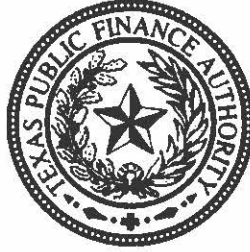


TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

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Ramon Manning, Vice Chair
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Supplemental Summary for the FY 2022 Annual HUB Report for Agency 347

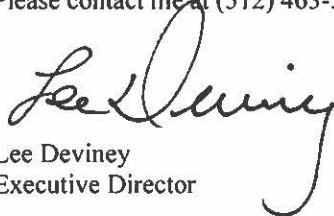
In compliance with Texas Government Code, Chapter 2161, the Board of the Authority has adopted the Comptroller's Statewide HUB Utilization Goals (34 TAC §20.284), as well as more detailed procedures for HUB participation goals in bond issues, in compliance with the published rules. These procedures are included in the Authority's strategic plan and reflected in its bond underwriting policies.

For negotiated bond underwritings approved during the FY 2022-2023 biennium, the Board has selected a pool of sixteen (16) underwriting firms that includes three disadvantaged business enterprise (DBE) firms. Additionally, the Board selected a pool of three (3) Financial Advisors, one (1) of which is a HUB firm. Under the Authority's contracts for legal services for Bond or Disclosure Counsel during the same period, the Board pre-qualified a pool of eight (8) law firms, two (2) of which are HUB's. During FY 2022, the Authority closed a single negotiated bond transaction. In accordance with its procedures for negotiated bond sales, underwriters are selected from the Authority's underwriting pool on a transaction-by-transaction basis. The negotiated bond sale included two (2) DBE firms participating in the underwriting syndicate and received 19.97% of the overall underwriter compensation paid on the transaction. A HUB firm served as disclosure counsel and received 100% of fees paid for disclosure counsel services. Additionally, the financial printer and verification agent were both represented by DBE firms, and each received 100% of the compensation paid for their services. Finally, the Authority selected a DBE firm from its underwriter pool to serve as commercial paper dealer on a new commercial paper program that will close in FY 2023. The Authority reports expenditures related to bond issues to the Bond Review Board on a per issue basis, sixty (60) days after closing.

During FY 2022, \$1,057,530.43 or 93.81% of the Authority's total expenditures were related to Costs of Issuance and the ongoing administration of bonds. These include expenses such as rating agency fees, paying agent fees, verification agent fees, insurance premiums, and arbitrage compliance services to satisfy bond covenants, services that are only available from a few large service providers where HUB and/or DBE firms are not available or lack qualifications to perform required services.

The Authority is committed to purchasing goods and services from certified HUB's and minority-owned businesses and continues to utilize the CPA Central Master Bidders List to locate available HUB vendors. The Authority achieved 12.41% HUB participation from administrative expenditures during this period.

Please contact me at (512) 463-5544 should you have any questions.



Lee Deviney
Executive Director