nbr	Agency Name	% of Actual to Min.	Average # of Days From Statement to Payment	Other Refunds		Late Payment Interest Paid
				Large Tickets	Merchant Negotiated	
542	Cancer Prevention and Research Institute of Texas	12%	137	\$0.00	\$2.94	\$0.00
551	Department of Agriculture	42%	27	\$0.00	\$106.72	\$575.14
554	Texas Animal Health Commission	41%	30	\$0.00	\$6.87	\$22.16
578	State Board of Veterinary Medical Examiners	46%	15	\$0.00	\$0.85	\$0.00
580	Texas Water Development Board	0%	50	\$0.00	\$0.00	\$182.18
582	Texas Commission on Environmental Quality	2%	38	\$0.00	\$11.21	\$3,721.16
592	Soil and Water Conservation Board	13%	33	\$0.00	\$0.00	\$13.61
601	Texas Department of Transportation	101%	43	\$291.12	\$1,993.51	\$1,616.84
608	Texas Department of Motor Vehicles	95%	19	\$0.00	\$63.82	\$8.27
644	Texas Juvenile Justice Department	32%	66	\$0.00	\$104.86	\$2,082.10
696	Texas Department of Criminal Justice	7%	29	\$65.74	\$274.41	\$85.22
701	Texas Education Agency	81%	21	\$0.00	\$31.40	\$56.46
706	Texas Permanent School Fund Corporation	23%	22	\$0.00	\$4.14	\$3.30
771	Texas School for the Blind and Visually Impaired	39%	10	\$0.00	\$96.24	\$431.28
772	Texas School for the Deaf	39%	16	\$0.00	\$163.29	\$70.94
781	Texas Higher Education Coordinating Board	33%	35	\$0.00	\$2.32	\$0.00
802	Parks and Wildlife Department	12%	20	\$0.00	\$514.96	\$10.07
808	Texas Historical Commission	14%	40	\$0.00	\$62.33	\$145.56
809	State Preservation Board	78%	25	\$0.00	\$42.61	\$4.43
813	Texas Commission on the Arts	3%	28	\$0.00	\$0.02	\$2.70
930	Texas Treasury Safekeeping Trust Company	0%	0	\$0.00	\$0.00	\$0.00
Total — 98 State Agencies				\$725.90	\$19,756.15	\$70,392.39



Table 3: Audit Results by Agency – Payments and Turn Days

Agy Nbr	Agency Name	Total Spend	Annual Payment by Turn Days		% of \$ Paid in > 30 Turn Days
			\$ Paid in <= 30 Turn Days	\$ Paid in > 30 Turn Days	
930	Texas Treasury Safekeeping Trust Company	\$84,728.16	-\$994.12	\$85,722.28	101%
347	Texas Public Finance Authority	\$158.98	\$0.00	\$158.98	100%
352	Bond Review Board	\$898.89	\$0.00	\$898.89	100%
359	Office of Public Insurance Counsel	\$10,950.31	\$0.00	\$10,950.31	100%
514	Texas Optometry Board	\$10,883.52	\$0.00	\$10,883.52	100%
580	Texas Water Development Board	\$613,191.26	\$0.00	\$613,191.26	100%
356	Texas Ethics Commission	\$2,257.35	\$6.16	\$2,251.19	100%
813	Texas Commission on the Arts	\$16,960.08	\$81.60	\$16,878.48	100%
323	Teacher Retirement System of Texas	\$1,031,069.30	\$9,744.37	\$1,021,324.93	99%
403	Texas Veterans Commission	\$368,396.89	\$4,005.78	\$364,391.11	99%
479	State Office of Risk Management	\$681.82	\$12.79	\$669.03	98%
582	Texas Commission on Environmental Quality	\$1,499,959.18	\$35,426.36	\$1,464,532.82	98%
306	Texas State Library and Archives Commission	\$53,400.80	\$1,706.15	\$51,694.65	97%
102	House of Representatives	\$177,602.76	\$10,394.49	\$167,208.27	94%
696	Texas Department of Criminal Justice	\$23,582,276.93	\$1,552,302.23	\$22,029,974.70	93%
301	Governor Executive	\$165,024.19	\$13,359.12	\$151,665.07	92%
401	Texas Military Department	\$4,016,074.57	\$389,748.64	\$3,626,325.93	90%
542	Cancer Prevention and Research Institute of Texas	\$43,761.14	\$4,933.19	\$38,827.95	89%
802	Parks and Wildlife Department	\$12,333,968.64	\$1,399,242.46	\$10,934,726.18	89%
475	Office of Public Utility Counsel	\$6,880.52	\$839.33	\$6,041.19	88%
592	Soil and Water Conservation Board	\$37,815.81	\$4,794.29	\$33,021.52	87%
808	Texas Historical Commission	\$607,499.70	\$81,663.42	\$525,836.28	87%
411	Texas Commission on Fire Protection	\$46,777.05	\$6,373.08	\$40,403.97	86%
313	Department of Information Resources	\$160,283.59	\$23,900.79	\$136,382.80	85%
456	Texas State Board of Plumbing Examiners	\$30,820.72	\$5,115.93	\$25,704.79	83%
455	Railroad Commission of Texas	\$537,621.19	\$99,963.40	\$437,657.79	81%
507	Texas Board of Nursing	\$26,723.38	\$5,547.93	\$21,175.45	79%
508	Texas Board of Chiropractic Examiners	\$26,294.03	\$5,593.63	\$20,700.40	79%
302	Attorney General	\$923,552.19	\$199,730.51	\$723,821.68	78%
327	Employees Retirement System of Texas	\$281,594.64	\$62,682.21	\$218,912.43	78%
706	Texas Permanent School Fund Corporation	\$33,304.93	\$7,516.87	\$25,788.06	77%
362	Texas Lottery Commission	\$77,358.20	\$21,521.99	\$55,836.21	72%
409	Commission on Jail Standards	\$16,007.10	\$4,599.35	\$11,407.75	71%
101	Senate	\$63,434.34	\$16,913.26	\$45,038.60	71%
644	Texas Juvenile Justice Department	\$781,799.52	\$231,610.54	\$550,188.98	70%
781	Texas Higher Education Coordinating Board	\$208,486.24	\$65,636.77	\$142,849.47	69%
201	Supreme Court	\$160,950.91	\$54,671.46	\$106,279.45	66%
481	Texas Board of Professional Geoscientists	\$3,663.51	\$1,258.26	\$2,405.25	66%
305	General Land Office	\$736,411.82	\$255,585.40	\$480,826.42	65%



