

**TEXAS PUBLIC FINANCE AUTHORITY**

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# **STRATEGIC PLAN**

## **2025-2029**

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**PROVIDING COST-EFFECTIVE FINANCING  
FOR THE STATE OF TEXAS**

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# STRATEGIC PLAN

FISCAL YEARS 2025 – 2029

BY

## TEXAS PUBLIC FINANCE AUTHORITY

BOARD MEMBER	TERM EXPIRES	HOMETOWN
BILLY M. ATKINSON, JR., CHAIR	FEBRUARY 2023	HUNT
RAMON MANNING, VICE CHAIR	FEBRUARY 2027	HOUSTON
JAY A. RISKIND, SECRETARY	FEBRUARY 2029	AUSTIN
LARRY G. HOLT	FEBRUARY 2027	BRYAN
LANCE S. ETCHEVERRY	FEBRUARY 1, 2025	ATHENS
SHANDA G. PERKINS	FEBRUARY 2025	BURLESON
BENJAMIN E. STREUSAND	FEBRUARY 2025	SPRING

JUNE 1, 2024

SIGNED:

  
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LEE DEVINEY, EXECUTIVE DIRECTOR

APPROVED:

  
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BILLY M. ATKINSON, JR., CHAIR



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# TEXAS PUBLIC FINANCE AUTHORITY

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## AGENCY MISSION

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The mission of the Texas Public Finance Authority (“TPFA” or “Authority”) is to provide the most cost-effective financing available to fund capital projects, equipment acquisitions, and programs as authorized by the Texas Legislature.

### *Main Agency Functions*

The TPFA performs its mission and functions by demonstrating the highest standards of ethics, accountability, efficiency, and transparency. The Authority’s primary functions are to:

1. Actively serve as the central debt issuer to numerous client agencies consisting of state agencies, universities and other organizations included in Exhibit I.
2. Monitor outstanding debt of approximately \$4.15 billion as of June 1, 2024.
3. Evaluate and qualify requests for financing and issue general obligation or revenue debt obligations as authorized by the Legislature and voters of the State of Texas.
4. Pay debt service of approximately \$721 million for general obligation bonds and \$322 million for revenue bonds during the 2024-2025 biennium on debt that was issued, or is expected to be issued, on behalf of client agencies.
5. Monitor bond funds to ensure client agency expenditures are consistent with state and federal requirements.
6. Administer the Master Lease Purchase Program, which provides low cost, financing to state agencies and universities for capital purchases.
7. Provide program, administrative and legal support to the Texas Public Finance Authority Charter School Finance Corporation, which issues debt on behalf of eligible open-enrollment charter schools and administers a credit enhancement program to assist charter schools in financing their facilities.
8. Provide program, administrative and legal support to the Texas Natural Gas Securitization Finance Corporation, which issued Customer Rate Relief Bonds March 23, 2023, to finance certain extraordinary costs incurred by gas utilities related to Winter Storm Uri, pursuant to HB 1520, 87<sup>th</sup> Legislature, R.S.

Because it is authorized to issue debt on behalf of over 27 client agencies, the Authority’s key service populations are other state organizations, and indirectly, the service populations served by those organizations. As part of its external assessment, the Authority conducted a customer satisfaction survey, the results of which are reflected in the Customer Service Report and included as Supplemental Schedule E. Furthermore, because it is one of the primary state bond issuers, the Authority plays a major role in shaping the public finance industry’s perception of the state’s debt issuance practices. The industry includes financial advisors, bond counsel, underwriters, investors, credit analysts, rating agencies and federal regulators. The Authority has led efforts among state bond issuers to lower the costs of issuance such as professional fees and underwriting spreads and to provide opportunities for meaningful participation by disadvantaged business enterprises (“DBEs”) serving as bond counsel, financial advisor and underwriters. The Authority uses its financial expertise and resources to structure and market debt issues to achieve the overall lowest true interest cost for its client agencies and the State of Texas.

### *Organizational and Fiscal Aspects*

#### *Board and Staff*

The Authority is governed by a seven-member Board appointed by the Governor with the advice and consent of the Senate. Current Board members reside in Athens, Austin, Burleson, Bryan, Houston, Spring, and Hunt and have backgrounds practicing law, finance or accounting. The Board meets monthly or when it has business to conduct. The current budget provides funding for ten meetings each year.

