

FINANCE COMMISSION OF TEXAS AUDIT COMMITTEE MEETING

Friday, October 25, 2024
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 16, 2024 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' 2024 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' 2024 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 Activities of the Texas Financial Education Endowment Fund
- F. Discussion of the Activities of the Mortgage Grant Fund
- 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 §§ 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 16, 2024

The Audit Committee of the Finance Commission of Texas convened at 8:30 a.m., on August 16, 2024, with the following members present:

Audit Committee Members in Attendance:

Kathleen Fields, Chairman
Roselyn "Rosie" Morris
David Osborn

Chairman Fields announced there was a quorum of the Audit Committee of the Finance Commission of Texas with three (3) members present. *(0:24 on audio file)*.

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Review and Approval of the Minutes of the June 21, 2024 Audit Committee Meeting	David Osborn made a motion to Approve the Minutes of the June 21, 2024 Audit Committee Meeting. Rosie Morris seconded, and the motion passed.	0:44 Start of Discussion 1:00 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.	1:26 Start of discussion
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2024 Third Quarter Investment Officer Reports 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Rosie Morris made a motion to recommend that the Finance Commission Approve the Agencies' 2024 Third Quarter Investment Officer Reports. David Osborn seconded, and the motion passed.	8:39 Start of Discussion 11:53 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. Rosie Morris seconded, and the motion passed.	12:20 Start of Discussion 15:28 Vote
E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2024 Third Quarter Financial Statements 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking	Rosie Morris made a motion to recommend that the Finance Commission Approve the Agencies' 2024 Third Quarter Financial Statements. David Osborn seconded, and the motion passed.	15:50 Start of Discussion 22:05 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<p>F. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' Fiscal Year 2025 Operating Budgets</p> <ol style="list-style-type: none"> 1. Office of Consumer Credit Commissioner 2. Department of Savings and Mortgage Lending 3. Texas Department of Banking 	<p>Rosie Morris made a motion to recommend that the Finance Commission Approve the Office of Consumer Credit Commissioner's Fiscal Year 2025 Operating Budget. David Osborn seconded, and the motion passed.</p> <p>David Osborn made a motion to recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's Fiscal Year 2025 Operating Budget. Rosie Morris seconded, and the motion passed.</p> <p>Rosie Morris made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's Fiscal Year 2025 Operating Budget. David Osborn seconded, and the motion passed.</p>	<p>22:25 Start of Discussion</p> <p>32:21 Vote</p> <p>42:46 Vote</p> <p>51:09 Vote</p>
<p>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 2025</p>	<p>Rosie Morris 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 2025. David Osborn seconded, and the motion passed.</p>	<p>51:34 Start of Discussion</p> <p>52:20 Vote</p>
<p>H. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Office of Consumer Credit Commissioner's 2024 Annual Internal Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzalez and Associates</p>	<p>David Osborn made a motion to recommend that the Finance Commission Approve the Office of Consumer Credit Commissioner's 2024 Annual Internal Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzalez and Associates. Rosie Morris seconded, and the motion passed.</p>	<p>52:44 Start of Discussion</p> <p>1:01:26 Vote</p>
<p>I. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Department of Savings and Mortgage Lending's 2024 Annual Internal Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzalez and Associates</p>	<p>Rosie Morris made a motion to recommend that the Finance Commission Approve the Department of Savings and Mortgage Lending's 2024 Annual Internal Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzalez and Associates. David Osborn seconded, and the motion passed.</p>	<p>1:01:54 Start of Discussion</p> <p>1:08:03 Vote</p>

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
J. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2024 Trust Examinations Report and Follow-Up on Prior Year Recommendations as Prepared and Presented by Garza/Gonzalez and Associates	David Osborn made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's 2024 Trust Examinations Report and Follow-Up on Prior Year Recommendations as Prepared and Presented by Garza/Gonzalez and Associates. Rosie Morris seconded, and the motion passed.	1:08:34 Start of Discussion 1:14:37 Vote
K. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2024 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Rosie Morris made a motion to recommend that the Finance Commission Approve the Texas Department of Banking's 2024 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates. David Osborn seconded, and the motion passed.	1:15:11 Vote
L. 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	1:15:37 Start of Discussion
M. Discussion of the Activities of the Mortgage Grant Fund	No Action Required	1:16:38 Start of Discussion
N. 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, § 51.402(c)	Rosie Morris 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, § 51.402(c). David Osborn seconded, and the motion passed.	1:17:55 Start of Discussion 1:18:30 Vote
O. 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	Deferred to Executive Session. No Vote Required.	n/a

Chairman Fields called for an Executive Session at 9:49 a.m. (1:19:18 on the audio file). The open meeting resumed at 10:24 a.m. (1:20:59 on the audio file)

There being no further business of the Audit Committee of the Finance Commission of Texas, Chairman Fields adjourned the meeting at 10:24 a.m. (1:21:23 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

Texas Department of Banking
Audit Activities Report
As of September 30, 2024

Auditor:	Comptroller of Public Accounts	Audit Report Date: <i>N/A</i>
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Audit Area:	<i>Routine Follow-Up to September 2022 Post Payment Audit</i>
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Findings:	Status Update:
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Field work began on August 19, 2024 and continues.

Texas Office of Consumer Credit Commissioner
Audit Activities Report
As of September 30, 2024

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Auditor: <i>Texas Workforce Commission</i>	Audit Report Date: <i>NA</i>
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Audit Area: <i>Human Resources Policies and Procedures</i>	
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Findings: <i>NA</i>	Status Update: <i>In Progress</i>
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Auditor: <i>Department of Public Safety</i>	Audit Report Date: <i>May 18, 2022</i>
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Audit Area: <i>Non-Criminal Justice Audit – Licensing</i>	
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Findings: <i>Evaluate IT Access. IT should be fingerprinted or access should be limited.</i>	Status Update: <i>Pending. Awaiting clarification and follow-up with future audit.</i>
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Department of Savings and Mortgage Lending

Audit Activities Report as of September 30, 2024

Auditor:	<i>Garza/Gonzales and Associates</i>	Audit Report Date: <i>June 24, 2024</i>
Audit Area:	<i>Mortgage Grant Fund</i>	
Recommendations:	Status Update:	
<i>Provide training to the MGAC members on completing Reviewing Matrix Forms</i>	<i>Completed. Training video provided to MGAC Members in August 2024.</i>	
<i>Develop and implement procedures for applicant selection.</i>	<i>In progress. Procedures to be finalized and implemented in October 2024.</i>	
Auditor:	<i>Comptroller of Public Accounts</i>	Audit Report Date: <i>N/A</i>
Audit Area:	<i>Post-Payment and Procurement Audit</i>	
Findings:	Status Update:	
<i>N/A</i>	<i>In progress. Field work began on March 18, 2024.</i>	
Auditor:	<i>Comptroller of Public Accounts</i>	Audit Report Date: <i>N/A</i>
Audit Area:	<i>Controls Over Expenditure Processing – Desk Audit</i>	
Recommendations:	Status Update:	
<i>N/A</i>	<i>In progress.</i>	
Auditor:	<i>Texas Workforce Commission</i>	Audit Report Date: <i>N/A</i>
Audit Area:	<i>Personnel Policy and Procedure System Review</i>	
Recommendations:	Status Update:	
<i>N/A</i>	<i>In progress.</i>	
Auditor:	<i>Garza/Gonzales and Associates</i>	Audit Report Date: <i>N/A</i>
Audit Area:	<i>Annual Risk Assessment</i>	
Recommendations:	Status Update:	
<i>N/A</i>	<i>In progress.</i>	

Texas Department of Banking Quarterly Investment Report
May 31, 2024 to August 31, 2024

<u>Seized Prepaid Funeral Funds Held in a Financial Institution</u>	<u>Book Value at May 31, 2024</u>	<u>Interest Income Received</u>	<u>Trustee Fees Paid</u>	<u>Other Deductions</u>	<u>Other Additions</u>	<u>Book Value at August 31, 2024</u>	<u>Financial Institution</u>	<u>Investment Type</u>	<u>Maturity Date</u>	<u>Interest 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:

<u>/s/ Jesse Saucillo</u> Investment Officer	<u>9/30/2024</u> Date
<u>/s/ Sami Chadli</u> Investment Officer	<u>10/1/2024</u> Date

Trust-Funded Prepaid Funeral Guaranty Fund Quarterly Investment Report
May 31, 2024 to August 31, 2024

<u>Book Value at May 31, 2024</u>	<u>Interest Income Received</u>	<u>Trustee Fees Paid</u>	(1) <u>Other Deduction(s)</u>	<u>Other Addition(s)</u>	<u>Book/Market Value at August 31, 2024</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Accrued Interest on CDs</u>
\$1,613,914.58	\$20,828.97	\$109.08	\$137,663.74		\$1,496,970.73	--	--	\$771.06

Trust Account Balances at Trustee/Depositories

Texas Treasury Safekeeping Trust Company *	\$764,897.45	9/1/2024	5.28%	--
State Bank of Texas, Dallas, Texas (CD)	\$240,000.00	12/16/2024	5.70%	\$412.27
Texas Bank Financial, Weatherford, Texas (CD)	\$246,992.73	12/24/2024	5.375%	\$290.98
American Bank of Commerce, Wolfforth, Texas (CD)	\$245,080.55	11/23/2024	5.05%	\$67.81
Subtotal	\$1,496,970.73			

(1) Other deductions include: (a) \$110,237.93 restitution received in May 2024 related to El Paso Mission Funeral Home, which was refunded to purchasers; and (b) \$27,425.81 restitution previously collected from Mr. Kevin Keeney and Howell-Doran Funeral Home, which was forwarded to the permit holder that assumed the PFCs.

* 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>9/30/2024</u>
Investment Officer	Date
 <u>/s/ Sami Chadli</u>	 <u>10/1/2024</u>
Investment Officer	Date

Insurance-Funded Prepaid Funeral Guaranty Fund Quarterly Investment Report
May 31, 2024 to August 31, 2024

<u>Book Value at May 31, 2024</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, 2024</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Accrued Interest on CDs</u>
\$1,034,013.22	\$13,975.26	\$ 79.96			\$1,047,908.52	--	--	\$599.07

Account Balances at Trustee/Depositories

Texas Treasury Safekeeping Trust Company *	\$802,908.52	9/1/2024	5.28%	--
Spring Hill State Bank, Longview, Texas (CD)	<u>\$245,000.00</u>	5/12/2025	5.25%	\$599.07
Subtotal	\$1,047,908.52			

* 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>9/30/2024</u>
Investment Officer	Date
 <u>/s/ Sami Chadli</u>	 <u>10/1/2024</u>
Investment Officer	Date

Office of Consumer Credit Commissioner
Fiscal Year 2024 - 4th Quarter

Residential Mortgage Loan Originator Recovery Trust Fund #3008

<u>Beginning Balance at</u> <u>5/31/2024</u>	<u>Additions /</u> <u>*(Deductions)</u>	<u>Interest Paid</u>	<u>Paid Bank Fees</u>	<u>Ending Balance at</u> <u>08/31/2024</u>	<u>Current</u> <u>Interest Rate</u>
\$ 219,439.62	\$ 1,375.00	\$ 2,983.19	\$ (52.06)	\$ 223,745.75	5.28%