Agy Nbr	Agency Name	Total Spend	Annual Payment by Turn Days		% of \$ Paid in > 30 Turn Days
			\$ Paid in <= 30 Turn Days	\$ Paid in > 30 Turn Days	
338	State Pension Review Board	\$22,927.04	\$8,010.25	\$14,916.79	65%
225	Court of Appeals Fifth Court of Appeals District	\$49,973.00	\$17,702.59	\$32,270.41	65%
771	Texas School for the Blind and Visually Impaired	\$977,077.19	\$367,766.85	\$609,310.34	62%
772	Texas School for the Deaf	\$629,596.38	\$237,127.52	\$392,468.86	62%
304	Comptroller of Public Accounts	\$367,077.11	\$140,131.82	\$226,945.29	62%
551	Department of Agriculture	\$566,304.84	\$217,560.05	\$348,744.79	62%
554	Texas Animal Health Commission	\$352,738.24	\$136,781.04	\$215,957.20	61%
203	Board of Law Examiners	\$44,710.78	\$18,650.71	\$26,060.07	58%
578	State Board of Veterinary Medical Examiners	\$19,664.26	\$8,230.16	\$11,434.10	58%
452	Texas Department of Licensing and Regulation	\$174,829.83	\$73,182.01	\$101,647.82	58%
503	Texas Medical Board	\$290,752.62	\$121,817.94	\$168,934.68	58%
405	Department of Public Safety	\$36,366,050.71	\$16,145,642.21	\$20,220,408.50	56%
520	Texas State Board of Examiners of Psychologists	\$4,735.16	\$2,107.18	\$2,627.98	55%
476	Texas Racing Commission	\$73,368.40	\$33,544.50	\$39,823.90	54%
104	Legislative Budget Board	\$6,475.85	\$3,218.65	\$3,257.20	50%
116	Sunset Advisory Commission	\$20,334.02	\$10,318.07	\$10,015.95	49%
307	Secretary of State	\$52,093.67	\$26,765.86	\$25,327.81	49%
320	Texas Workforce Commission	\$1,136,159.68	\$588,258.07	\$547,901.61	48%
325	Firefighter's Pension Commissioner	\$40,806.33	\$21,634.18	\$19,172.15	47%
477	Commission on State Emergency Communications	\$50,013.77	\$26,996.92	\$23,016.85	46%
454	Texas Department of Insurance	\$228,729.07	\$127,585.79	\$101,143.28	44%
407	Texas Commission on Law Enforcement	\$153,849.08	\$89,867.31	\$63,981.77	42%
458	Texas Alcoholic Beverage Commission	\$106,375.25	\$62,170.26	\$44,204.99	42%
222	Court of Appeals Second Court of Appeals District	\$4,579.92	\$2,773.22	\$1,806.70	39%
212	Office of Court Administration	\$78,981.82	\$48,007.92	\$30,973.90	39%
242	State Commission on Judicial Conduct	\$47,516.89	\$30,948.70	\$16,568.19	35%
312	State Securities Board	\$26,891.50	\$17,585.52	\$9,305.98	35%
537	Department of State Health Services	\$1,617,415.40	\$1,096,326.01	\$521,089.39	32%
332	Texas Department of Housing and Community Affairs	\$165,231.16	\$121,648.24	\$43,582.92	26%
105	Legislative Reference Library	\$12,002.30	\$8,932.49	\$3,069.81	26%
303	Texas Facilities Commission	\$1,620,229.82	\$1,206,084.75	\$414,145.07	26%
530	Department of Family and Protective Services	\$15,280,680.83	\$11,509,674.81	\$3,771,006.02	25%
809	State Preservation Board	\$327,164.12	\$249,247.89	\$77,916.23	24%
529	Health and Human Services Commission	\$13,186,679.54	\$10,155,062.27	\$3,031,617.27	23%
308	State Auditor	\$198,448.28	\$153,145.11	\$45,303.17	23%
466	Office of Consumer Credit Commissioner –	\$39,567.34	\$30,617.61	\$8,949.73	23%
329	Texas Real Estate Commission	\$33,809.92	\$26,174.31	\$7,635.61	23%
701	Texas Education Agency	\$270,124.94	\$210,702.54	\$59,422.40	22%
450	Department of Savings and Mortgage Lending	\$59,281.39	\$46,598.25	\$12,683.14	21%
515	Texas State Board of Pharmacy	\$23,772.02	\$18,696.34	\$5,075.68	21%



Agy Nbr	Agency Name	Total Spend	Annual Payment by Turn Days		% of \$ Paid in > 30 Turn Days
			\$ Paid in <= 30 Turn Days	\$ Paid in > 30 Turn Days	
211	Court of Criminal Appeals	\$9,892.61	\$7,788.83	\$2,103.78	21%
364	Health Professions Council	\$20,646.41	\$16,774.50	\$3,871.91	19%
243	State Law Library	\$8,075.97	\$6,803.93	\$1,272.04	16%
448	Office of Injured Employee Counsel	\$6,478.47	\$5,475.03	\$1,003.44	15%
473	Public Utility Commission of Texas	\$42,471.84	\$37,896.33	\$4,575.51	11%
457	Texas State Board of Public Accountancy –	\$2,750.78	\$2,457.02	\$293.76	11%
608	Texas Department of Motor Vehicles	\$361,049.75	\$322,994.84	\$38,054.91	11%
504	State Board of Dental Examiners	\$102,589.22	\$95,563.92	\$7,025.30	7%
103	Texas Legislative Council	\$359,374.47	\$313,446.79	\$23,986.38	7%
451	Texas Department of Banking	\$129,787.94	\$122,831.19	\$6,956.75	5%
460	Texas Board of Professional Engineers and Land Surveyors	\$75,103.39	\$73,043.63	\$2,059.76	3%
601	Texas Department of Transportation	\$42,073,335.25	\$41,010,521.48	\$1,062,813.77	3%
533	Executive Council of Physical and Occupational Therapy Examiners	\$1,417.10	\$1,393.22	\$23.88	2%
224	Court of Appeals Fourth Court of Appeals District	\$2,161.45	\$2,141.46	\$19.99	1%
202	State Bar of Texas	\$131,156.33	\$131,156.33	\$0.00	0%
215	Office of Capital and Forensic Writs	\$55,389.33	\$55,389.33	\$0.00	0%
360	State Office of Administrative Hearings	\$6,899.04	\$6,899.04	\$0.00	0%
459	Texas Board of Architectural Examiners –	\$30,487.39	\$30,487.39	\$0.00	0%
469	Credit Union Department –	\$61,168.80	\$61,168.80	\$0.00	0%
Total — 98 State Agencies		\$166,986,779.17	\$90,297,016.62	\$76,666,338.77	

Texas Office of Consumer Credit Commissioner
Audit Activities Report
As of September 30, 2025