The Authority’s human capital is its most significant asset. The Authority is a state agency with an FTE cap of 17.0. The agency is charged with highly technical functions involving the management of billions of public dollars. Further, protection of the State’s credit requires personnel with extensive expertise in finance, accounting, budgeting, information systems and legal matters such as municipal bond and public finance laws, federal regulatory laws, contract administration and employment law. It is essential for the agency to maintain this expertise through recruitment, training, compensation and continuing education to develop broader institutional expertise in municipal debt finance to meet the challenges placed

on bond issuers in a changing financial market and adapt to expanding workload requirements. Authority personnel participated in the Survey of Employee Engagement (SEE) conducted by a group of researchers with the University of Texas. The survey was completed in the late Spring of 2024 with one hundred percent of employee participation. As part of the Strategic Planning process, the Authority has completed a Workforce Plan, which is included as Supplemental Schedule D, where additional results of the SEE will be discussed.

**Budget**

The Authority’s budget consists of two components, agency operations and debt service for General Obligation Bonds.

The Authority’s administrative appropriations for agency operations for the 2024-2025 biennium is \$4,431,211. Similar to other small agencies, the majority of the agency’s budget, approximately 94.4%, is dedicated to salaries and related personnel costs. Also included in the agency’s budget is sufficient funding for informational resources planning that supports both the agency’s administrative operations and the overall mission of the Authority. This budget includes conversion to the State’s data center, enterprise content management (ECM) software upgrades and enhancements to the current ECM system, including records retention programming costs and related annual maintenance. Additionally, sufficient funding is available for the refresh of remaining equipment resources to meet a 5-year replacement cycle, which is a critical need to ensure that staff has access to necessary and reliable equipment to manage its outstanding debt and pay debt service timely. Finally, TPFA’s operating budget provides funding for debt management software, each supporting the management of the agency’s outstanding debt.

Debt service on bonds and other debt obligations issued by the Authority is mostly paid from general revenue. General Obligation Bond Debt Service is appropriated directly to the Authority in provisions contained at the End of Article in various Articles of the General Appropriations Act (“GAA”). These appropriations are summarized in a rider in the Authority’s bill pattern in the GAA and for the 2024-2025 biennium amount to \$719 million.

**EXECUTIVE SUMMARY**

The Authority is pleased to present its Strategic Plan for the FY 2025-2029 period. The board and staff of the Authority are grateful for the continued confidence in the financial services provided by the Authority for the State of Texas.

In its thirty-seven plus years in existence, the Authority has developed expertise in issuing and managing debt authorizations for facilities and equipment financing, and continues to fund complicated and unique programs, including providing the initial layer of funding to support workers’ compensation for the State of Texas, financing unemployment compensation for the Texas Workforce Commission, financing liquidity of the Texas Windstorm Insurance Association, and funding cancer prevention and research project grants for the Cancer Prevention and Research Institute of Texas. Additionally, the Authority provides administrative support to the Texas Public Finance Authority Charter School Finance Corporation issuing conduit revenue bonds for open-enrollment charter schools and administering federal grants that provide debt service reserve enhancements for charter schools.

As reflected in item 8 above, pursuant to HB 1520, 87<sup>th</sup> Legislature, R.S., the Authority established a special purpose entity (SPE), the Texas Natural Gas Securitization Finance Corporation, to issue Customer Rate Relief Bonds to finance certain extraordinary costs incurred by natural gas utilities totaling approximately \$3.5 billion. The Authority will provide administrative and legal support to the SPE during the issuance process and for as long as any bonds are outstanding. This financial undertaking will be the Authority’s largest single financing to date and the largest ever municipal bond issue in Texas, and will require additional resources, both in the form of additional personnel and finances, to administer any SPE outstanding debt. The resources and additional workload required to support existing and recently authorized financing programs and initiatives are reflected in the Authority’s Workforce Plan and will be reflected in the agency’s Legislative Appropriations Request submission for the FY 2026-2027 legislative consideration.