Prepared By: /s/ Chris Churchill

Date: 10/01/2024

Investment Officer: Mirand Diamond

Date: 10/07/24

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 2024 - 4th Quarter

Texas Financial Education Endowment Fund #3071								
	Beginning Balance at 5/31/2024	Additions	Interest Paid	Transfers	Grant Disbursements	Paid Bank Fees	Ending Balance at 08/31/2024	Current Interest Rate
Cash	\$ 1,213,928.40	\$ 5,659.27	\$ 16,393.61	\$ (46,185.13)	\$ -	\$ (4,211.09)	\$ 1,185,585.06	5.28%
	Beginning Balance at 05/31/2024	Additions	*Change in Value	Transfers	Transfer Out	Paid Fees	Ending Balance at 08/31/2024	
Invested Portfolio								
Cash in Bank	\$ 11,154.19	\$ -	\$ (11,154.19)	\$ -	\$ -	\$ -	\$ -	
Investments - STIF	1,312,178.17	-	(109,848.51)			-	1,202,329.66	
Investments - Short Term	-		-			-	-	
Interest & Dividends Receivable	6,153.23		(905.80)				5,247.43	
Trade Receivables	-		-				-	
Investments - Equities	1,389,869.95		353,670.10				1,743,540.05	
Investments - Alternatives	6,345,420.37		97,784.01				6,443,204.38	
Investments - Fixed Income	756,908.30		27,022.65				783,930.95	
Investments - Futures	-		-				-	
Investments - SWAPS, at Fair Value	5,872.01		18,765.84				24,637.85	
Total Assets-Invested Portfolio	\$ 9,827,556.22	\$ -	\$ 375,334.10	\$ -	\$ -	\$ -	\$ 10,202,890.32	
Liabilities								
Accounts Payable	\$ (3,842.01)		\$ 3,842.01	\$ -	\$ -	\$ -	\$ -	
Interest Payable	(7,562.60)		2,291.56				(5,271.04)	
Trade Payables	-		(16,650.38)				(16,650.38)	
Futures Contracts, at Fair Value	-	-					-	
Swaps, at Fair Value	-	-					-	
Total Liabilities	\$ (11,404.61)	\$ -	\$ (10,516.81)	\$ -	\$ -	\$ -	\$ (21,921.42)	
Total Net Fiduciary Assets-Invested Portfolio	\$ 9,816,151.61						\$ 10,180,968.90	
Total Endowment Funds	\$ 11,030,080.01						\$ 11,366,553.96	

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/ Chris Churchill

Date: 10/1/2024

Investment Officer: /s/ Mirand Diamond

Date: 10/7/2024

Department of Savings and Mortgage Lending

Investment Officer Report as of August 31, 2024

Recovery Fund

	Beginning Balance 6/1/2024	Additions/ Reductions	Interest Received	Bank Fees	Ending Balance 8/31/2024
Cash & Cash Equivalents	\$5,096,387.50	43,760.00	66,241.57	(335.92)	\$5,206,053.15
Mortgage Grant Program Balance (12/31/2021)					690,489.78
Mortgage Grant Program Balance (12/31/2022)					356,479.17
Mortgage Grant Program Balance (12/31/2023)					374,186.80
Recovery Balance					\$3,784,897.40

Bank Name	Type	Maturity Date	Interest Rate	Book/Market Value	Accrued Interest
Tx Treasury Safekeeping Trust Co	Overnight Repurchase Agreements	9/1/2024	5.35%	\$4,956,053.15	\$726.78
Dalhart Federal Savings	CD - 24 months	10/18/2024	2.50%	250,000.00	11,857.64
				\$5,206,053.15	\$12,584.42

Investment Position:

The Fund is capable of meeting all known obligations.

Investment Officer: /s/Antonia Antov

Investment Officer: /s/Anis Golshan

Investment Compliance:

The Department's Investment Policy has been followed.

Date: 9/20/2024

Date: 9/20/2024

Department of Savings and Mortgage Lending

Investment Officer Report as of August 31, 2024

Mortgage Grant Fund

	Beginning Balance 6/1/2024	Additions/ Reductions	Interest Received	Bank Fees	Ending Balance 8/31/2024
Cash & Cash Equivalents	\$234,121.32	(\$33,780.67)	\$2,839.52	(\$44.75)	\$203,135.42

Bank Name	Type	Maturity Date	Interest Rate	Book/Market Value	Accrued Interest
Tx Treasury Safekeeping Trust Co	Overnight Repurchase Agreements	9/1/2024	5.35%	\$203,135.42	\$29.79
				\$203,135.42	\$29.79

Investment Position:

The Fund is capable of meeting all known obligations.

Investment Officer: /s/Antonia Antov

Investment Officer: /s/Anis Golshan

Investment Compliance:

The Department's Investment Policy has been followed.

Date: 9/20/2024

Date: 9/20/2024

Texas Department of Banking
Operating Statement and Budget Analysis
For Period Ending August 2024

	FY 2023 ACTUAL	FY 2024 BUDGET	QUARTER PERFORMANCE				FY 2024 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	\$26,191,521	\$31,577,971	\$4,944,130	\$8,252,290	(\$3,308,160)	166.9%	\$31,577,971	\$34,909,256	(\$3,331,285)	110.5%
Penalties - Bank & Trust Regulation	0	0	0	0	0	0.0%	0	13,000	(13,000)	0.0%
Non-Depository Supervision	3,093,981	3,983,938	728,091	536,410	\$191,681	73.7%	3,983,938	3,682,995	300,943	92.4%
Penalties - Non-Depository Supervision	714,249	154,600	11,900	138,779	(126,879)	1166.2%	154,600	639,810	(485,210)	413.8%
Miscellaneous Revenues	811,514	963,400	240,850	335,713	(94,863)	139.4%	963,400	1,187,727	(224,327)	123.3%
TOTAL REVENUES	\$30,811,266	\$36,679,909	\$5,924,971	\$9,263,191	(\$3,338,220)	156.3%	\$36,679,909	\$40,432,788	(\$3,752,879)	110.2%
EXPENDITURES										
Personnel Costs										
Employee Compensation	\$19,147,451	\$23,513,891	\$6,985,748	\$5,654,186	\$1,331,562	80.9%	\$23,513,891	\$20,709,898	\$2,803,993	88.1%
Employee Benefits	5,301,086	6,275,031	1,680,417	1,611,001	69,415	95.9%	\$6,274,355	\$5,811,230	463,124	92.6%
Add'l Health/Retirement	268,558	345,091	97,995	74,025	23,970	75.5%	\$345,767	\$287,502	58,266	83.1%
Other Personnel Costs	679,987	852,847	536,830	229,855	306,975	42.8%	852,848	604,725	248,123	70.9%
Subtotal Personnel Costs	\$25,397,083	\$30,986,860	\$9,300,989	\$7,569,066	\$1,731,923	81.4%	\$30,986,860	\$27,413,355	\$3,573,505	88.5%
Travel										
In-State	\$1,106,923	\$1,856,074	\$497,490	\$395,335	\$102,155	79.5%	\$1,856,074	\$1,398,826	\$457,248	75.4%
Out-of-State	385,574	663,055	235,263	141,795	93,468	60.3%	663,055	455,110	207,945	68.6%
Subtotal Travel	\$1,492,497	\$2,519,129	\$732,752	\$537,130	\$195,622	73.3%	\$2,519,129	\$1,853,935	\$665,194	73.6%
Operating Costs										
Professional Fees	\$338,359	\$632,766	\$388,121	\$83,455	\$304,666	21.5%	\$632,766	\$296,725	\$336,041	46.9%
Consumables	79,570	55,000	36,444	32,155	4,289	88.2%	93,063	93,511	(\$448)	100.5%
Office Utilities	34,247	32,670	1,524	2,699	(1,175)	177.1%	32,670	36,517	(\$3,847)	111.8%
Rent - Building/Space	430,846	497,582	97,782	77,714	20,068	79.5%	497,582	449,695	\$47,887	90.4%
Rent - Equipment/Other	25,705	39,516	10,354	5,813	4,541	56.1%	39,516	31,702	\$7,814	80.2%
Communications	266,617	313,761	93,930	66,342	27,588	70.6%	317,061	288,633	\$28,428	91.0%
Information Technology	591,947	709,573	184,440	234,248	(49,808)	127.0%	709,573	632,953	\$76,620	89.2%
Employee Training	194,505	310,509	121,140	35,898	85,242	29.6%	310,509	165,807	\$144,702	53.4%
Misc. Operating Costs	497,393	582,543	269,465	233,495	35,970	86.7%	541,179	571,405	(30,226)	105.6%
Subtotal Operating Costs	\$2,459,190	\$3,173,920	\$1,203,200	\$771,819	\$431,381	64.1%	\$3,173,920	\$2,566,949	\$606,971	80.9%
TOTAL EXPENDITURES	\$29,348,770	\$36,679,909	\$11,236,942	\$8,878,015	\$2,358,927	79.0%	\$36,679,909	\$31,834,239	\$4,845,670	86.8%
EXPENDITURES (OVER) / UNDER REVENUES	\$1,462,496	\$0	(\$5,311,971)	\$385,176	(\$5,697,147)		\$0	\$8,598,549	(\$8,598,549)	

Texas Department of Banking

Overview of Budget Variances for the Fourth Quarter of Fiscal Year 2024 - (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 2024, the first three quarters were reduced by 20%. In the fourth quarter the reduction was increased to 40%, resulting in an overage.

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 from unlicensed 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, 2024 are listed below:

Administrative	10
Examiners	18

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	\$180,350	\$92,464
Development and Training	189,665	34,448
Other Regulatory Activities	20,198	14,883
Non-Employee	5,122	0
Total	\$395,335	\$141,795

In-State Travel – The positive variance is due to: (1) realized efficiencies related to examiner assignments; (2) examiner vacancies; (3) townhall meetings that did not materialize; and (4) planned Headquarters staff travel to regions that did not occur.

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

Professional Fees – The positive variance is due to: (1) lower expenditures than budgeted for investigator fees and (2) fees for a State Auditor's Office audit, IT related work, and architect services that did not materialize.

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

Office Utilities – The negative variance is due to higher expenditures than estimated as based on history.

Rent – Building/Space – The positive variance is due to townhall meetings and recruiting events that did not take place.

Rent – Equipment/Other – The positive variance is related to: (1) audio/video equipment for townhall meetings that did not occur and (2) 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 negative variance is due to higher than anticipated Oracle Cloud Infrastructure and computer supplies and accessories costs. This variance was offset by a laptop order that was partially fulfilled and lower than expected Microsoft 365 cloud services expenditures.

Employee Training – The positive variance is due to: (1) training events that were cancelled or not attended as scheduled and (2) courses that are no longer charged for by the training provider.

Misc. Operating Costs – The positive variance is mainly due to lower than anticipated furniture and equipment costs and deferred maintenance expenditures.