Auditor: <i>Department of Information Resources – AT&T Cybersecurity Consulting</i>	Audit Report Date: <i>May 14, 2025</i>
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Audit Area: <i>Web Application Vulnerability Scan & Controlled Penetration Test</i>
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Findings: <i>Results to be Discussed in Executive Session</i>	Status Update: <i>Complete</i>
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Auditor: <i>Garza/Gonzalez</i>	Audit Report Date: <i>July 18, 2025</i>
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Audit Area: <i>Business Licensing</i>
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Findings: <i>The OCCC should perform quarterly reconciliations of the number of applications.</i>	Status Update: <i>The OCCC will refine the process by December 31, 2025.</i>
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Auditor: <i>Garza/Gonzalez</i>	Audit Report Date: <i>NA</i>
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Audit Area: <i>Annual Risk Assessment</i>
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Findings: <i>NA</i>	Status Update: <i>Pending</i>
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Department of Savings and Mortgage Lending

Audit Activities Report as of September 30, 2025

Auditor:	<i>State Auditor's Office</i>	Audit Report Date: <i>May 28, 2025</i>
Audit Area:	<i>Self-Directed Semi-Independent Audit</i>	
Findings:	Status Update:	
<i>Strengthen review process of Annual Financial Report</i>	<i>Complete. Enhanced process implemented in September 2025.</i>	
<i>Review user access to information systems</i>	<i>Complete. Additional review of user access completed in August 2025.</i>	
Auditor:	<i>Garza/Gonzales and Associates</i>	Audit Report Date: <i>June 19, 2025</i>
Audit Area:	<i>Thrift Examinations</i>	
Recommendations:	Status Update:	
<i>Document certain procedures.</i>	<i>Scheduled. To be completed by December 31, 2025.</i>	
Auditor:	<i>Garza/Gonzales and Associates</i>	Audit Report Date: <i>N/A</i>
Audit Area:	<i>All areas – Risk Assessment</i>	
Recommendations:	Status Update:	
<i>N/A</i>	<i>In progress.</i>	

Texas Department of Banking Quarterly Investment Report
May 31, 2025 to August 31, 2025

Seized Prepaid Funeral Funds Held in <u>a Financial Institution</u>	Book Value at <u>May 31, 2025</u>	Interest Income <u>Received</u>	Trustee <u>Fees Paid</u>	Other <u>Deductions</u>	Other <u>Additions</u>	Book Value at <u>August 31, 2025</u>	<u>Financial Institution</u>	Investment <u>Type</u>	Maturity <u>Date</u>	Interest <u>Rate</u>
None	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		N/A	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

9/22/2025

Date

/s/ Sami Chadli

Investment Officer

9/22/2025

Date

Trust-Funded Prepaid Funeral Guaranty Fund Quarterly Investment Report
May 31, 2025 to August 31, 2025

<u>Book Value at May 31, 2025</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 August 31, 2025</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Accrued Interest on CDs</u>
\$1,547,918.91	\$17,226.19	\$83.66	\$1,726.13	\$821.13	\$1,564,156.44	--	--	\$774.17

Trust Account Balances at Trustee/Depositories

Texas Treasury Safekeeping Trust Company *	\$832,083.16	9/1/2025	4.27%	--
State Bank of Texas, Dallas, Texas (CD)	\$240,000.00	12/16/2025	4.45%	\$321.86
Texas Bank Financial, Weatherford, Texas (CD)	\$246,992.73	12/24/2025	4.45%	\$271.02
American Bank of Commerce, Wolfforth, Texas (CD)	\$245,080.55	11/23/2025	4.50%	\$181.29
Subtotal	\$1,564,156.44			

(1) Other deductions include \$905.00 in consumer restitution related to Cremation Service International, Inc.; and a payment totaling \$821.13 for stale-dated checks related to El Paso Mission Funeral Home restitution, which was escheated to the Texas Comptroller of Public Accounts (Comptroller's Office) as abandoned property for two purchasers.

(2) Other addition is comprised of a stop payment request for two stale-dated checks related to El Paso Mission Funeral Home, which was reissued and escheated to the Comptroller's Office.

* 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

9/22/2025
Date

/s/ Sami Chadli
Investment Officer

9/22/2025
Date

Insurance-Funded Prepaid Funeral Guaranty Fund Quarterly Investment Report
May 31, 2025 to August 31, 2025

<u>Book Value at May 31, 2025</u>	<u>Interest Income Received</u>	<u>Trustee Fees Paid</u>	<u>Other Deduction(s)</u>	<u>Other Addition(s)</u>	<u>Book/Market Value at August 31, 2025</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Accrued Interest on CDs</u>
\$1,085,124.15	\$11,859.47	\$ 83.30			\$1,096,900.32	--	--	\$484.97

Account Balances at Trustee/Depositories

Texas Treasury Safekeeping Trust Company *	\$851,900.32	9/1/2025	4.27%	--
Spring Hill State Bank, Longview, Texas (CD)	<u>\$245,000.00</u>	5/12/2026	4.25%	\$484.97
Subtotal	\$1,096,900.32			

* 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> Investment Officer	<u>9/22/2025</u> Date
<u>/s/ Sami Chadli</u> Investment Officer	<u>9/22/2025</u> Date

Office of Consumer Credit Commissioner
Fiscal Year 2025 - 4th Quarter

Residential Mortgage Loan Originator Recovery Trust Fund #3008

Beginning Balance at 05/31/2025	Additions / *(Deductions)	Interest Paid	Paid Bank Fees	Ending Balance at 08/31/2025	Current Interest Rate
\$ 241,755.08	\$ 1,750.00	\$ 2,656.33	\$ (54.42)	\$ 246,106.99	4.29%