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## EXHIBIT I

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### Texas Public Finance Authority Client Agencies and Debt Financing Programs

#### Client Agencies\*

1. Agriculture, Texas Department of
2. Agriculture Finance Authority, Texas
3. Cancer Prevention and Research Institute of Texas
4. Criminal Justice, Texas Department of
5. Environmental Quality, Texas Commission on (formerly Texas Low-Level Radioactive Waste Disposal Authority)\*\*
6. Facilities Commission, Texas
7. Health and Human Services Commission, Texas
8. Health Services, Texas Department of State
9. Historical Commission, Texas
10. Insurance, Texas Department of \*\*
11. Juvenile Justice Department, Texas (formerly Texas Youth Commission and Texas Juvenile Probation Commission)
12. Midwestern State University\*\*
13. Military Department, Texas (formerly Adjutant General, and Texas Military Facilities Commission)
14. Military Preparedness Commission, Texas (Texas Military Value Revolving Loan Fund)
15. National Research Laboratory Commission, Texas (Superconducting Super Collider Project)\*\*
16. Parks and Wildlife Department, Texas
17. Preservation Board, Texas State\*\*
18. Public Safety, Texas Department of
19. School for the Blind and Visually Impaired, Texas
20. School for the Deaf, Texas
21. State Technical College System, Texas\*
22. Stephen F. Austin State University\*\*
23. Texas Southern University
24. Transportation, Texas Department of
25. Windstorm Insurance Association, Texas\*\*
26. Workers' Compensation Commission, Texas\*\*
27. Workforce Commission, Texas\*\*

#### Active Commercial Paper Programs

1. Revenue (Series 2019A/B) – for Master Lease Purchase Program capital equipment acquisitions, capital improvement projects, and certain building construction projects
2. General Obligation (Series 2009A/B) – for the Cancer Prevention and Research Institute of Texas Grant Program
3. Revenue (Series 2016A/B) – for the Texas Facilities Commission projects authorized by the 84<sup>th</sup> and 86<sup>th</sup> Legislatures

\*The Authority may provide debt issuance services, upon request, by other state agencies or institutions of higher education per TX Gov't Code, chapter 1232.101(b)

\*\*Inactive or no longer outstanding

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## AGENCY OPERATIONAL GOAL AND ACTION PLAN

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The Authority's operational goal is to provide cost effective financing for legislatively authorized programs, capital construction projects and equipment acquisitions for state agencies, universities and other state organizations, as well as public charter schools; monitor outstanding debt in the most efficient manner; maintain the State's "AAA" credit rating; and conduct its business in a manner that is both transparent and open to the public, and performed with the highest ethical standards.

To achieve this goal:

1. The Authority analyzes proposed financings, engages the services of underwriters and other bond service professionals, and issues debt in a manner that is cost effective and provides the lowest cost of borrowing for client agencies and other organizations, as authorized by the legislature;
2. The Authority monitors and manages bond proceeds and services the outstanding debt by making timely payments of principal and interest and complies with both bond covenants to ensure compliance with applicable federal tax and securities laws; and,
3. To ensure that an obligation default, which could adversely affect the State's credit rating, does not occur, the Authority must closely monitor all debt obligations and demonstrate competence in interactions with third party obligors, underwriters, bond counsel, financial advisors, client agencies, and the State's leadership and oversight agencies, to optimize cost effectiveness and efficiency while also minimizing transactional risks.

The Authority will achieve or support each statewide objective as follows:

1. **Accountable to tax and fee payers of Texas.** The Authority supports this statewide objective by conducting its operations in a manner that displays the highest ethical standards, encouraging the personal and professional development of its employees and issuing debt obligations for the state using sound financial management practices.
2. **Efficient such that maximum results are produced with no waste of taxpayer funds, including the elimination of redundant and non-core functions.** The core function of the Authority directly supports this statewide objective as the agency serves as the primary debt issuer for client agencies and possesses the expertise necessary to access financial markets to achieve significant savings for Texas taxpayers. Debt issuance consolidation through the Authority eliminates unnecessary redundant functions and services within each of the Authority's client agencies, resulting in significant cost savings to the State.

As the State's central debt issuer, TPFA has expertise and adaptability to respond to the State's needs to finance both self-supporting and non-self-supporting debt in either general obligation or revenue financing mode as directed by the legislature. Furthermore, the Authority is experienced in financing capital projects, major equipment purchases, public health project grants, unemployment insurance and risk management initiatives.