TEXAS DEPARTMENT OF BANKING
Liquidity Report
For the Period Ending August 31, 2024

	Actual
Cash at Beginning of Period	\$27,227,187
Revenues Over (Under) Expenditures	385,176
Increase (Decrease) in Payables/Encumbrances	860,834
(Increase) Decrease in Receivables	(374)
Cash at End of Period	<u>\$28,472,824</u>
Reserved Cash Balance:	
Bldg. maintenance/IT	\$0
Long-term facilities planning	10,154,993
Payables (net of receivables)	3,293,350
Lump Sums for Retirements	648,632
Program Funds	0
Other	0
Total Reserved Cash Balance	<u>\$14,096,976</u>
Unreserved Cash Balance:	
Future Operations	<u>14,375,848</u>
Total Unreserved Cash Balance	<u>\$14,375,848</u>
Total Cash Balance	<u>\$28,472,824</u>
Unreserved Cash/FY2025 Monthly Budget	4.33 months

Office of Consumer Credit Commissioner
Operating Statement and Budget Analysis
For the Quarter Ending August 31, 2024

	FY 2023 ACTUAL	FY 2024 BUDGET	QUARTER PERFORMANCE				FY 2024 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	\$ 1,906,361	\$ 2,020,130	\$ 23,704	\$ 25,125	\$ (1,421)	106.0%	\$ 2,020,130	\$ 2,230,988	\$ (210,858)	110.4%
Credit Access Industry	782,040	824,000	29,667	18,900	10,767	63.7%	824,000	901,700	(77,700)	109.4%
MVSF Industry	4,173,413	4,301,370	281,343	166,031	115,312	59.0%	4,301,370	4,301,213	157	100.0%
Pawn	688,941	728,560	529,710	431,376	98,334	81.4%	728,560	732,927	(4,367)	100.6%
Registered Entities	332,080	326,280	23,634	14,620	9,014	61.9%	326,280	350,100	(23,820)	107.3%
Penalties	54,131	-	0	26,762	(26,762)	0.0%	-	50,305	(50,305)	0.0%
Miscellaneous Revenue	590,162	504,000	125,955	190,937	(64,982)	151.6%	504,000	783,106	(279,106)	155.4%
TOTAL REVENUES	\$ 8,527,130	\$ 8,704,340	\$ 1,014,013	\$ 873,751	\$ 140,262	86.2%	\$ 8,704,340	\$ 9,350,339	\$ (645,999)	107.4%
EXPENDITURES										
Personnel Costs										
Employee Compensation	\$ 4,766,803	\$ 5,219,845	\$ 1,361,212	\$ 1,244,124	\$ 117,088	91.4%	\$ 5,219,845	\$ 4,973,604	\$ 246,241	95.3%
Employee Benefits	1,574,293	1,715,710	433,277	402,336	30,941	92.9%	1,715,710	1,627,303	88,407	94.8%
Add'l Health/Retirement	71,261	78,297	19,574	18,147	1,427	92.7%	78,297	73,518	4,779	93.9%
Other Personnel Costs	116,678	123,814	31,427	18,437	12,990	58.7%	123,814	69,457	54,357	56.1%
Subtotal Personnel Costs	\$ 6,529,035	\$ 7,137,666	\$ 1,845,490	\$ 1,683,044	\$ 162,446	91.2%	\$ 7,137,666	\$ 6,743,882	\$ 393,784	94.5%
Travel										
In-State Travel	\$ 516,923	\$ 535,500	\$ 133,875	\$ 173,436	\$ (39,561)	129.6%	\$ 535,500	\$ 518,628	\$ 16,872	96.8%
Out of State - Travel	21,361	26,500	6,625	6,309	316	95.2%	26,500	17,355	9,145	65.5%
Subtotal Travel	\$ 538,284	\$ 562,000	\$ 140,500	\$ 179,745	\$ (39,245)	127.9%	\$ 562,000	\$ 535,983	\$ 26,018	95.4%
Operating Costs										
Professional Services & Fees	\$ 68,617	\$ 87,200	\$ 21,800	\$ 16,411	\$ 5,389	75.3%	\$ 87,200	\$ 40,322	\$ 46,878	46.2%
Consumables	3,748	3,500	875	2,519	(1,644)	287.9%	3,500	6,883	(3,383)	196.7%
Office Utilities	17,738	16,700	4,175	2,403	1,772	57.6%	16,700	16,885	(185)	101.1%
Rent - Building/Space	27,261	6,274	1,000	0	1,000	0.0%	6,274	3,525	2,749	56.2%
Rent - Equipment/Other	2,611	2,800	700	675	25	96.4%	2,800	2,754	46	98.4%
Communications	75,387	79,700	19,925	18,481	1,444	92.8%	79,700	73,294	6,406	92.0%
Information Technology	356,323	512,600	160,770	66,262	94,508	41.2%	512,600	300,663	211,937	58.7%
Employee Training	11,723	26,000	6,500	2,111	4,389	32.5%	26,000	17,349	8,651	66.7%
Misc. Operating Costs	226,774	269,900	67,475	78,383	(10,908)	116.2%	269,900	264,307	5,593	97.9%
Subtotal Operating Costs	\$ 790,183	\$ 1,004,674	\$ 283,220	\$ 187,245	\$ 95,975	66.1%	\$ 1,004,674	\$ 725,982	\$ 278,692	72.3%
TOTAL EXPENDITURES	\$ 7,857,502	\$ 8,704,340	\$ 2,269,210	\$ 2,050,034	\$ 219,176	90.3%	\$ 8,704,340	\$ 8,005,847	\$ 698,493	92.0%
EXPENDITURES (OVER) / UNDER REVENUES	\$ 669,628	\$ -	\$ (1,255,196)	\$ (1,176,283)	\$ (78,914)		\$ -	\$ 1,344,492	\$ (1,344,492)	

Office of Consumer Credit Commissioner

Budget Variance Analysis

For the Quarter Ending August 31, 2024

Revenues: Overall revenues are 107% of the budget.

Consumer Lending (↑10%). The increased revenue is due to late filing fees required to reinstate expired licenses. A significant number of regulated lender licenses were reinstated following the expiration of the renewal period.

Credit Access Industry (↑9%). The positive variance results from more licensees renewing (98%) than anticipated (92%), as well as a large number of transfer applications that were submitted.

Registered Entities (↑7%). The positive variance is due to higher than anticipated revenue collected for registered creditors and refund anticipation loan facilitators. Registered creditors renewed at a higher rate (81%) than anticipated (75%) and submitted more applications than estimated.

Misc Revenue (↑55%). Miscellaneous revenue is comprised primarily of interest earned on fund balances. Due to the continued heightened interest rate environment, these amounts exceeded projections.

Expenditures: Overall expenditures are 92% of the budget.

Expenditure Type	In-State	Out of State	Total
	FY24	FY24	
Regulatory Supervision	426,522	6,234	432,756
Development & Training	89,512	11,121	100,633
Non-Employee	2,594	-	2,594
Total	518,628	17,355	535,983

Professional Services (↓54%). Legal and architectural expenditures were less than anticipated for the year. Expenditures related to architectural services have been deferred to FY25.

Communications (↓8%). Costs for teleconference services, wireless access, and shared building maintenance were less than anticipated. Teleconference services were displaced by other functionality. Negotiations for wireless access resulted in savings from the projected cost.

Information Technology (↓41%). The timing and scope of IT projects and purchases affected the planned expenditures. Automated testing, ALECS change requests, and certain network hardware improvements were budgeted for but were not completed in FY24 due to competing priorities, insufficient capacity to complete and absorb change requests, and technical complexities. A potential retainer for cybersecurity services, if needed, was also budgeted for in FY24 and was not required.

Employee Training Costs (↓33%). Forecasted tuition reimbursements were not fully utilized.

Office of Consumer Credit Commissioner
Liquidity Report
For the Quarter Ending August 31, 2024

	Actual
Cash at Beginning of Period	\$ 15,311,249
Revenues Over (Under) Expenditures	\$ (1,179,282)
Increase (Decrease) in Payables/Encumbrances	\$ 38,009
(Increase) Decrease in Receivables	\$ 1,424
Other source of funds (transfer)	\$ -
Cash at End of Period	\$ 14,171,400

Reserved Cash Balance:	
Building Maintenance/IT	\$ -
Long-term facilities planning	\$ 10,127,245
Payables (net of receivables)	\$ 686,666
Lump sums for Retirements	\$ 263,434
Program Funds	\$ -
Other	\$ -
Total Reserved Cash Balance	\$ 11,077,344

Unreserved Cash Balance:	
Future Operations	\$ 3,094,056
Total Unreserved Cash Balance	\$ 3,094,056

Total Cash Balance	\$ 14,171,400
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Unreserved Cash / FY 2024 Monthly Budget	4.3
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Department of Savings and Mortgage Lending

**Operating Statement and Budget Analysis
For the Quarter Ending August 31, 2024**

	FY2023 ACTUAL	FY 2024 BUDGET	QUARTER PERFORMANCE				FY 2024 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	\$ 4,881,660	\$ 4,767,743	\$ 920,487	\$ 1,133,362	\$ (212,875)	123.1%	\$ 4,767,743	\$ 4,871,914	\$ (104,171)	102.2%
Application Fees	25,900	16,000	5,000	-	5,000	0.0%	16,000	3,800	12,200	23.8%
Mortgage Industry										
Licensing Fees	3,746,460	4,959,195	336,825	348,296	(11,471)	103.4%	4,959,195	4,934,296	24,899	99.5%
Administrative Penalties	117,160	-	-	12,342	(12,342)	0.0%	-	50,100	(50,100)	0.0%
Misc. Revenues	534,825	505,000	128,500	205,948	(77,448)	160.3%	505,000	787,288	(282,288)	155.9%
TOTAL REVENUES	\$ 9,306,004	\$ 10,247,938	\$ 1,390,812	\$ 1,699,948	\$ (309,136)	122.2%	\$ 10,247,938	\$ 10,647,398	\$ (399,460)	103.9%
EXPENDITURES										
Personnel Costs										
Employee Compensation	\$ 5,137,826	\$ 6,347,998	\$ 1,626,624	\$ 1,485,783	\$ 140,841	91.3%	\$ 6,347,998	\$ 5,634,940	\$ 713,058	88.8%
Employee Benefits	1,589,155	1,905,784	495,461	436,880	58,581	88.2%	1,905,784	1,718,341	187,443	90.2%
Add'l Health/Retirement	71,645	93,826	24,197	19,932	4,265	82.4%	93,826	78,812	15,014	84.0%
Other Personnel Costs	217,454	106,393	30,403	23,528	6,875	77.4%	106,393	90,555	15,838	85.1%
Subtotal Personnel Costs	\$ 7,016,079	\$ 8,454,001	\$ 2,176,685	\$ 1,966,123	\$ 210,562	90.3%	\$ 8,454,001	\$ 7,522,648	\$ 931,353	89.0%
Travel										
In-State	\$ 112,501	\$ 108,000	\$ 24,000	\$ 19,322	\$ 4,678	80.5%	\$ 108,000	\$ 121,221	\$ (13,221)	112.2%
Out-of-State	15,297	42,000	15,000	11,623	3,377	77.5%	42,000	35,614	6,386	84.8%
Subtotal Travel	\$ 127,797	\$ 150,000	\$ 39,000	\$ 30,945	\$ 8,055	79.3%	\$ 150,000	\$ 156,835	\$ (6,835)	104.6%
Operating Costs										
Professional Services	\$ 72,408	\$ 90,039	\$ 52,300	\$ 15,900	\$ 36,400	30.4%	\$ 90,039	\$ 49,708	\$ 40,331	55.2%
Consumables	6,532	8,500	2,125	945	1,180	44.5%	8,500	5,790	2,710	68.1%
Office Utilities	14,574	13,114	3,484	4,723	(1,239)	135.6%	13,114	14,555	(1,441)	111.0%
Rent - Space & Equipment	6,882	11,500	1,000	40	960	4.0%	11,500	8,656	2,844	75.3%
Communications	93,889	100,365	17,874	18,855	(981)	105.5%	100,365	98,464	1,901	98.1%
Information Technology	241,521	336,210	115,300	111,140	4,160	96.4%	336,210	315,713	20,497	93.9%
Employee Training	31,604	68,000	17,000	9,402	7,598	55.3%	68,000	59,161	8,839	87.0%
Misc. Operating Costs	112,081	140,483	52,489	54,390	(1,901)	103.6%	140,483	125,296	15,187	89.2%
Subtotal Operating Costs	\$ 579,491	\$ 768,211	\$ 261,572	\$ 215,394	\$ 46,178	82.3%	\$ 768,211	\$ 677,343	\$ 90,868	88.2%
TOTAL EXPENDITURES	\$ 7,723,367	\$ 9,372,212	\$ 2,477,257	\$ 2,212,461	\$ 264,796	89.3%	\$ 9,372,212	\$ 8,356,826	\$ 1,015,386	89.2%
EXPENDITURES (OVER)/ UNDER REVENUES	\$ 1,582,637	\$ 875,726	\$ (1,086,445)	\$ (512,513)	\$ (573,932)		\$ 875,726	\$ 2,290,572	\$ (1,414,846)	

Department of Savings and Mortgage Lending

Budget Variance Analysis

For the Quarter Ending August 31, 2024

Revenues: Overall revenues are 3.9% over budget.