Prepared By: /s/ Mridula Lekhak

Date: 10/06/2025

Investment Officer: /s/Mirand Diamond

Date: 10/6/2025

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 2025 - 4th Quarter

Texas Financial Education Endowment Fund #3071								
	Beginning Balance at 05/31/2025	Additions	Interest Paid	Transfers	Grant Disbursements	Paid Bank Fees	Ending Balance at 08/31/2025	Current Interest Rate
Cash	\$ 1,186,397.40	\$ 2,743.96	\$ 12,892.47	\$ -	\$ (108,127.29)	\$ (2,293.67)	\$ 1,091,612.87	4.27%
Invested Portfolio	Beginning Balance at 05/31/2025	Additions	*Change in Value	Transfers	Transfer Out	Paid Fees	Ending Balance at 08/31/2025	
Cash in Bank	\$ 3,933.50	\$ -	\$ (3,933.50)	\$ -	\$ -	\$ -	\$ -	
Investments - STIF	304,692.05	-	35,622.87			-	340,314.92	
Investments - Short Term	-		-			-	-	
Interest & Dividends Receivable	5,914.79		(1,334.06)				4,580.73	
Trade Receivables	59,987.48		(59,987.48)				-	
Investments - Equities	2,952,026.62		351,709.22				3,303,735.84	
Investments - Alternatives	6,655,824.28		196,927.86				6,852,752.14	
Investments - Fixed Income	647,981.83		9,784.73				657,766.56	
Investments - Futures	-		-				-	
Investments - SWAPS, at Fair Value	(51.47)		12,245.45				12,193.98	
Total Assets-Invested Portfolio	\$ 10,630,309.08	\$ -	\$ 541,035.09	\$ -	\$ -	\$ -	\$ 11,171,344.17	
Liabilities								
Accounts Payable	\$ (2,125.17)		\$ (5,502.39)	\$ -	\$ -	\$ -	\$ (7,627.56)	
Interest Payable	(3,989.65)		(52.23)				(4,041.88)	
Trade Payables	-		(124.90)				(124.90)	
Futures Contracts, at Fair Value	-	-					-	
Swaps, at Fair Value	-	-					-	
Total Liabilities	\$ (6,114.82)	\$ -	\$ (5,679.52)	\$ -	\$ -	\$ -	\$ (11,794.34)	
Total Net Fiduciary Assets-Invested Portfolio	\$ 10,624,194.26						\$ 11,159,549.83	
Total Endowment Funds	\$ 11,810,591.66						\$ 12,251,162.70	

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/ Mridula Lehak

Date: 10/6/2025

Investment Officer: /s/ Mirand Diamond

Date: 10/6/2025

Department of Savings and Mortgage Lending

Investment Officer Report as of August 31, 2025

Recovery Fund

	Beginning Balance 6/1/2025	Additions/ Reductions	Interest Received	Bank Fees	Ending Balance 8/31/2025
Cash & Cash Equivalents	\$5,274,564.66	\$70,085.00	58,297.33	(363.97)	\$5,402,583.02
Mortgage Grant Program Balance (12/31/2021)					440,489.78
Mortgage Grant Program Balance (12/31/2022)					356,479.17
Mortgage Grant Program Balance (12/31/2023)					374,186.80
Mortgage Grant Program Balance (12/31/2024)					439,910.25
Recovery Balance					\$3,791,517.02

Bank Name	Type	Maturity Date	Interest Rate	Book/Market Value	Accrued Interest
Tx Treasury Safekeeping Trust Co	Overnight Repurchase Agreements	9/1/2025	4.33%	\$5,402,583.02	\$640.86
				\$5,402,583.02	\$640.86

Investment Position:

The Fund is capable of meeting all known obligations.

Investment Officer: /s/Antonia Antov

Investment Officer: /s/Chris Churchill

Investment Compliance:

The Department's Investment Policy has been followed.

Date: 9/18/2025

Date: 9/18/2025

Department of Savings and Mortgage Lending

Investment Officer Report as of August 31, 2025

Mortgage Grant Fund

	Beginning Balance 6/1/2025	Additions/ Reductions	Interest Received	Bank Fees	Ending Balance 8/31/2025
Cash & Cash Equivalents	\$245,875.57	(\$144,958.20)	\$2,284.66	(\$45.46)	\$103,156.57

Bank Name	Type	Maturity Date	Interest Rate	Book/Market Value	Accrued Interest
Tx Treasury Safekeeping Trust Co	Overnight Repurchase Agreements	6/1/2025	4.33%	\$103,156.57	\$12.24
				\$103,156.57	\$12.24

Investment Position:

The Fund is capable of meeting all known obligations.

Investment Officer: /s/Antonia Antov

Investment Officer: /s/Chris Churchill

Investment Compliance:

The Department's Investment Policy has been followed.

Date: 9/18/2025

Date: 9/18/2025

**Texas Department of Banking
Operating Statement and Budget Analysis
For Period Ending August 2025**

	FY 2024 ACTUAL	FY 2025 BUDGET	QUARTER PERFORMANCE				FY 2025 PERFORMANCE			
			4th Quarter BUDGET	4th Quarter ACTUAL	(Over)/Under BUDGET	Percent BUDGET	YTD BUDGET	YTD ACTUAL	(Over)/Under BUDGET	Percent BUDGET
REVENUES										
Bank & Trust Regulation	34,909,256	\$33,902,880	\$4,215,661	\$7,965,593	(\$3,749,932)	189.0%	\$33,902,880	\$37,525,808	(\$3,622,928)	110.7%
Penalties - Bank & Trust Regulation	13,000	0	0	0	0	0.0%	0	0	0	0.0%
Non-Depository Supervision	3,682,995	4,571,913	226,900	86,178	\$140,722	38.0%	4,503,213	4,198,683	304,530	93.2%
Penalties - Non-Depository Supervision	639,810	154,600	23,200	700,500	(677,300)	3019.4%	223,300	3,489,765	(3,266,465)	1562.8%
Miscellaneous Revenues	1,187,727	1,226,400	301,100	382,146	(81,046)	126.9%	1,226,400	1,354,304	(127,904)	110.4%
TOTAL REVENUES	40,432,788	\$39,855,793	\$4,766,861	\$9,134,417	(\$4,367,556)	191.6%	\$39,855,793	\$46,568,561	(\$6,712,768)	116.8%
EXPENDITURES										
Personnel Costs										
Employee Compensation	20,709,898	\$25,790,757	\$7,336,964	\$6,207,356	\$1,129,608	84.6%	\$25,790,757	\$23,144,661	\$2,646,096	89.7%
Employee Benefits	5,811,230	6,955,025	1,828,530	1,593,973	234,557	87.2%	\$6,955,025	\$6,203,686	751,339	89.2%
Add'l Health/Retirement	287,502	370,731	100,937	81,050	19,887	80.3%	\$370,731	\$322,952	47,779	87.1%
Other Personnel Costs	604,725	944,261	655,507	136,494	519,013	20.8%	944,261	451,747	492,514	47.8%
Subtotal Personnel Costs	27,413,355	\$34,060,775	\$9,921,938	\$8,018,873	\$1,903,065	80.8%	\$34,060,775	\$30,123,046	\$3,937,728	88.4%
Travel										
In-State	1,398,826	\$1,691,339	\$514,295	\$411,973	\$102,322	80.1%	\$1,691,339	\$1,517,342	\$173,997	89.7%
Out-of-State	455,110	705,998	249,661	113,850	135,811	45.6%	705,998	452,282	253,716	64.1%
Subtotal Travel	1,853,935	\$2,397,337	\$763,956	\$525,823	\$238,133	68.8%	\$2,397,337	\$1,969,623	\$427,714	82.2%
Operating Costs										
Professional Fees	296,725	\$642,224	\$362,250	\$143,193	\$219,057	39.5%	\$642,224	\$369,181	\$273,042	57.5%
Consumables	93,511	64,327	51,263	37,770	13,493	73.7%	108,846	96,786	\$12,060	88.9%
Office Utilities	36,517	40,718	2,799	2,174	625	77.7%	40,718	48,106	(\$7,389)	118.1%
Rent - Building/Space	449,695	458,066	81,457	89,074	(7,617)	109.4%	458,066	457,158	\$908	99.8%
Rent - Equipment/Other	31,702	29,960	8,240	5,549	2,691	67.3%	26,960	21,536	\$5,424	79.9%
Communications	288,633	335,367	113,958	78,993	34,965	69.3%	339,614	297,333	\$42,280	87.6%
Information Technology	632,953	790,050	198,800	154,500	44,300	77.7%	790,050	717,905	\$72,145	90.9%
Employee Training	165,807	273,978	89,237	61,090	28,147	68.5%	273,978	227,009	\$46,969	82.9%
Misc. Operating Costs	571,405	762,992	366,352	446,306	(79,954)	121.8%	717,226	742,072	(24,846)	103.5%
Subtotal Operating Costs	2,566,949	\$3,397,681	\$1,274,356	\$1,018,648	\$255,709	79.9%	\$3,397,681	\$2,977,087	\$420,594	87.6%
Camp Hubbard Costs										
Land Acquisition	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	\$1,405,389	(\$1,405,389)	0.0%
TOTAL EXPENDITURES	31,834,239	\$39,855,793	\$11,960,250	\$9,563,343	\$2,396,907	80.0%	\$39,855,793	\$36,475,146	\$3,380,647	91.5%
EXPENDITURES (OVER) / UNDER REVENUES	8,598,549	\$0	(\$7,193,389)	(\$428,926)	(\$6,764,463)		\$0	\$10,093,415	(\$10,093,415)	