TPFA's bond fund management activities including the timely and accurate payment of debt service obligations to bond holders. Compliance with bond covenants, Internal Revenue Service and other regulatory authority regulations is essential to the maintenance of the State's "AAA" credit rating and its ability to borrow at the lowest possible cost.

3. **Effective in successfully fulfilling core functions, measuring success in achieving performance measures and implementing plans to continuously improve.** The Authority utilizes a number of financing techniques to manage over \$4.15 billion (as of June 1, 2024) in outstanding debt by issuing either long term fixed rate debt or short term variable rate debt, and by timely refunding outstanding debt to achieve the lowest overall cost of borrowing, which results in debt service savings to the taxpayers of the State.

4. **Providing excellent customer service.** The Authority's customers consist of client agencies on whose behalf the Authority provides financing. The Authority provides the highest quality service to meet the needs of each client agency as validated in its Report on Customer Service.
  
5. **Transparent such that agency actions can be understood by any Texan.** All financing decisions made by the Authority are decided in open meeting, the minutes of which are available on the Authority's website. Further, the Authority's website includes all significant debt related policies and provides links to all offering documents issued since 2000. The Authority also regularly reports information relating to all financings to the Bond Review Board, which publishes such information, along with data from other State debt issuers, in a consolidated and easily understandable format. Additionally, the Authority's bond activity and related offering documents are accessible on the Electronic Municipal Market Access system ("EMMA"), the official repository of the Municipal Securities Rulemaking Board for information on virtually all municipal bonds.

## REDUNDANCIES AND IMPEDIMENTS

Service, Statute, Rule or Regulation (Provide Specific Citation, if applicable)	Describe why the Service, Statute, Rule or Regulation is Resulting in Inefficient or Ineffective Agency Operations	Provide Agency Recommendation for Modification or Elimination	Describe the Estimated Cost Savings or Other Benefit Associated with Recommended Change
<p>GAA, Article IX, Sec. 7.04. Contract Notification: Amounts Greater than \$50,000.</p>	<p>TPFA staff, on behalf of the Board, enters into contracts with bond service providers, pursuant to Gov't Code chapter 1232. TPFA reports bond costs of issue to the Bond Review Board pursuant to Title 34, Part 9, Subchapter A, Rule §181.3, 181.5 and 181.10, including all RFP's for bond service providers. Additionally, all related contracts and invoices for outside counsel are reviewed and approved by the Office of the Attorney General pursuant to Gov't Code section 402.0212(f). The provision in the GAA under the LBB reporting requirements does not include a selection option for TPFA to report bond service provider contracts under Gov't Code chapter 1232.</p>	<p>TPFA enters into contracts with bond service providers pursuant to Gov't Code chapter 1232 rather than Gov't Code chapter 2155.</p>	<p>Eliminates duplicate work efforts and duplicate reporting requirements.</p>
<p>Equal Employment Opportunity Policy, Gov't Code § 2152.109, modified by Gov't Code § 2052.003(d)</p>	<p>Report is not necessary to accomplish the objectives of the statute that contains the reporting requirement. Information is reported under other areas of the Labor Code and reported by the Comptroller.</p>	<p>Both Gov't Code § 2152.109 and Gov't Code § 2052.003 should be repealed; Labor Code § 21.452 should be amended to provide that the Workforce Commission develop and promulgate an equal employment opportunity policy that all state agencies must adopt; and Labor Code § 21.552 should be amended to require that equal employment opportunity information be compiled and reported to the TWC by the Comptroller from the data submitted through the standardized reporting</p>	<p>Eliminates duplicate work efforts.</p>