Thrift Application Fees – Amounts collected are 23.8% of budget due to lower application activity year-to-date.

Miscellaneous Revenues – Actual amounts are significantly over budget, due to an increase of the collected depository interest.

Expenditures: Overall expenditures are 10.8% under budget.

Personnel Costs – The category is 11.0% under budget due to unfilled vacancies.

Travel – Travel costs incurred are 4.6% over budget due to the higher volume of travel to exam locations and training events.

Travel Breakdown – FY24			
Category	In-State	Out-of-State	Total
Regulation and Supervision	\$80,467.39	\$180.84	\$80,648.23
Development and Training	37,682.45	35,432.97	73,115.42
Other Regulatory Activities	315.00	0.00	315.00
Non-Employee Travel	2,756.44	0.00	2,756.44
Total	\$121,221.28	\$35,613.81	\$156,835.09

Professional Services – The category is 44.8% under budget and is impacted by lower than budgeted professional building related services and legal fees.

Information Technology – Actual costs are 6.1% under budget due to reduced spending for new employees' equipment.

Employee Training – The category is 13.0% under budget due to unfilled vacancies.

Miscellaneous Operating Costs – The category is 11.8% under budget mainly due to lower than budgeted costs for maintenance and repairs of the building, and other contracted services.

Department of Savings and Mortgage Lending

Liquidity Report For the Quarter Ending August 31, 2024

	ACTUAL
Cash at Beginning of Period	\$ 15,672,669
Revenues Over (Under) Expenditures	(512,513)
Increase (Decrease) in Payables	122,656
(Increase) Decrease in Receivables	(5,659)
Cash at End of Period	\$ 15,277,153
Reserved Cash Balance:	
Bldg. maintenance/IT	\$ -
Long-term facilities planning	10,162,015
Payables (net of receivables)	816,399
Lump Sums for Retirements	223,371
Program Funds	-
Other	-
Total Reserved Cash Balance	\$ 11,201,785
Unreserved Cash Balance:	
Future Operations	\$ 4,075,368
Total Unreserved Cash Balance	\$ 4,075,368
Total Cash Balance	\$ 15,277,153
Unreserved Cash/FY2025 Monthly Budget	4.75 months



Texas Financial Education Endowment (TFEE)

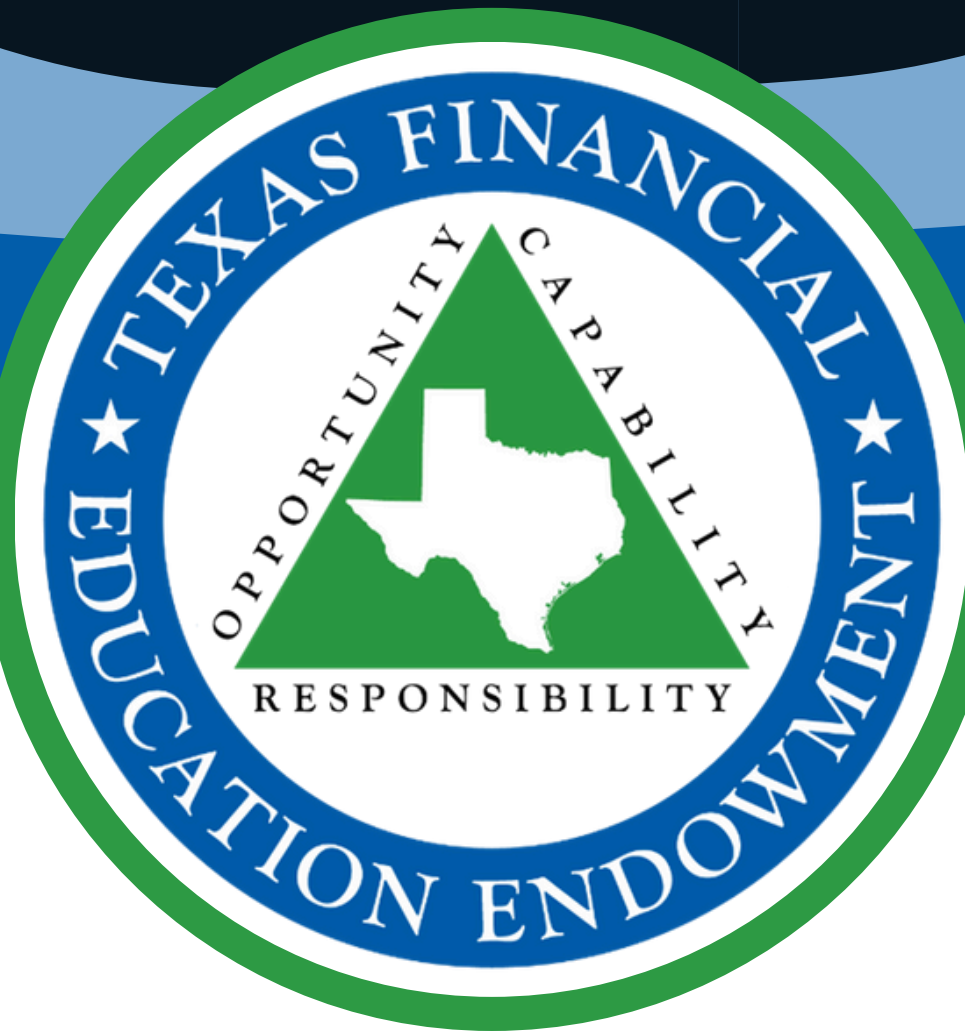
TFEE Report – October 25, 2024

ACTIVITIES RELATING TO THE TEXAS FINANCIAL ENDOWMENT FUND

The OCCC is pleased to introduce Treshayla Wilson, who joined the agency as the new TFEE Grant Coordinator in September. She is currently in training and working with agency staff to learn TFEE policies, procedures, and reimbursements guidelines.


The first period semi-annual report has been published for TFEE's 2024-2025 grant cycle. It is available for review at www.tfee.texas.gov and also follows this report. During the first semi-annual period, grant recipients were reimbursed a total of \$113,897.06. Second period semi-annual reports and reimbursement requests are due in January 2025.

Also included in this packet is the 2022-2023 TFEE Grant Impact Report. The Impact Report is a summary report of the program and outcomes reported over the entirety of the 2022-2023 grant cycle.



2024-2025 GRANT CYCLE

SEMI-ANNUAL REPORT NO.1
JANUARY 1, 2024 - JUNE 30, 2024



CONTENTS

3.

Grant Administration

4.

2024-2025 Grant Summary

5.

Center for Transforming Lives
Foundation communities

6.

Girl Scouts of Northeast Texas
Grace After Fire

7.

Houston Area Women's Center
My Possibilities

8.

Panhandle Community Services
Pockets Change

9.

RAISE Texas
Region One Education Service
Center



Grant Advisory Committee

Laura Rosen, Consumer Advocate Representative

Roselyn Morris, Finance Commission Representative

Andrea Herrera, Department of Savings and Mortgage Lending

Laura Nassri Warren, Finance Commission Representative

Linda Davis-Demas, Financial Education Consultant

Grant Coordinator

Treshayla Wilson, Office of Consumer Credit Commissioner

2024-2025 TFE Grant Recipients

Center for Transforming Lives

Foundation Communities

Girl Scouts of Northeast Texas

Grace After Fire

Houston Area Women's Center

My Possibilities

Panhandle Community Services

Pockets Change

RAISE Texas

Region One Education Service Center

Financial Coaching

Adult Financial Education & Capability

K-12 Financial Education & Capability

Adult Financial Education & Capability

Financial Coaching

Adult Financial Education & Capability

Adult Financial Education & Capability

K-12 Financial Education & Capability

Financial Coaching

Adult Financial Education & Capability

2024-2025 Grant Summary

The Texas Financial Education Endowment awarded 10 organizations an aggregate amount of \$735,700 in funds for program activities related to the 2024-2025 grant cycle. These organizations promote and strengthen financial education and capability across Texas.

During the first reporting period (January 1, 2024 – June 30, 2024), grant funds were used to provide more than 2,000 hours of direct financial education training to over 1,900 Texas consumers through group presentations and one-on-one financial coaching sessions.

Amount Awarded	\$735,700
Reimbursement Requests (No.1 January 1, 2024 – June 30, 2024)	
Center for Transforming Lives	\$16,805.36
Foundation Communities	\$18,065.95
Girl Scouts of Northeast Texas	\$5,539.82
Grace After Fire	\$19,748.74
Houston Area Women’s Center	\$13,937.84
My Possibilities	\$5,774.00
Panhandle Community Services	\$0.00
Pockets Change	\$22,631.79
RAISE Texas	\$11,393.56
Region One Education Service Center	\$0.00
Total Requested Amount for Reimbursement No.1:	\$113,897.06
Total Requested Amount to Date:	\$113,897.06
% of Funds Expended to Date:	15.4%
Amount of Funds Remaining:	\$621,802.94

Center for Transforming Lives



The goal of the Center for Transforming Lives Financial Coaching program is to improve the overall short-term and long-term financial health of the participants and their families as evidenced by achieving objectively measured financial indicators. By providing women and families with financial coaching and access to CTL's comprehensive wrap around services, Center for Transforming Lives aims to disrupt the generational cycle of poverty and launch thousands of families upon the path of financial independence.

Center for Transforming Lives' greatest success this reporting period is the participant's ability to create upward mobility for their families through increased income. On average, financial coaching participants increased their monthly income by \$1,500. This was accomplished through 186 hours of one-on-one, client led coaching.



Foundation Communities



The purpose of Foundation Communities (FC) Financial Wellness programming is to provide low-income clients and their families with tools and support to build and strengthen their financial capability. The Financial Wellness programming is part of FC's Prosper Centers – a larger suite of services that includes Tax Help, College Hub and Health Coverage. Prosper Centers provide free tax preparation, support to enter and finance higher education, and enrollment in affordable health insurance programs, creating a one-stop-shop for services that create pathways toward greater financial health.

In the first reporting period, Foundation Communities provided expertise, support, and resources to 190 participants, with over 310 courses given. FC aimed for 50% of its clients to make progress toward self-identified goals related to debt, credit, saving, and budgeting. The organization surpassed their goal, with 64% of clients making progress during this reporting period.