Texas Department of Banking

Overview of Budget Variances for the Fourth Quarter of Fiscal Year 2025 - (Variances in excess of \$1,000 and 5% from budget are reported).

Bank & Trust Regulation – Actual revenues were higher than budgeted due to a partial assessment in the fourth quarter. For FY 2025, the first three quarters were reduced by 20%. In the fourth quarter the reduction was increased to 40%.

Non-Depository Supervision – The variance for the quarter is related to lower assessments collected due to the higher collection of penalties than were anticipated.

Penalties - Non-Depository Supervision – The variance is due to the higher than anticipated collected penalties primarily associated with regulatory non-compliance matters by money services businesses.

Miscellaneous Revenues – The variance is due to a higher interest rate of return than budgeted for deposited funds.

Employee Compensation and Benefits – The positive variance relates to vacant staff positions. Vacancies in terms of FTEs as of August 31, 2025 are listed below:

Administrative	7
Examiners	36

Other Personnel Costs – The positive variance is mainly due to budgeted retirement lump sum payments that did not materialize.

Travel Breakdown

	In-State Travel	Out-of-State Travel
Regulatory Supervision	\$272,338	\$62,017
Development and Training	107,743	40,813
Other Regulatory Activities	29,881	11,020
Non-Employee	2,011	0
Total	\$411,973	\$113,850

In-State Travel – The positive variance is due to examiner vacancies and realized efficiencies related to examiner assignments.

Out-of-State Travel – The positive variance is mainly due to vacancies, some classes moving to a virtual format, and other training classes that were not attended in the fourth quarter as projected.

Professional Fees – The positive variance is mainly due to: (1) lower expenditures than budgeted for investigator fees and (2) fees for information technology related reviews and contracts that were lower than expected or did not materialize.

Consumables – The positive variance is due to budgeted expenditures that did not materialize as based on history.

Rent – Building/Space – The negative variance is due to a space expansion for the Houston regional office that was not budgeted and higher cost than anticipated for training related meeting space.

Rent – Equipment/Other – The positive variance is due to Headquarters building management equipment rental that was not needed.

Communications – The positive variance is due to electronic financial subscription services that were not procured.

Information Technology – The positive variance is due to not needing to renew select software support and lower than anticipated Oracle Cloud Infrastructure costs.

Employee Training – The positive variance is due to staff vacancies and training related travel that did not materialize.

Misc. Operating Costs – The negative variance is due to unanticipated statewide cost allocation rollback charges, Houston regional office expanded space remodeling, and an employee relocation reimbursement. This variance was offset by lower than anticipated deferred maintenance expenditures and a budgeted temporary contractor that was not needed.

TEXAS DEPARTMENT OF BANKING
Liquidity Report
For the Period Ending August 31, 2025

	Actual
Cash at Beginning of Period	\$38,648,775
Revenues Over (Under) Expenditures	(428,926)
Increase (Decrease) in Payables/Encumbrances	479,650
(Increase) Decrease in Receivables	(39,019)
Cash at End of Period	<u>\$38,660,480</u>
Reserved Cash Balance:	
Bldg. maintenance/IT	\$0
Long-term facilities planning	9,167,303
Payables (net of receivables)	3,602,195
Lump Sums for Retirements	822,310
Program Funds	0
Other	0
Total Reserved Cash Balance	<u>\$13,591,807</u>
Unreserved Cash Balance:	
Future Operations	25,068,673
Total Unreserved Cash Balance	<u>\$25,068,673</u>
Total Cash Balance	<u>\$38,660,480</u>
Unreserved Cash/FY2026 Monthly Budget	7 months

Office of Consumer Credit Commissioner
Operating Statement and Budget Analysis
For the Quarter Ending August 31, 2025