		of human resource information that is submitted by all state agencies.	
Equal Employment Opportunity Report Required, Labor Code § 21.552	This report is an automatically generated report of human resources information produced by the Comptroller to individual state agencies and subsequently submitted to the Workforce Commission by the Comptroller rather than by each individual state agency.	Amend to reflect the current reporting process of the Comptroller to the Workforce Commission	Reflects current reporting process.
Minority Hiring Practices, Report on (Annual Report), Labor Code § 21.504	There is no report provided directly to the Workforce Commission by each individual state agency. This report is an automatically generated report of human resource information provided by the Comptroller and provided in conjunction with the Equal Employment Opportunity Report.	Amend to reflect the current reporting process of the Comptroller to the Workforce Commission.	Reflects current reporting process.
Health & Safety Code § 388.005 report to State Energy Conservation Office	This reporting requirement duplicates the reporting requirement in Executive Order RP 49.	Amend statute to delete the duplicate reporting. The statutory objective is achieved through Executive Order RP 49.	Eliminates duplicate work efforts and duplicate reporting.
General Appropriations Act limitations related to budget and staffing level	The Authority's funding and staffing levels are established in the General Appropriations Act and are based upon forward looking assumptions of agency workload and staffing needs to meet that assumed workload. However, bond issuance is transactional in nature, the timing of which is dependent on client agency project schedules and new legislative mandates established in the GAA, neither of which can be fully anticipated at the time the agency LAR is submitted.	Restoration of a rider that provides contingency funding for peak agency workload.  TPFA requested restoration of an appropriations rider styled "Contingency Funding for Agency Operations". This rider was not adopted by the 85 <sup>th</sup> Legislature. TPFA also requested similar modifications to Rider 6 "Appropriation and Transfer Authority for Revenue Commercial Paper Programs: Payments and Administrative Fees."	The benefits of having additional flexibility would improve efficiency in responding to client needs and refunding opportunities and allow the Authority to more effectively capture debt service savings at no additional cost to the General Revenue Fund.

	The Authority seeks additional flexibility to self-fund peak staffing and staff expertise to meet peak demand.	TPFA seeks to eliminate an impediment to TPFA's administrative operations, i.e., TPFA receives static funding but the debt issuance workload is dynamic. TPFA requested non-General Revenue funds to provide supplemental funding during peak workload cycles. Subject to TPFA board approval, TPFA will seek this rider language for fiscal years 2024-2025.	
Non-Financial Information Report, Gov't Code § 2101.0115	Contains redundant reporting requirement. A copy of agency's HUB Progress Report which is submitted to Governor pursuant to Gov't Code §2161.124 is also required to be included in the Non-Financial Information Report.	Eliminate duplicate HUB reporting requirement.	Eliminates duplicate work efforts and duplicate reporting requirements.

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## SUPPLEMENTAL SCHEDULES

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- A. Budget Structure – Goals, Objectives and Outcome Measures, Strategies and Output, Efficiency and Explanatory Measures
- B. Performance Measure Definitions
- C. Historically Underutilized Business Plan
- D. Agency Workforce Plan
- E. Report on Customer Service
- F. Cyber Security Training Certification

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## A . BUDGET STRUCTURE

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### AGENCY GOALS, OBJECTIVES, STRATEGIES AND MEASURES - FISCAL YEARS 2026-2027

**Goal A:** To provide financing for capital construction projects and equipment, as authorized by the Legislature, for client agencies to assist them in meeting their goals while ensuring those issuances are accomplished cost effectively and the resulting obligations are monitored and managed in the most efficient manner possible.

<b>Objective A.1.</b>	To provide timely and cost effective funding for client agencies at the lowest possible cost.
<b>Outcome A</b>	Percent of bond debt issues completed within 120 days of request for financing.
<b>Outcome B</b>	Percent of commercial paper debt issues completed within 90 days of request for financing.
<b>Strategy A.1.1.</b>	Analyze and process applications for debt financing submitted by client agencies and issue debt to provide financing in an efficient and cost-effective manner.
<b>Output Measure A</b>	Number of requests for financings approved.
<b>Output Measure B</b>	Total dollar amount of requests for financings approved.
<b>Output Measure C</b>	Total number of new Master Lease Purchase Program lease contracts processed.
<b>Output Measure D</b>	Total dollar amount of new Master Lease Purchase Program lease contracts processed.
<b>Efficiency Measure A</b>	Average issuance cost per \$1,000 of bonds issued.
<b>Efficiency Measure B</b>	Average ongoing commercial paper costs.
<b>Explanatory Measure A</b>	Total issuance costs incurred.
<b>Explanatory Measure B</b>	Total dollar amount of issues.
<b>Explanatory Measure C</b>	Present Value Savings on Refunded Bonds
<b>Objective A.2.</b>	To manage and monitor 100% of bond proceeds and covenants and to pay 100% of the outstanding debt service which is due, on time.
<b>Strategy A.2.1.</b>	Manage bond proceeds and monitor covenants to ensure compliance.
<b>Output Measure A</b>	Number of financial transactions including debt service payments.
<b>Explanatory Measure A</b>	Total number of Master Lease Purchase Program lease contracts managed.
<b>Explanatory Measure B</b>	Total dollar amount of Master Lease Purchase Program lease contracts managed.
<b>Strategy A.2.2.</b>	Make general obligations bond debt service payments on time.