Girl Scouts of Northeast Texas



The mission of Girl Scouts of Northeast Texas (GSNETX) is to build girls of courage, confidence, and character who make the world a better place. Their financial literacy program is designed to empower girls to take the lead in their lives as they learn about personal finances through age-appropriate activities. GSNETX plans to engage 5,000 girls (in grades K-8) in a comprehensive development program focused on personal financial education. The ultimate goal will be to prepare girls for the future by providing hands-on activities to build skills and knowledge for managing their personal finances.

During the reporting period, GSNETX directly trained 53 individuals through Girl Scout Cookie Rally Curriculum Development. These events focus on budgeting, decision-making, money management and other TEKS-aligned financial literacy topics.



Grace After Fire



Grace After Fire (GAF) recognizes that there is a growing need for assistance overcoming barriers frequently encountered by women veterans. GAF's mission is to provide the means for women veterans to gain knowledge, insight and self-renewal. GAF's goal is to invest in the future of women veterans by giving them a direct path from active duty to transition the whole family into their next chapter in their new community. The organization seeks to provide collaboration with financial educators from FDIC certified professionals to provide financial education through FDIC Money Smart Program.

GAF has processed financial aid for 55 women veterans and their families. The organization has provided 915 direct contact hours through financial education workshops with professionals.



Houston Area Women's Center



The Houston Area Women's Center (HAWC) serves thousands of women, children and families each year escaping domestic violence, sexual assault or sex trafficking. For survivors of domestic violence, financial abuse is the largest barrier to achieving self-sufficiency. The goal of HAWC's Economic Empowerment Program is to advance the financial capability of 225 survivor participants. A key program objective is to support survivors with information and tools to empower them to establish self-determined lives and financial independence, free from violence.

During the first reporting period, HAWC provided financial coaching to 151 clients, with over 385 hours of direct interaction with participants. 100% of these clients successfully created a budget during their coaching session.



My Possibilities



My Possibilities (MP) seeks to pioneer a financial education program for adults with intellectual or developmental disabilities (IDD) and their caregivers. Traditional financial education often falls short in addressing their unique learning needs. MP's program features tailored curriculum, one-on-one support, and caregiver involvement with a focus on essential financial life skills through adaptive learning methods. MP will collaborate with its Employment Innovations School that helps adults with IDD complete vocational training and gain integrated employment at a competitive wage.

Throughout this reporting period, My Possibilities successfully served 62 unique adults with IDD. Additionally, MP developed a comprehensive curriculum designed for a 13-week semester, with each class meeting weekly for 1.5 hours.



Panhandle Community Services



The mission of Panhandle Community Services (PCS) is to work as a community leader and partner in the Texas Panhandle to change the lives of low-income people by bridging the gap from poverty to self-sufficiency. PCS's Financial Empowerment program seeks to provide robust, comprehensive financial education to their predominantly low-income client base across a diverse array of programs, specifically clients within the EITC/VITA tax preparation programs, and in Family Development programs. In conjunction with the Career Coaching program, PCS seeks to serve 150 individuals/families through standalone, robust financial empowerment programs within the first year.

There is no activity to report this period; however, Panhandle Community services is on track to begin its initiatives next reporting phase.



Pockets Change



Pockets Change's mission is to build intergenerational financial resilience with students, families, and educators. Pockets Change believes financial education is about much more than numbers, it's a means for self-care and social justice. In partnership with Here for Good Texas and Morphing Minds, Pockets Change seeks to increase financial education in Texas. Over the grant period, Pockets Change plans to empower a minimum of 400 students through in-person and virtual workshops. Its award-winning Hip Hop & Finance online curriculum and virtual professional development will be accessible to all Texas educators. This program will give Texas students access to personal finance education, impetus to discuss their relationship with money, and incentive to share their feelings with other youth as they prepare songs for the annual Hip Hop FinFest.

Pockets Change anticipated reaching 200 students during the first reporting period and were able to exceed that significantly. They reached 903 students through school programs and community events.



RAISE Texas (RAISE) is a coalition of 1,500 organizations and individuals united around the common goal of advancing equitable policies and programs that foster financial security and economic mobility for low- and moderate-income Texans. With support from TFEU in 2022, RAISE Texas developed a curriculum to help coaches provide individualized support for clients, building financial subject matter expertise along with an understanding of the racial wealth divide, income and wealth inequity, and systemic barriers. This grant will use that curriculum to train 150 financial coaches on Practicing Financial Wellness Through a Cultural Lens and develop, update, and distribute two tools to help consumers navigate short-term loans and credit building.

This reporting cycle, RAISE has offered 10 online training sessions totaling 14 hours of training, including one hybrid in-person and virtual session. They have exceeded their 2024 goal by training 101 financial coaches. RAISE has also distributed an updated credit-building resource designed to help Texans with no credit or poor credit to 52 organizations working to improve financial stability and resilience.



Region One Education Service Center



Region One Education Service Center delivers training and consulting assistance to thousands of educators and provides a wide range of services to local school systems to enhance the education they are providing students at the local level. Through the Region One Money Empowerment program, 1,500+ at-risk college adults and parents will receive financial training. The overall program goal is to assist participants in either reducing credit card/loan debt or improving their credit score within a four-month time frame.

Notable progress includes successful execution of 25 scheduled college classroom visits. Region One successfully reached and provided services to 323 adults all within their targeted demographic. The program encouraged 133 individuals to open savings accounts, promoting financial stability and future planning among participants.





2022-2023 IMPACT REPORT

TEXAS FINANCIAL EDUCATION ENDOWMENT



TABLE OF CONTENTS

About the Endowment.....	3
Grant Administration	4
Grant Priorities & Reporting.....	5
Current Recipients	6
Service Area	7
K-12 Financial Education & Capability Programs	9
Building Financial Capacity Coalition.....	9
FoolProof Foundation	11
Girl Scouts of Northeast Texas.....	12
Adult Financial Education & Capability.....	13
Austin Community College.....	13
Foundation Communities.....	15
Goodwill Central Texas	16
Metrocrest Services	17
Prison Entrepreneurship Program	18
Financial Coaching	19
Easter Seals of Greater Houston.....	20
Family Service Association of San Antonio	21
Houston Area Women’s Center	22
RAISE Texas	23
Endowment Financial Summary.....	24
Looking Ahead	24
2022-2023 Exit Survey Summary.....	Error! Bookmark not defined.

About the Endowment

The Texas Financial Education Endowment (TFEE) was developed under the authority of Chapter 393 of the Texas Finance Code during the 82nd Legislature. In 2023 the Legislature relocated the enabling statute to Section 14.113 of the Texas Finance Code. The statute provides that TFEE will be administered by the Finance Commission of Texas (FC) to support statewide financial capability and consumer credit building activities and programs. Financial capability is a set of consumer behaviors that lead to long-term, tangible improvements in financial health. The TFEE Grant Program funds organizations that strive to increase and promote the financial capability of individuals, encouraging personal financial education and responsibility within the state of Texas.

The TFEE Grant Program was launched on September 3, 2013. The first grant cycle was from January 2014 to December 2015, with a new cycle occurring every two years. This report contains information for the fifth grant cycle, beginning on January 1, 2022, and culminating on December 31, 2023.



Sec. 14.113 TEXAS FINANCIAL EDUCATION
ENDOWMENT. (a) As part of the licensing fee and
procedures described under Subchapter G, Chapter 393,
each credit access business or holder of a credit access
business license shall pay to the commissioner an
annual assessment to improve consumer credit,
financial education, and asset-building opportunities in
this state. The annual assessment may not exceed \$200
for each license as specified by the finance commission.



Grant Administration

TTEE is administered by the FC, along with assistance from the Audit Committee, a Grant Advisory Committee, and a Grant Coordinator. The Audit Committee oversees program development and is responsible for recommending policy amendments and grant funding. The Grant Advisory Committee (GAC) also assists with development, while making program recommendations and evaluating grant proposals. During the 2022-2023 cycle, the GAC consisted of six individuals listed below. All committee appointments were subject to FC approval.



Roselyn "Rosie" Morris, Ph.D.
Finance Commission
Representative, San Marcos



Laura Nassri Warren
Finance Commission
Representative, Palmhurst



Linda Davis-Demas
Vice President of Housing
with BALANCE



Laura Rosen - Consumer
Advocate Representative,
Austin



Andrea Herrera
Legal Assistant, Texas Dept. of
Savings & Mortgage Lending



Ashley Minaudo
Credit Access Business
Representative

Grant Priorities & Reporting

During the 2022-2023 cycle, TFEE funds were awarded to organizations that implemented and prioritized the following:

1. School and youth-based financial education and capability, including teacher training programs that increase educational awareness for youth;
2. Adult financial education, capability, and consumer counseling programs, including train-the-trainer programs that increase educational awareness for adults; and
3. Identify and provide opportunities for individuals to participate in one-on-one financial counseling and coaching programs.

Grant recipients are required to submit semi-annual program reports detailing the number of direct financial education hours provided, the number of program participants receiving that education, and other related information for each semi-annual reporting period. Once the two-year grant cycle is complete, grantees also submit a final, comprehensive impact report for their TFEE program.



Recipients

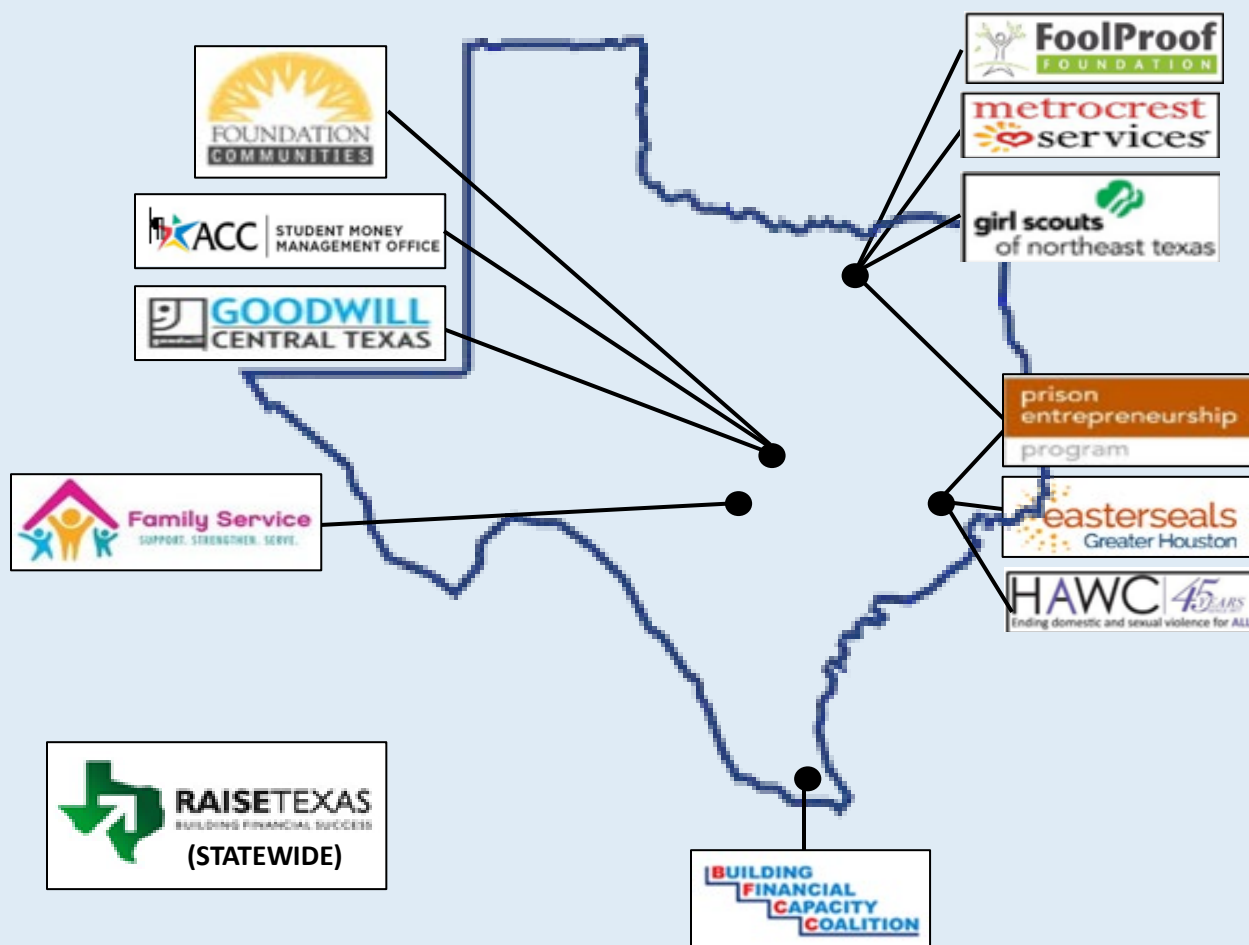
TREE awarded 12 organizations an aggregate amount of \$409,000 in funds for program activities related to the 2022-2023 grant cycle. These organizations promoted and strengthened financial education and capability across Texas.