	FY 2024 ACTUAL	FY 2025 BUDGET	QUARTER PERFORMANCE				FY 2025 PERFORMANCE			
			4th Quarter BUDGET	4th Quarter ACTUAL	(Over)/Under BUDGET	Percent BUDGET	YTD BUDGET	YTD ACTUAL	(Over)/Under BUDGET	Percent BUDGET
REVENUES										
Industry										
Consumer Lending Industry	\$ 2,230,988	\$ 1,975,150	\$ 25,173	\$ 59,255	\$ (34,082)	235.4%	\$ 1,975,150	\$ 1,774,300	\$ 200,850	89.8%
Credit Access Industry	901,700	859,800	32,424	3,550	28,874	10.9%	859,800	634,950	224,850	73.8%
MVSF Industry	4,301,213	4,283,650	288,827	227,888	60,939	78.9%	4,283,650	4,316,873	(33,223)	100.8%
Pawn	732,927	752,385	441,498	645,837	(204,340)	146.3%	752,385	749,870	2,515	99.7%
Registered Entities	350,100	320,350	19,483	20,615	(1,132)	105.8%	320,350	366,125	(45,775)	114.3%
Penalties	50,305	-	0	(5,820)	5,820	0.0%	-	141,063	(141,063)	0.0%
Miscellaneous Revenue	783,106	663,500	165,865	155,973	9,892	94.0%	663,500	675,490	(11,990)	101.8%
TOTAL REVENUES	\$ 9,350,341	\$ 8,854,835	\$ 973,271	\$ 1,107,298	\$ (134,027)	113.8%	\$ 8,854,835	\$ 8,658,671	\$ 196,164	97.8%
EXPENDITURES										
Personnel Costs										
Employee Compensation	\$ 4,973,604	\$ 5,642,194	\$ 1,443,934	\$ 1,294,991	\$ 148,943	89.7%	\$ 5,642,194	\$ 5,184,625	\$ 457,569	91.9%
Employee Benefits	1,627,303	1,781,341	445,335	415,664	29,672	93.3%	1,781,341	1,662,151	119,190	93.3%
Add'l Health/Retirement	73,518	84,633	21,158	19,028	2,130	89.9%	84,633	76,706	7,927	90.6%
Other Personnel Costs	69,457	117,494	29,373	22,771	6,602	77.5%	117,494	139,944	(22,450)	119.1%
Subtotal Personnel Costs	\$ 6,743,882	\$ 7,625,662	\$ 1,939,801	\$ 1,752,453	\$ 187,347	90.3%	\$ 7,625,662	\$ 7,063,426	\$ 562,236	92.6%
Travel										
In-State Travel	\$ 518,628	\$ 587,602	\$ 146,900	\$ 107,926	\$ 38,974	73.5%	\$ 587,602	\$ 471,962	\$ 115,640	80.3%
Out of State - Travel	17,355	27,052	6,763	515	6,248	7.6%	27,052	19,750	7,302	73.0%
Subtotal Travel	\$ 535,983	\$ 614,654	\$ 153,663	\$ 108,441	\$ 45,222	70.6%	\$ 614,654	\$ 491,712	\$ 122,943	80.0%
Operating Costs										
Professional Services & Fees	\$ 40,322	\$ 97,694	\$ 33,383	\$ 30,084	\$ 3,299	90.1%	\$ 97,694	\$ 63,599	\$ 34,095	65.1%
Consumables	6,883	4,800	1,200	1,137	63	94.8%	4,800	6,441	(1,641)	134.2%
Office Utilities	16,885	19,875	4,969	6,669	(1,700)	134.2%	19,875	22,356	(2,481)	112.5%
Rent - Building/Space	3,525	1,500	375	0	375	0.0%	1,500	880	620	58.7%
Rent - Equipment/Other	2,754	2,700	675	758	(83)	112.2%	2,700	3,304	(604)	122.4%
Communications	73,294	77,572	19,393	20,422	(1,029)	105.3%	77,572	77,511	61	99.9%
Information Technology	300,663	538,136	134,534	95,077	39,458	70.7%	538,136	480,561	57,575	89.3%
Employee Training	17,349	25,605	6,401	329	6,072	5.1%	25,605	11,634	13,971	45.4%
Misc. Operating Costs	264,307	291,941	64,311	323,163	(258,852)	502.5%	291,941	529,267	(237,326)	181.3%
Subtotal Operating Costs	\$ 725,983	\$ 1,059,822	\$ 265,242	\$ 477,639	\$ (212,397)	180.1%	\$ 1,059,822	\$ 1,195,554	\$ (135,731)	112.8%
Total Expenditures before Capital Outlay	\$ 8,005,848	\$ 9,300,138	\$ 2,358,706	\$ 2,338,533	\$ 20,173	99.1%	\$ 9,300,138	\$ 8,750,692	\$ 549,448	94.1%
Camp Hubbard Costs										
Land Acquisition		\$ -	\$ -	\$ -	\$ -		\$ -	\$ 723,403	\$ (723,403)	0.0%
TOTAL EXPENDITURES	\$ 8,005,848	\$ 9,300,138	\$ 2,358,706	\$ 2,338,533	\$ 20,173	99.1%	\$ 9,300,138	\$ 9,474,095	\$ (173,955)	101.9%
EXPENDITURES (OVER) / UNDER REVENUES	\$ 1,344,493	\$ (445,303)	\$ (1,385,434)	\$ (1,231,235)	\$ (154,200)		\$ (445,303)	\$ (815,424)	\$ 370,119	

Office of Consumer Credit Commissioner

Budget Variance Analysis

For the Quarter Ending August 31, 2025

Revenues: Overall revenues are 98% of the budget.

Consumer Lending (↓10%) – Regulated lenders received a greater renewal discount of 30%. A 20% discount had been budgeted.

Credit Access Industry (↓26%) – CABs renewed at a 76% renewal rate, significantly below the 94% predicted renewal rate.

Registered Entities (↑14%) – Registered creditors that renewed exceeded the projected number of renewals by 9%. Late filing fees for registered creditors were 73% above projections. Refund anticipation loan facilitators filed new registrations applications at a rate of roughly 35% above expectations.

Expenditures: Overall expenditures are 102% of the budget.

Personnel Costs (↓7%) – Attrition and turnover, including three retirements, led to reduction in personnel costs. Some of the attrition was deliberately maintained as vacant positions to offset rising expenditures in other areas as well as to adjust for future workload projections and efficiencies.

Expenditure Type	In-State	Out of State	Total
	FY25 Q4	FY25 Q4	
Regulatory Supervision	409,593	3,528	413,122
Development & Training	54,822	16,222	71,044
Non-Employee	3,172	-	3,172
Total	467,588	19,750	487,338

Travel (↓11%) – Turnover and more emphasis on enterprise level examinations resulted in reduced costs.

Professional Services (↓35%) – Costs for legal and architectural services were less than anticipated this year.

Information Technology (↓11%) – An IT project and certain hardware purchases were deferred in addition to efforts to reduce IT operating costs.

Employee Training Costs (↓55%) – Reimbursements of previously paid tuition costs by separating employees were credited offsetting a portion of the incurred expenditures. Also, efforts were made to reduce the level of costs incurred for employee training.

Miscellaneous Operating Costs (↑81%) – The required reimbursement for the State Wide Cost Allocation Program (SWCAP) greatly exceeded the original estimate. The cost increased 1100% from the prior year. The amount (\$288,377) was paid in the fourth quarter.

