

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

Billy M. Atkinson, Jr., Chair
Ramon Manning, Vice Chair
Jay A. Riskind, Secretary
Lance S. Etcheverry
Larry G. Holt
Shanda G. Perkins
Benjamin E. Streusand



EXECUTIVE DIRECTOR
Lee Deviney

MAILING ADDRESS:

Post Office Box 12906
Austin, Texas 78711-2906

PHYSICAL ADDRESS:

300 West 15th Street, Suite 411
Austin, Texas 78701

TELEPHONE: (512) 463-5544

FACSIMILE: (512) 463-5501

Supplemental Summary for the FY 2025 Semi-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 2024-2025 biennium, the Board pre-selected a pool of twenty-three (23) underwriting firms that includes eight (8) disadvantaged business enterprise (DBE) firms. Additionally, the Board selected a pool of three (3) financial advisors, one (1) of which is a HUB firm. Also, during FY 2024, the Board issued an RFP for bond counsel services to re-constitute the bond counsel pool for use during the FY 2024-2025 biennium. The Board pre-selected a pool of eight (8) bond counsel firms, two (2) of which are HUB firms. In accordance with its procedures for negotiated bond sales, bond counsel, financial advisor and underwriters are selected from the Authority's respective bond service provider pool on a transaction-by-transaction basis. Vendor selection is based upon demonstrated experience and best value for the state. On the one negotiated bond sale closing during the reporting period, a HUB firm participated as bond counsel and received 34% of the overall bond counsel compensation, the HUB firm participated as financial advisor and received 100% of the overall financial advisor compensation, and 100% of printing services were paid to a DBE firm for financial printing services and received 100% of the compensation paid for their services. Finally, three (3) DBE underwriting firms participated in the underwriting syndicate and received 69% of the total underwriter compensation.

For the first six months of FY 2025, \$450,056.45, or 85.64% 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, 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 providing open and transparent opportunities to purchase goods and services. As part of its process, the Authority continues to utilize the Texas Comptroller's Central Master Bidders List to locate potentially interested vendors, including vendors which qualify as HUB's. During the reporting period, HUB participation amounted to 80.61% with respect to administrative expenditures during this period.

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

Lee Deviney
Executive Director