2022-2023 TREE Grant Recipients

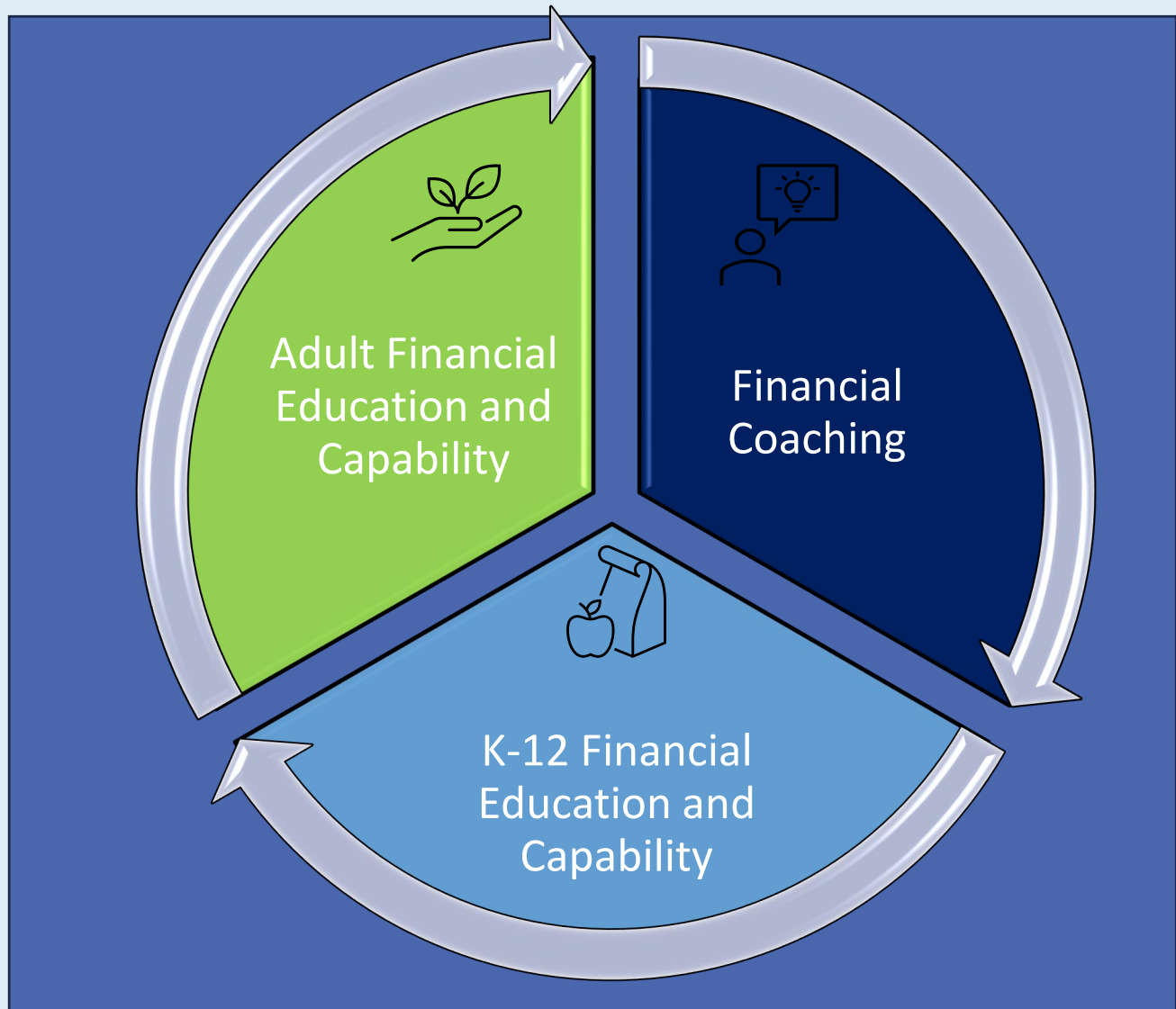
Name of Organization	Category	Term	Award Amount
Building Financial Capacity Coalition	K-12 Financial Education & Capability	2 Years	\$30,000
FoolProof	K-12 Financial Education & Capability	1 Year	\$29,000
Girl Scouts of Northeast Texas	K-12 Financial Education & Capability	2 Years	\$40,000
Austin Community College	Adult Financial Education & Capability	2 Years	\$40,000
Foundation Communities	Adult Financial Education & Capability	2 Years	\$20,000
Goodwill Central Texas	Adult Financial Education & Capability	2 Years	\$40,000
Metrocrest Services	Adult Financial Education & Capability	1 Year	\$20,000
Prison Entrepreneurship Program	Adult Financial Education & Capability	2 Years	\$40,000
Easter Seals of Greater Houston	Financial Coaching	2 Years	\$40,000
Family Service Association of San Antonio	Financial Coaching	2 Years	\$40,000
Houston Area Women's Center	Financial Coaching	2 Years	\$40,000
RAISE Texas	Financial Coaching	1 Year	\$30,000
TOTAL			\$409,000

Service Area

The 2022-2023 TFEE grantees served Texans young and old in both statewide and region-specific programs, including those focused on residents of: Austin, Dallas, Houston, San Antonio, and the Rio Grande Valley areas.



Endowment By Numbers



K-12 Financial Education & Capability Programs

The following three organizations received TFEE funding for K-12 Financial Education and Capability programs during the 2022-2023 grant cycle, providing financial education to nearly 13,000 students.

- Building Financial Capacity Coalition
- FoolProof Foundation
- Girl Scouts of Northeast Texas



Building Financial Capacity Coalition

Overview:

Building Financial Capacity Coalition (BFCC) champions effective financial education for families in the Rio Grande Valley. Its mission is to foster community prosperity by enhancing the knowledge and skills that families need to improve their financial decision-making for both personal and small business finances. The goal of BFCC's Money Smart Ambassador (MSA) Program is to collaborate with local independent school districts (ISD) in helping high school students complete the Train the Trainer curriculum, design and share financial literacy presentations, and participate in a Financial Literacy Summit. BFCC's Labor of Love (LOL) Student Program identifies at-risk students, especially young mothers enrolled in BFCC's participating districts, to participate in classroom trainings, receive guidance through FDIC Money Smart modules, attend job application and resume building workshops, and participate in life skills sessions.



Progress:

BFCC partnered with teacher-mentors at 11 high schools in the Rio Grande Valley area (Brownsville ISD, Harlingen Consolidated ISD, and La Feria ISD) to engage students in the MSA program. The grantee successfully conducted train-the-trainer sessions to help prepare teachers. BFCC also hosted their annual Money Smart Financial Education Summits where students made presentations to an auditorium full of their peers on financial topics ranging from the “Use of Cash Apps vs. Traditional Banking” to the “Impact of the American Dollar on the Global Community”. Financial industry experts judged the presentations, and top performers received monetary awards. Video recordings of each presentation have been shared on participating schools' websites, allowing the financial learning to extend to a much broader audience of students. Labor of Love Financial Education Workshops presented opportunities for at-risk youth to learn how financial topics impact important future decisions. They received valuable information about summer jobs and scholarships and heard from young college students about their own financial journeys. BFCC's programs promoted numerous opportunities for peer-to-peer financial education. Visit <https://www.bfccrgv.com/> for additional information.

Outcomes:



FoolProof Foundation

Overview:

FoolProof Foundation (FoolProof) was created because a 12-year-old boy working three jobs was the only kid in an audience full of adults being counseled on money problems. He was not there with his parents; he was there to learn tips to help his parents and to learn tips to keep him from making the same mistakes his parents had made. Like that boy, about 29 million children in the U.S. are living in a low-income, poor, or deep-poverty family. All of these children and their families are at greater risk for abuses in the financial marketplace. FoolProof's aim has been to develop resources for the under-served to learn consumer skills. FoolProof's goal is to support a comprehensive professional development (PD) program promoting access to financial education for teachers of grades 5-12 located throughout Dallas County. Existing relationships with administrators in Dallas ISD were leveraged to coordinate, plan, and execute four PD sessions, thus onboarding 120 new teachers and increasing curriculum usage in Texas by 2,200 students.



Progress:

FoolProof was awarded \$29,000 for a one-year term. The organization served 2,762 Texas students and provided 1,197 hours of direct contact to 91 teachers/administrators while building relationships throughout the Dallas Independent School District. The group had great success through the first half of the 2022-2023 grant cycle; however, the second half of the year presented a number of challenges due to staff turnover and the lack of designated professional development time provided by the school district. Fortunately, the grantee was able to provide professional development at the end of the year on December 13-14, 2022. These sessions allowed for continued growth of FoolProof's program. In the future, FoolProof plans to focus beyond a single school district, allowing for regional and statewide training events. Such an expansion will minimize the impact on staffing changes and individual district calendars. Visit <https://texas.foolproofme.org/texas> for additional information.

Outcomes:



Girl Scouts of Northeast Texas

Overview:

Girl Scouts of Northeast Texas (GSNETX) provided educational workshops to build a framework for girls in grades K-8 to develop personal financial literacy skills. The curriculum aligned with the Girl Scout processes of girl-led, hands-on and collaborative. At Girl Scouts, the focus is on building girls of courage, confidence, and character who make the world a better place. The program was designed to be delivered through a series of in-person workshops either through in-school or after school settings. The model was also designed to create a "train the teacher/Girl Scout leader" opportunity for engaging adult mentors and volunteers.



Progress:

GSNETX's program made significant strides in fulfilling its mission by supporting girls' development of financial literacy and entrepreneurship skills through their own cookie businesses. Successful annual initiatives, including providing Rally Kits to Service Units and hosting Cookie University along with a Cookie Rally for New Troops, engaged a substantial number of Girl Scouts and enriched their financial literacy and entrepreneurship skills. The challenge of crafting rally kit activities for all ages was overcome by developing multiple versions of activities, and by fostering inclusivity and relevance. Key program learning emphasized actively involving participants in planning, using feedback for improvements, and incorporating experiences of older Girl Scouts for relatable learning. Keeping activity duration to 20-25 minutes ensured engagement and that learning objectives were met. Visit <https://www.gsnetx.org/> for additional information.