**Goal B:** To maintain the Texas Public Finance Authority’s policy through which purchasing and contracting through historically underutilized businesses will meet or exceed those guidelines and goals promulgated by the Legislature and the Texas Comptroller of Public Accounts.

<b>Objective B.1:</b>	To include historically underutilized businesses at a rate that meets or exceeds the annual procurement utilization goals set forth in the Comptroller's rules, which are adopted and incorporated herein (23.7% for professional services, 26% for other services and 21.1% for commodities contracts).
<b>Outcome A:</b>	Percent of total number of value of purchasing and contracts awarded to HUBs.
<b>Strategy:</b>	<p>Maintain the Authority’s policy of meeting or exceeding state guidelines for HUB purchasing and contracting through actions including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>a. Using the Comptroller's HUB directory to identify HUBs and include them on bid lists and RFP mailing lists</li> <li>b. Including qualified HUBs in the Underwriting Pool for negotiated bond sales</li> <li>c. Requiring bidders on competitive bond sales to make a good faith effort to include HUBs in the syndicate, if a syndicate is formed</li> <li>d. When appropriate, using HUBs as Bond Counsel and Financial Advisor</li> <li>e. When appropriate, using HUBs for other bond issuance services such as printers, verification agents, etc.</li> <li>f. Soliciting bids from HUB firms for administrative purchases</li> <li>g. Seeking to identify firms eligible for HUB certification and, when able, assisting them in becoming certified</li> </ul>
<b>Outputs:</b>	<p>Number of HUB vendors and contractors contacted for bids          Number of HUB purchases and contracts awarded          Dollar value of HUB contracts and purchases          Number of HUB firms submitting competitive bids or participating in syndicates for competitive bid sale of bonds          Number of HUBs included in syndicate for negotiated sale of bonds</p>

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## B. PERFORMANCE MEASURE DEFINITIONS

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**Objective A.1.: To Provide Timely and Cost-Effective Funding for Client Agencies at the Lowest Possible Cost**

<b>Outcome Measure A</b>	<b>Percent of Bond Debt Issues Completed Within 120 Days of Request for Financing</b>
Short Definition:	An issue is considered complete when the bond issue closes and funds are available for the client agency's use. In most circumstances, funding will be provided within 120 days of the approval of a request for financing by the TPFA Board.
Purpose/Importance:	Financing must be accomplished in a timely manner to serve the needs of the client agency.
Source/Collection of Data:	Board minutes (date of Approval of Request for Financing); Bond Documents (closing date).
Method of Calculation:	This measure is calculated by determining, for each initial financing, the number of days between the date the request for financing was approved by the TPFA Board and the date of funding, and then taking the number of issues accomplished within 120 days and dividing it by the total number of issues during the period. The date of board approval is the latter of when the method of sale is determined, and when all service providers are appointed on a transaction
Data Limitations:	The amount of time required to fulfill a request for financing depends on how soon the client agency submits the request for financing, the complexity of the transaction, and market conditions.
Calculation Type:	Non-cumulative
New Measure:	Yes
Desired Performance:	Higher than target

<b>Outcome Measure B</b>	<b>Percent of Commercial Paper Debt Issues Approved Within 90 Days of Request for Financing</b>
Short Definition:	An issue is considered approved when the funds are available for the client agency's use. In most circumstances, funding will be provided within 90 days of the approval of a request for financing by the TPF Board.
Purpose/Importance:	Financing must be accomplished in a timely manner to serve the needs of the client agency.
Source/Collection of Data:	Board minutes (date of Approval of Request for Financing); Bond Review Board Approval Letter.
Method of Calculation:	This measure is calculated by determining, for each commercial paper issue, the number of days between the date the request for financing was approved by the TPF Board and the date of Bond Review Board approval, and then taking the number of issues accomplished within 90 days and dividing it by the total number of issues during the period.
Data Limitations:	The amount of time required to fulfill a request for financing depends on how soon the client agency submits the request for financing, the complexity of the transaction, and market conditions.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than target