Office of Consumer Credit Commissioner
Liquidity Report
For the Quarter Ending August 31, 2025

	Actual
Cash at Beginning of Period	\$ 14,593,109
Revenues Over (Under) Expenditures	\$ (1,231,235)
Increase (Decrease) in Payables/Encumbrances	\$ 8,700
(Increase) Decrease in Receivables	\$ 13,065
Other source of funds (transfer)	\$ (200)
Cash at End of Period	\$ 13,383,439

Reserved Cash Balance:	
Building Maintenance/IT	\$ -
Long-term facilities planning	\$ 9,846,067
Payables (net of receivables)	\$ 707,108
Lump sums for Retirements	\$ 284,567
Program Funds	\$ -
Other	\$ -
Total Reserved Cash Balance	\$ 10,837,742

Unreserved Cash Balance:	
Future Operations	\$ 2,545,697
Total Unreserved Cash Balance	\$ 2,545,697

Total Cash Balance	\$ 13,383,439
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Unreserved Cash / FY 2026 Monthly Budget	3.4
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Department of Savings and Mortgage Lending

**Operating Statement and Budget Analysis
For the Quarter Ending August 31, 2025**

	FY2024 ACTUAL	FY 2025 BUDGET	QUARTER PERFORMANCE				FY 2025 PERFORMANCE			
			4th Quarter BUDGET	4th Quarter ACTUAL	(Over)/Under BUDGET	Percent BUDGET	YTD BUDGET	YTD ACTUAL	(Over)/Under BUDGET	Percent BUDGET
REVENUES										
Thrift Industry										
Assessments	\$ 4,871,914	\$ 4,053,722	\$ 976,458	\$ 816,671	\$ 159,787	83.6%	\$ 4,053,722	4,206,965	\$ (153,243)	103.8%
Application Fees	3,800	16,000	4,000	5,600	(1,600)	140.0%	16,000	14,900	1,100	93.1%
Mortgage Industry										
Licensing Fees	4,934,296	5,609,170	345,575	402,955	(57,380)	116.6%	5,609,170	6,216,209	(607,039)	110.8%
Administrative Penalties	50,100	-	-	59,357	(59,357)	0.0%	-	2,064,129	(2,064,129)	0.0%
Misc. Revenues	787,288	617,110	141,360	205,009	(63,649)	145.0%	617,110	795,351	(178,241)	128.9%
TOTAL REVENUES	\$ 10,647,398	\$ 10,296,002	\$ 1,467,393	\$ 1,489,592	\$ (22,199)	101.5%	\$ 10,296,002	13,297,555	\$ (3,001,553)	129.2%
EXPENDITURES										
Personnel Costs										
Employee Compensation	\$ 5,634,941	\$ 6,948,079	\$ 1,810,145	\$ 1,659,594	\$ 150,551	91.7%	\$ 6,948,079	\$ 6,216,560	\$ 731,519	89.5%
Employee Benefits	1,718,341	2,068,485	537,271	478,155	59,116	89.0%	2,068,485	1,834,840	233,645	88.7%
Add'l Health/Retirement	78,812	103,833	27,011	22,586	4,425	83.6%	103,833	87,343	16,491	84.1%
Other Personnel Costs	92,863	109,913	23,720	61,603	(37,883)	259.7%	109,913	148,798	(38,885)	135.4%
Subtotal Personnel Costs	\$ 7,524,958	\$ 9,230,310	\$ 2,398,147	\$ 2,221,938	\$ 176,209	92.7%	\$ 9,230,310	8,287,540	\$ 942,770	89.8%
Travel Costs										
In-State	120,751	\$ 176,500	\$ 44,125	\$ 40,940	\$ 3,185	92.8%	\$ 176,500	\$ 149,551	\$ 26,949	84.7%
Out-of-State	45,176	60,000	25,000	6,051	18,949	24.2%	60,000	31,964	28,036	53.3%
Subtotal Travel Costs	\$ 165,927	\$ 236,500	\$ 69,125	\$ 46,991	\$ 22,134	68.0%	\$ 236,500	181,514	\$ 54,986	76.8%
Operating Costs										
Professional Services	49,708	\$ 90,509	\$ 51,750	\$ 36,381	\$ 15,369	70.3%	\$ 90,509	\$ 127,062	\$ (36,553)	140.4%
Consumables	5,790	8,500	2,125	2,537	(412)	119.4%	8,500	7,357	1,144	86.5%
Office Utilities	14,703	16,200	4,225	5,829	(1,604)	138.0%	16,200	19,392	(3,192)	119.7%
Rent - Space & Equipment	8,656	16,500	2,500	1,400	1,100	56.0%	16,500	11,637	4,863	70.5%
Communications	98,464	106,598	18,050	17,946	104	99.4%	106,598	106,540	58	99.9%
Information Technology	324,985	378,300	48,650	79,546	(30,896)	163.5%	378,300	333,203	45,097	88.1%
Employee Training	59,161	70,000	22,500	8,880	13,620	39.5%	70,000	42,521	27,479	60.7%
Misc. Operating Costs	133,060	142,585	49,225	130,790	(81,565)	265.7%	142,585	218,959	(76,374)	153.6%
Subtotal Operating Costs	\$ 694,527	\$ 829,192	\$ 199,025	\$ 283,308	\$ (84,283)	142.3%	\$ 829,192	866,670	\$ (37,478)	104.5%
Camp Hubbard Costs										
Land Acquisition	\$ -	\$ -	\$ -	\$ -	-	0.0%	\$ -	632,287	(632,287)	0.0%
Subtotal Camp Hubbard Costs	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	632,287	\$ (632,287)	0.0%
TOTAL EXPENDITURES	\$ 8,385,411	\$ 10,296,002	\$ 2,666,297	\$ 2,552,238	\$ 114,060	95.7%	\$ 10,296,002	9,968,011	\$ 960,278	96.8%
EXPENDITURES (OVER)/ UNDER REVENUES	\$ 2,261,987	\$ -	\$ (1,198,904)	\$ (1,062,646)	\$ (136,258)		\$ -	3,329,544	\$ (3,329,544)	

Department of Savings and Mortgage Lending

Budget Variance Analysis

For the Quarter Ending August 31, 2025

Revenues: Overall revenues are 29.2% over budget.

Thrift Assessments – Amounts collected are 3.8% over budget due to higher than budgeted risk-weighted assets.

Thrift Application Fees – Amounts collected are 6.9% under budget due to lower application activity year-to-date.

Licensing Fees - Amounts collected are 10.8% over budget due to the higher than estimated volume of license applications.

Administrative Penalties – The amount includes a multi-state settlement receipt of \$1,945,288.

Miscellaneous Revenues – Actual amounts are 28.9% over budget, due to higher than budgeted depository interest.

Expenditures: Overall expenditures are 3.2% under budget.

Personnel Costs – The category is 10.2% under budget due to unfilled vacancies. Other personnel costs are 35.4% over budget due to lump sums paid to separating employees.

Travel – Travel costs incurred are 23.2% under budget due to lower volume of travel to exam locations and training events than budgeted.