Outcomes:



Adult Financial Education & Capability

The following five organizations received TFEE funding for Adult Financial Education and Capability programs during the 2022-2023 grant cycle, serving 3,089 adults through 3,917 hours of direct contact:

- Austin Community College
- Foundation Communities
- Goodwill Central Texas
- Metrocrest Services
- Prison Entrepreneurship Program



Austin Community College

Overview:

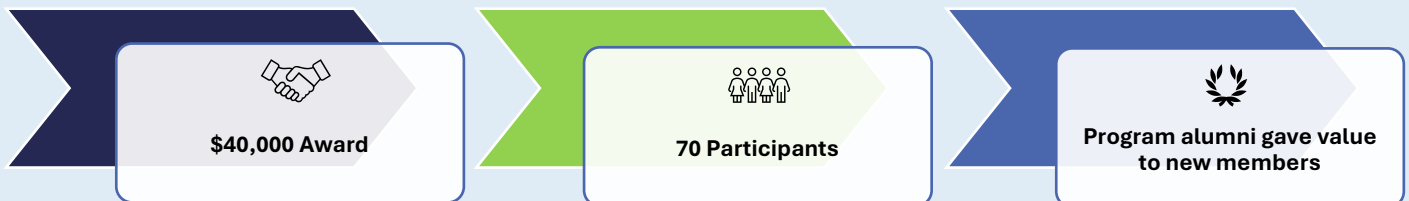
Established in 2016, the Student Money Management Office (SMMO) at Austin Community College (ACC) supports student success by providing comprehensive money management education. SMMO's programs, informed by the principles of student development and behavioral economics, equip students to make well-informed financial decisions especially as it relates to paying for college. This support helps students earn a credential and either enter the workforce or pursue a bachelor's degree. The Gaining Momentum Program (GMP) is an educational initiative designed to financially empower ACC's minority students. GMP provides financial education, coaching, credit building, debt reduction incentives, asset building support, and comprehensive assistance tailored to students' needs. The Gaining Momentum Program was initiated in response to distressingly low 3-year graduation rates among ACC's minority students.



Progress:

The Gaining Momentum Program, introduced in 2022, has yielded significant success, with 70 students completing the program to date. A noteworthy 71% of participants experienced an increase in their financial well-being scores within six months of completing the program, showcasing the program's positive impact on participants' overall financial health. Additionally, an impressive 85% of students who successfully completed the program were either graduates or actively enrolled in courses 6-12 months after program completion, indicating sustained engagement with their academic journey. Furthermore, the program facilitated the opening of 49 accounts at University Federal Credit Union during the Academic Year 2023, underscoring the program's role in encouraging students to take practical steps towards financial stability. Visit <https://students.austincc.edu/money/> for additional information.

Outcomes:



Foundation Communities

Overview:

Foundation Communities (FC) is an affordable housing organization that is deeply committed to the “housing + services” model. FC owns and manages 28 attractive, safe, and affordable housing communities in Austin and North Texas. The organization provides on-site support services in the areas of education, financial stability, and health. Additionally, FC operates two Prosper Centers that provide financial stability services to its residents and the community at large. The mission of the Prosper Centers is to provide expertise, support, and resources that expand access and opportunities for all to thrive. This goal is accomplished through four program areas: tax preparation, health coverage enrollment, college access support, and financial wellness support. An important part of carrying out FC’s mission is the Pathways to Financial Wellness program, supported in part by TFEE. The focus of the Pathways program is one-on-one financial coaching and rent reporting. The combination of individualized goal-attainment support and a credit building tool are a powerful way for FC clients to expand their opportunities and thrive.



Progress:

During the grant period, the Pathways to Financial Wellness program served 843 clients and provided 1,288 financial coaching sessions. An estimated 60% of clients who participated in coaching made progress toward their financial goals. At FC’s housing communities, 296 residents participated in rent reporting across 10 communities. About 60% of participants improved their credit. FC is incredibly proud of the collaborative work done by its staff, volunteers, and clients to achieve these results, and it is grateful to TFEE for supporting the work. Visit <https://foundcom.org/> for additional information.

Outcomes:



Goodwill Central Texas

Overview:

For six decades, Goodwill Central Texas (Goodwill) has relentlessly focused on a single goal, "transforming generations by empowering people through education, career training, and work". Believing that education and work are the only true pathways out of poverty, they seek to provide opportunities for community members facing obstacles to sustainable employment: people with disabilities, people lacking education, people with criminal backgrounds, people facing homelessness, and youth lacking opportunity. The goal of the Goodwill Match Program (Goodmatch) was to assist 60 participants with developing a budget, becoming banked, and building savings. The program leveraged an existing partnership with University Federal Credit Union (UFCU), offering matched and incentivized funds to individuals who met established financial education, goal setting, and saving criteria.



Progress:

The funds provided to Goodwill through the TEFE program assisted 200 Goodwill team members with enhancing their financial literacy. Participants attended sessions and learned how to create a budget with a Goodwill Financial Literacy Trainer. These sessions provided valuable insights into financial planning, helping team members tailor budgets to their unique needs. Team members proactively took part in additional financial literacy classes available on the UFCU mobile app, which covered a wide range of topics, empowering individuals with knowledge on budgeting, saving, investing, and other essential financial skills. Program participants who completed additional financial classes on the UFCU mobile app, received additional incentives, such as a \$25 visa card. Some participants surpassed the \$500 savings target, thus strengthening their financial stability as well as gaining a sense of empowerment and confidence in managing their finances effectively. Visit <https://www.goodwillcentraltexas.org/> for additional information.

Outcomes:



Metrocrest Services

Overview:

For over 50 years, Metrocrest Services (Metrocrest) has offered programs (in Carrollton, Farmers Branch, Addison, Coppell in Dallas County, and Dallas (in Denton County) for individuals, families, and seniors that lead to self-sufficiency and holistically end generational poverty. After helping clients meet their acute, initial needs, Metrocrest works on long-term solutions for moving clients out of poverty through a successful model of bundled programming. The Financial Empowerment component of Metrocrest serves extremely low to low-income residents in its area and is crucial to helping families construct a stable foundation for the future. The program set a goal to serve over 1,000 individuals, specifically through increased credit scores and savings.



Progress:

Financial Education is the core of Metrocrest’s mission while aligning with the Working Family Success Model. Over the grant term, Metrocrest shifted focus primarily to the core financial empowerment families. The families that were engaged continued to see progress in their goals, but they were not able to add more families or class-style education options as hoped. They continued to use best-practice indicators to track, monitor, and evaluate success including Financial Capability Score, savings, debt reduction, and credit score. As costs have risen for housing, food, and other goods, there has been a decrease in the amount their clients were able to reduce debt or increase savings. Part of Metrocrest’s mission is to provide wrap-around services, so we were able to assist families with their increased utility bills or rent. During the grant term, the primary focus has been ensuring families have the tools and ability to pay all household bills. This was completed through providing financial assistance, focusing on a decreasing breakdown, to allow families a slow transition into financial stability. Visit <https://metrocrestservices.org/services/financial-empowerment/> for additional information.

Outcomes:



Prison Entrepreneurship Program

Overview:

Founded in 2004, Prison Entrepreneurship Program (PEP) stands at the intersection of criminal justice reform and economic mobility. Grounded in the beliefs of human dignity, personal responsibility, the dignity of work, and free market capitalism, PEP programs benefit returned citizens who face significant economic and racial barriers of injustice upon release. PEP's model includes pre-release character development and holistic post-release support that encompasses education, employment, transition housing, basic needs, and ongoing entrepreneurship support.



Progress:

PEP has successfully expanded its eSchool initiative. TFEE's funding was very impactful and allowed PEP to serve 1,870 clients over the 2-year grant cycle. Through December 31, 2023 (24 months, 100% of grant period), PEP served 180% of its original 2-year goal. PEP clients adapted well to the use of "real world" stories from both executive business volunteers and their peer community (other returned citizens) with the new format being well received by volunteers. PEP's biggest achievement was extending the curriculum to a new phase with class time, workshops and pitch presentations to executive volunteers. This made the curriculum more tangible to the client and helped build community between PEP clients and volunteers. The new format also provided volunteers the opportunity to serve using their technical skills. PEP's biggest challenge was migrating clients into a traditional financial structure. Many have led a "cash" life, and they are reluctant to leverage the transparency of traditional structures such as checking/savings accounts and credit cards. Visit <https://www.pep.org/results/> for additional information.

Outcomes:



Financial Coaching

The following four organizations received TFEE funding for Financial Coaching programs during the 2022-2023 grant cycle, providing 6,960 adults with 20,409 hours of direct contact:

- Easter Seals Greater Houston
- Family Service Association San Antonio
- Houston Area Women's Center
- RAISE Texas



Easter Seals of Greater Houston

Overview:

Easter Seals of Greater Houston (Easter Seals) has a 75-year history of working with vulnerable populations. Their team includes trainers certified through the U.S. Department of Housing and Urban Development, all of whom are certified financial coaches with extensive experience addressing the unique issues facing low-income families and those stemming from disability. The purpose of the Financial Coaching for Low Income People with Disabilities program is to support financial coaching for Montgomery and Harris County high school and transition-aged youth with disabilities, in addition to low-income people of all ages with a family member in the household who has a disability or is a veteran. With a focus on long-term change, the program's general goals are to increase knowledge, work with clients to set goals, and support clients in improving their financial stability. Specific goals are to help people understand credit and debt, while moving toward building assets and savings.



Progress:

Of the 109 families receiving pre-purchase counseling services, 42 families purchased homes. All families were first-time homebuyers with average household incomes of \$48,000. The families received debt counseling three to six months prior to closing, in an effort to increase assets and credit scores. In addition, 1,827 individuals received financial education or homebuyer's education. Due to interest rate increases, counseling focused first and foremost on debt reduction and on a substantial increase in assets. On average, homebuyer families had total household cash assets of \$800 at initial intake. The real work of successful pre-purchase counseling was based on each client's ability, willingness, and perseverance to follow their agreed-upon counseling plan. Each family who purchased a home received down payment assistance, on average, of \$12,000 per household. As a result of the counseling services, all these families received loans with sustainable mortgage payments that fit comfortably in their household budgets. Visit <https://eastersealshouston.org/housing-classes/> for additional information.

Outcomes:



Family Service Association of San Antonio

Overview:

The Family Service Association of San Antonio (FSA) was founded in 1903 with the mission of empowering individuals and families to transform their lives and strengthen their community. Its Financial Empowerment Center was established over eight years ago and has partnered with such organizations as the City of San Antonio, United Way of San Antonio, and Bexar County, since its inception. The goal of FSA's Financial Empowerment Services (FES) program is to increase economic opportunities for low-income families and individuals. The project was developed to assist participants in overcoming barriers such as minimal educational attainment, insufficient job skills, and ineffective support systems that contribute to a lack of individual employability and perpetuate intergenerational cycles of poverty. The program provided financial capability training through one-on-one financial counseling focused on: reducing debt, increasing credit scores, savings, banking, and wealth building.