**Strategy A.1.1.: Analyze and process applications for debt financing submitted by client agencies and issue debt to provide financing in an efficient and cost effective manner.**

<b>Output Measure A</b>	<b>Number of Requests for Financings Approved</b>
Short Definition:	Actual number of request for financings (for bond issues and commercial paper), refundings, and cash defeasances approved. A financing is approved when the TPF Board votes to approve the request for financing or, if there is no request for financing, selects a method of sale.
Purpose/Importance:	Measures agency activity and workload.
Source/Collection of Data:	Board Minutes, Agency Records, including monthly Staff Report to the Board.
Method of Calculation:	This measure is calculated by totaling the number of requests for financings, defeasances, and refundings approved by the TPF Board, when the method of sale is determined, and when all service providers are appointed on a transaction.
Data Limitations:	The number of issues requested and approved is dependent on the number of financing requests submitted by client agencies and the number of projects approved by the Legislature. The number of refunding bond issues depends on factors including, but not limited to, the interest rate environment and federal tax law.
Calculation Type:	Cumulative
New Measure:	Yes

Desired Performance:	Higher than target
<b>Output Measure B</b>	<b>Total Dollar Amount of Requests for Financings Approved</b>
Short Definition:	Actual dollar amount of requests for financing (for bond issues and commercial paper), refundings, and cash defeasances approved. A financing is approved when the TPFA Board votes to approve the request for financing or, if there is no request for financing, selects a method of sale.
Purpose/Importance:	Measures agency activity, service to client agency, and workload.
Source/Collection of Data:	Board Minutes, Agency Records, including the monthly Staff Report to the Board.
Method of Calculation:	This measure is calculated by totaling the dollar amount of requests for financings, defeasances, and refundings approved.
Data Limitations:	The total dollar amount of requests received and approved is dependent on the amount of requests by client agencies and projects approved by the Legislature.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than target

<b>Output Measure C</b>	<b>Total Number of New Master Lease Purchase Program Lease Contracts Processed</b>
Short Definition:	This measure reflects the total number of new Master Lease Purchase Program lease contracts processed with a related invoice during the reporting period.
Purpose/Importance:	Measures agency activity, service to client agencies, and workload
Source/Collection of Data:	Agency records, Lease Management System Database.
Method of Calculation:	This measure is calculated by totaling the number of new Master Lease Purchase Program lease contracts processed with a related invoice during the reporting period.
Data Limitations:	The total number of new Master Lease Purchase Program lease contracts processed is dependent on the amount of requests by client agencies, projects approved by the Legislature, and client agencies invoicing practices.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than target

<b>Output Measure D</b>	<b>Total Dollar Amount of New Master Lease Purchase Program Lease Contracts Processed</b>
Short Definition:	This measure reflects the total dollar amount of new Master Lease Purchase Program lease contracts processed with a related invoice during the reporting period.
Purpose/Importance:	Measures agency activity, service to client agencies, and workload.
Source/Collection of Data:	Agency records, Lease Management System Database.
Method of Calculation:	This measure is calculated by totaling the dollar amount of new Master Lease Purchase Program lease contracts processed with a related invoice during the reporting period.
Data Limitations:	The total dollar amount of new Master Lease Purchase Program lease contracts processed is dependent on the amount of requests by client agencies and projects approved by the Legislature.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than target

<b>Efficiency Measure A</b>	<b>Average Issuance Cost per \$1,000 of Bonds Issued</b>
Short Definition:	Issuance costs include financial advisory fees, bond counsel fees, printing of official statements, printing of bonds or notes, rating agency fees, trustee fees, paying agent/registrar fees, escrow agent fees, verification agent fees and other miscellaneous costs paid at closing, typically, from bond proceeds.
Purpose/Importance:	Measures cost effectiveness of financing.
Source/Collection of Data:	Invoices from financial advisors, bond counsel, rating agencies and printers, etc., agency accounting records indicating payment of such invoice, Bond Transaction Reports filed with the Bond Review Board.
Method of Calculation:	This measure is calculated by taking the total costs of issuance of all bond issues, excluding commercial paper, and dividing it by the total par amount of all bond issues, in thousands of dollars.
Data Limitations:	The par amount and number of bond issues is dependent on the financing requests received from client agencies and projects approved by the Legislature. Delays in receipt of invoices for costs of issuance.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Lower than target