Travel Breakdown – FY25			
Category	In-State	Out-of-State	Total
Regulation and Supervision	\$108,211.54	\$5,471.15	\$113,682.69
Development and Training	38,827.20	26,492.48	65,319.68
Non-Employee Travel	2,512.11	0.00	2,512.11
Total	\$149,550.85	\$31,963.63	\$181,514.48

Professional Fees and Services – The category is 40.4% over budget due to fees paid to State Auditor's Office audit - \$50,000, which was not budgeted for.

Information Technology – The category is 11.9% under budget due to the discontinuation of the cybersecurity services contract.

Employee Training – The category is 39.3% under budget due to unfilled vacancies, utilizing free or cost-efficient training platforms training resources.

Miscellaneous Operating Costs – The category is 53.6% over budget due to a significant increase of statewide allocation costs.

Department of Savings and Mortgage Lending

Liquidity Report For the Quarter Ending August 31, 2025

	ACTUAL
Cash at Beginning of Period	19,651,215
Revenues Over (Under) Expenditures	(1,062,646)
Revenues Over (Under) Expenditures PY	9,138.06
Increase (Decrease) in Payables	100,267
(Increase) Decrease in Receivables	(4,877)
Cash at End of Period	<u>18,693,097</u>
Reserved Cash Balance:	
Bldg. maintenance/IT	\$ -
Long-term facilities planning	9,975,667
Payables (net of receivables)	917,667
Lump Sums for Retirements	277,470
Program Funds	-
Other	-
Total Reserved Cash Balance	<u>\$ 11,170,803</u>
Unreserved Cash Balance:	
Future Operations	<u>\$ 7,522,294</u>
Total Unreserved Cash Balance	<u>\$ 7,522,294</u>
Total Cash Balance	<u>\$ 18,693,097</u>
Unreserved Cash/FY2025 Monthly Budget	8.4 months



Texas Financial Education Endowment (TFEE)

E. Discussion of and Possible Vote to Recommend That the Finance Commission Take Action on the Final Selection of Organizations to Receive Grant Funds from the Texas Financial Education Endowment Fund

The OCCC received over 55 applications requesting more than \$4 million in funding for the 2026-2027 grant cycle. The Grant Advisory Committee (GAC) reviewed the applications and submitted its recommendations for grant award recipients (see below). The Finance Commission approved \$850,000 in funding for the 2026-2027 cycle. The GAC requests \$830,321.90 to fund all recommended awards at their requested amounts.

Recommendations for 2024-2025 Grant Awards

Organization	Term	Category	Amount
BALANCE	2 years	Financial Coaching	\$90,000
Boys & Girls Clubs of South-Central Texas	2 years	K-12 Financial Education & Capability	\$90,000
Grace After Fire	2 years	Adult Financial Education & Capability	\$90,000
Hawley Independent School District	2 years	K-12 Financial Education & Capability	\$90,000
Junior Achievement of Central Texas	2 years	K-12 Financial Education & Capability	\$63,047.90
My Possibilities	2 years	Adult Financial Education & Capability	\$90,000
Pathfinders	2 years	Adult Financial Education & Capability	\$90,000
Pockets Change	2 years	K-12 Financial Education & Capability	\$90,000
Region One Education Service Center	2 years	Adult Financial Education & Capability	\$90,000
Texas A&M – Corpus Christi	2 years	Adult Financial Education & Capability	\$47,274.00
TOTAL			\$830,321.90

RECOMMENDED ACTION: The GAC recommends that the Audit Committee recommend that the Finance Commission approve the recommended grant awards listed above at their requested amounts.

RECOMMENDED MOTION: I move that the Audit Committee recommend that the Finance Commission approve the recommended grant awards listed above at their requested amounts.



Texas Financial Education Endowment (TFEE)

F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve Charging Certain Expenses Against the Texas Financial Education Endowment for Grant Administration and Management

As the TFEE program has grown in breadth and scope, the costs and responsibility of managing and monitoring the grant program have also increased. The administrative costs and responsibilities have been borne exclusively by the OCCC. The Grant Administration & Advisory Policy Manual (readopted by the Finance Commission in June 2025) authorizes the charging of certain expenses against the endowment funds for administration and management. As the administrative burden has grown, as well as the availability of TFEE funding resources, it seems appropriate that TFEE funds support the costs associated with managing the grant program.

Direct costs associated with the management and oversight of the TFEE grant program include 50% of the grant administrator's salary and related personnel costs along with any direct operating costs, such as travel costs for any necessary grantee site monitoring visits. Funding these costs through the grant will ensure alignment with TFEE objectives while promoting efficient use of resources under TFEE guidelines.

RECOMMENDED ACTION: The OCCC requests that the Audit Committee recommend that the Finance Commission approve the reimbursement of 50% of the grant administrator's salary, related personnel costs, and any direct operating costs related to management of the grants to the OCCC from TFEE funding sources.

RECOMMENDED MOTION: I move that the Audit Committee recommend that the Finance Commission approve the reimbursement of 50% of the grant administrator's salary, related personnel costs, and any direct operating costs related to management of the grants to OCCC from TFEE funding sources.

G. Discussion of and Possible Vote to Recommend That the Finance Commission Take Action on the Activities of the Texas Financial Endowment Fund

Semi-annual reports for the third cycle of TFEE's 2024-2025 grant program were due at the end of July. Currently, nine out of ten grantees have submitted complete reimbursement reports. A total of \$403,979.45 has been reimbursed to date. Staff are awaiting the final report, and the third semi-annual summary will be included in the next packet. The fourth and final semi-annual reports and reimbursement requests are due January 30, 2026.



Mortgage Grant Fund Activities Report — September 30, 2025

Activities Relating to the Mortgage Grant Fund (MGF)

The first semi-annual reporting period has concluded, including the submission and processing of reimbursement requests. To date, a total of \$144,958.20 has been disbursed to grantees. This marks the completion of 25% of the current grant cycle. Approximately 80% of the total award funding remains available for distribution. Program activities and expenditures are progressing in alignment with projected timelines and budget allocations.

Over the reporting period, more than 3,500 individuals across Texas benefited from financial education, counseling, and homeownership support. Over 500 families received one-on-one counseling, with at least 92 families successfully purchasing homes, including 34 who had previously relied on government assistance. Educational efforts reached over 1,000 participants through seminars, fairs, and online courses, while credit-building programs helped at least 15 clients to significantly improve their scores and 22 to increase savings by \$550 or more. Despite challenges such as staff turnover, outreach limitations, and funding instability, organizations adapted by launching bilingual resources, expanding partnerships, and addressing emotional barriers like unstable relationships and a lack of support systems. These collective efforts underscore a deep commitment to long-term financial resilience and expanded access to homeownership.

We remain on course as we move into the second half of the first year of the grant cycle.