Progress:

During the grant term, FSA served clients from age 18 to 65+, with average incomes of \$36,000, and average initial debt of \$27,000. Through the FES program, clients created realistic budgets, reduced debt, increased savings, and increased their credit scores by more than 35 points on average. FSA expects to see continued, similar outcomes among participants in large part owing to its approach of working with each participant to aid them in reaching their personal financial goals. They work with clients in whatever way is most effective for them (e.g. in-person, over the phone, and via email). By pairing financial counseling and coaching with other social services to achieve goals more quickly, effectively, and efficiently, FSA creates a sustainable "Super Vitamin Effect". Its programs focus on reducing debt, increasing credit scores, and increasing mainstream banking outcomes, and other important financial literacy topics. Additionally, its education/job training services component supports the achievement of outcomes such as clients enrolling in and completing job training programs. Visit <https://family-service.org/financial-empowerment-center/> for additional information.

Outcomes:



Houston Area Women's Center

Overview:

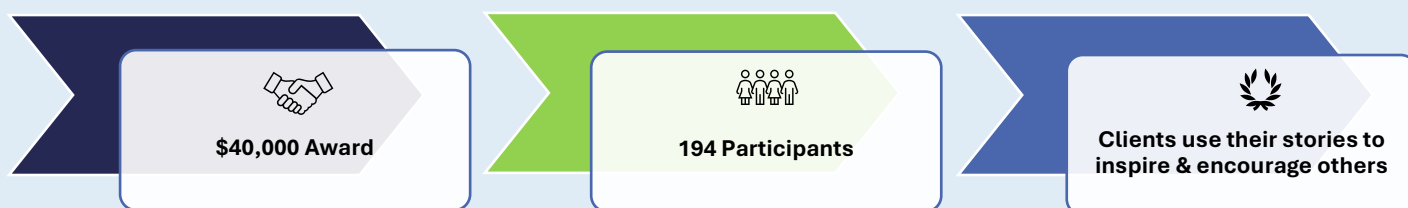
For survivors of domestic violence, financial insecurity is the most significant barrier to leaving abusive situations and achieving self-sufficiency. The Houston Area Women's Center (HAWC) is Houston's largest and most comprehensive service provider and advocates for victims of domestic violence, sexual assault, and sex trafficking. For 45 years, the agency has offered various free and confidential support services to help hundreds of thousands of victims transform into survivors and establish self-determined lives. HAWC provides specialized counseling and psychotherapy, emergency shelter and housing, legal advocacy, case management, and financial empowerment services in safe and secure residential and non-residential settings.



Progress:

HAWC's Financial Empowerment services give survivors the tools to regain confidence and develop financial health. The organization facilitates financial education, literacy, and capability by providing skills, tools and options to achieve a balanced and sustainable financial management approach. This ensures that income covers expenses, savings are adequate for future needs, debts are manageable, and financial goals are on track. The program offers clients the opportunity to participate in financial coaching, matched savings, financial education group training, and career readiness services. HAWC also assists and connects clients with resources to help identify and work towards educational goals or employment, including skills assessment, career planning, financial assistance for education supplies, and other assistance that reduces barriers and aids in financial stability. An example can be seen in the life of "Mary", a survivor of domestic and sexual violence, facing barriers such as language, low self-esteem, trauma, and unemployment. With TFEE's support, Mary is participating in counseling, legal services, and HAWC's Economic Empowerment financial education support group. Mary has regained her self-esteem and is now able to work and support her children. Visit <https://hawc.org/> for additional information.

Outcomes:



RAISE Texas

Overview:

RAISE Texas (RAISE) is a statewide coalition of nonprofits, financial institutions, public agencies, colleges and universities, and community leaders, united around the common goal of building financial security for low and moderate income (LMI) Texans. It is a national innovator of asset-building policies, programs and services designed for LMI Texans. RAISE provides resources and technical expertise to nonprofit organizations and training and professional development opportunities for financial coaches and other nonprofit staff working to promote financial stability. RAISE developed the project on Building Financial Subject Matter Expertise for Financial Coaches from feedback received through the RAISE Texas Financial Coaching Hub and research by the Consumer Financial Protection Bureau that supported the need for a financial coaching curriculum covering core competencies in financial education along with cultural competency.



Progress:

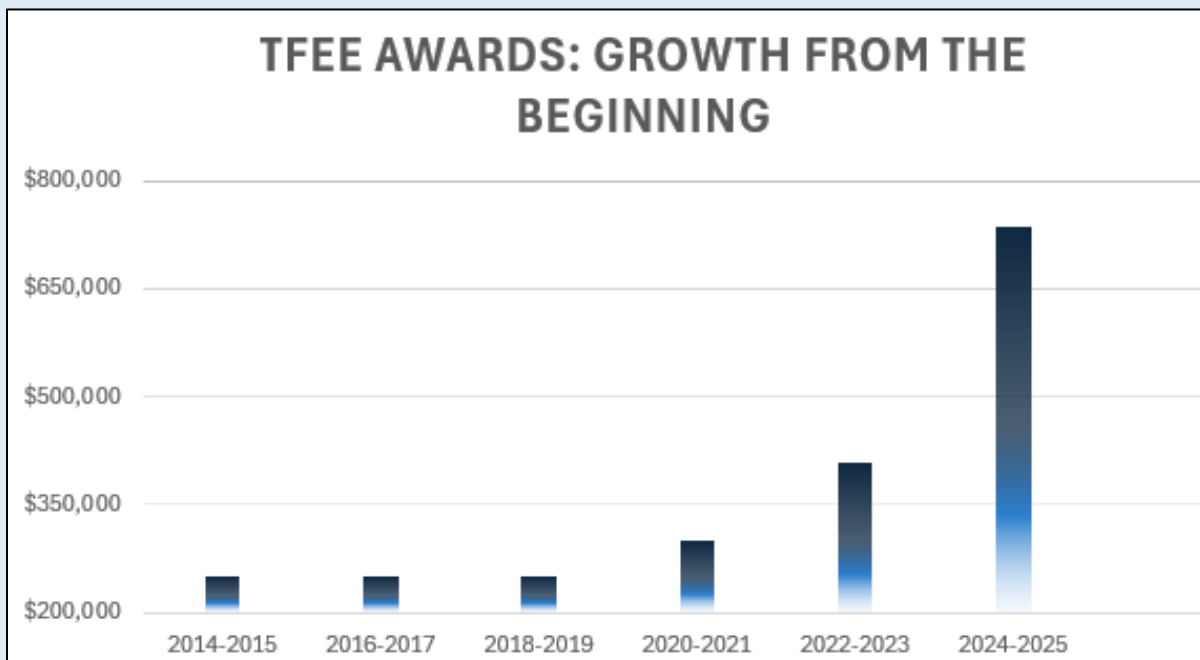
RAISE successfully completed a comprehensive draft of the Financial Core Competencies Curriculum. After sharing the draft with and receiving feedback from a diverse group of financial coaches, RAISE beta-tested the curriculum at an in-person training with 25 financial coaches in the Dallas-Fort Worth area, receiving positive feedback on the value of the curriculum and noting opportunities to improve the content and training experience. Since then, RAISE launched the Practicing Financial Wellness Through a Cultural Lens training series. The course is offered via Zoom to be accessible to financial coaches in all parts of Texas. The 6-part series is designed as a train-the-trainer model to support and enhance the financial coaching field. The current series has participants from 16 organizations across Texas, including nonprofits, banks and credit unions. Post-session surveys show that 100% of the participants would recommend this training to colleagues, and 100% of participants learned new information that they plan to use in their work. Visit <https://raisetexas.org/> for additional information.

Outcomes:



Endowment Financial Summary

The following graphic demonstrates the growth of TFEE awards from inception through the 2024-2025 grant cycle. While the number of grantees per cycle typically ranges from eight to 12 organizations per grant cycle, the aggregate amount of funding awards has grown from \$209,000 in the initial 2014-2015 grant cycle to \$735,700 in the 2024-2025 cycle. During the 2022-2023 cycle, the average grant award per organization was \$34,083.33 and each grant award recipient received an average of \$33,226.25 in total fund disbursements.



Looking Ahead

TFEE saw significant interest during the 2024-2025 application cycle, with submissions coming from previous funding recipients as well as organizations new to TFEE. Ten grantees were awarded a total of \$735,700 with individual awards ranging from \$35,700 to \$90,000. Half of those grantees are previous TFEE award recipients, with most programs spanning two-year terms. Two of these grantee organizations will focus on K-12 financial education and capability, while five others will address adult financial education and capability. The three remaining entities will provide financial coaching to their participants. Several of the programs have a statewide focus, while the others are area-specific in locations such as: Austin, Dallas, Houston, Amarillo, and McAllen. The 2024-2025 grant cycle began on January 1, 2024, and will end on December 31, 2025.

Mortgage Grant Fund Activities Report — September 30, 2024

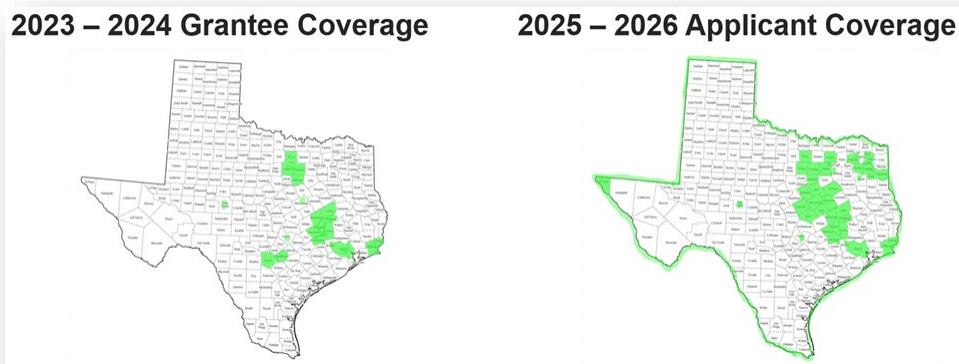
Activities Relating to the Mortgage Grant Fund (MGF)

The 2023-2024 MGF grant cycle concluded its third semi-annual reporting and reimbursement period on June 30, 2024. All grant recipients submitted semi-annual reports, including reimbursement requests, by July 30, 2024. The reimbursements for this period total \$108,378.35.

On August 28, 2024, SML provided Houston Habitat for Humanity, Inc. with a notice of compliance as they successfully complied with the terms of the Noncompliance Action Plan dated April 30, 2024.

SML staff conducted a presentation on the MGF grant program at the TBA Community REinvestment And Trust Enterprise (CREATE) meeting held on August 9th at 10 am. There were 39 attendees and three TBA staff in attendance.

The 2025-2026 grant cycle application period closed on August 30, 2024. We received 21 applications totaling just over \$1.55M. All applications have been processed, and the Mortgage Grant Advisory Committee (MGAC) is reviewing them. Below is a depiction of the coverage area for the 2023-2024 grant cycle grantees and the 2025-2026 grant cycle applicants.



MGF staff created a training presentation on completing the MGF Application Review forms. The presentation, which included embedded videos, was shared with the MGAC members so they could watch it at their convenience. This training was created based on a recommendation made during the recent internal audit.

All MGAC members completed their required annual Conflict of Interest policy acknowledgments in September 2024.

2025-2026 MGF Grant Projected Timeline

June 2024	The MGF application period opened June 24, 2024
August 2024	The MGF application submission deadline was August 30, 2024
September 2024	MGAC Conflict of Interest Forms were completed
September and October 2024	MGAC members are reviewing and scoring applications from September 20 th through October 20 th .
October 2024	MGAC members, the Commissioner, and the Grant Coordinator will meet to discuss and recommend applicants for the 2025-2026 MGF grant cycle.
December 2024	MGF Award Announcements will be made on the MGF webpage
January 2025	Grantee orientation webinar 2025-2026 MGF grant cycle begins