<b>Efficiency Measure B</b>	<b>Average Ongoing Commercial Paper Cost</b>
Short Definition:	Fees include dealer and/or remarketing agent fees, rating agency fees, liquidity or letter of credit fees, bond counsel and financial advisor and other miscellaneous issuance costs of the program.
Purpose/Importance:	Measures cost effectiveness of financing.
Source/Collection of Data:	Invoices from dealers, remarketing agents, liquidity providers, rating agencies, financial advisors, bond counsel, agency accounting records indicating payment of such invoices and the amount of commercial paper outstanding during the reporting period (commercial paper tracking spreadsheets).
Method of Calculation:	This measure is calculated by dividing ongoing fees related to the commercial paper programs incurred during the period by the weighted average amount of commercial paper outstanding during the same period.
Data Limitations:	Delays in receipt of invoices. The size of program (weighted average amount of commercial paper outstanding) depends on the number of financing requests submitted by client agencies and the number of projects approved by the Legislature.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Lower than target

<b>Explanatory Measure A</b>	<b>Total Issuance Costs Incurred</b>
Short Definition:	Issuance costs include financial advisory fees, bond counsel fees, printing of official statements, printing of bonds or notes, rating agency fees, trustee fees, paying agent/registrar fees, escrow agent fees, verification agent fees and other miscellaneous costs paid at closing, typically from bond proceeds, for all bond issues.
Purpose/Importance:	Measures cost effectiveness of financing.
Source/Collection of Data:	Invoice from financial advisors, bond counsel, rating agencies and printers, etc.; agency accounting records indicating payment of such invoices; Bond Transaction Reports filed with the Bond Review Board.
Method of Calculation:	This measure is calculated by totaling all the issuance costs for all bond issues during the reporting period.
Data Limitations:	Delays in receipt of invoices.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Lower than target

<b>Explanatory Measure B</b>	<b>Total Dollar Amount of Issues</b>
Short Definition:	The total principal amount of all bonds issued during the reporting period.
Purpose/Importance:	Measures agency workload.
Source/Collection of Data:	Agency records, Bond Transcripts.
Method of Calculation:	This measure is calculated by totaling the principal amount of all bonds issued during the reporting period.
Data Limitations:	The par amount and number of bond issues is dependent on the financing requests received from client agencies and projects approved by the Legislature.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than target

<b>Explanatory Measure C</b>	<b>Present Value Savings on Refunded Bonds</b>
Short Definition:	The net present value savings is the dollar amount of the total reduction in debt service, net of issuance costs, accrued interest, cash contributions or reserve fund contributions, discounted at the true interest cost of the refunding bonds.
Purpose/Importance:	Measures cost effectiveness of refunding bond series.
Source/Collection of Data:	Agency Records, Verification Report from Bond Transcript.
Method of Collection:	To express present value savings as a percentage of the refunding transaction, this measure is calculated by dividing the net present value savings (as described in the definition) by the par amount of the refunded bonds. The net present value savings is calculated by the financial advisor or underwriter.
Data Limitations:	Refunding opportunities depend on interest rate environment and federal tax law.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than target

**Objective A.2.: To manage and monitor 100% of bond proceeds and covenants and to pay 100% of the outstanding debt service which is due, on time.**

**Strategy A.2.1.: Manage bond proceeds and monitor covenants to ensure compliance.**

<b>Output Measure A</b>	<b>Number of Financial Transactions Including Debt Service Payments</b>
Short Definition:	Financial transactions include debt service payments, transfers of interest earnings from unappropriated, transfers of interest earnings between bond funds, transfers to client agencies for construction expenditures, transfers from MLPP participatory agencies and other agencies for debt service purposes, and other miscellaneous transactions related to the measure.
Purpose/Importance:	Financial transactions are required to be made to allow for the management of bond proceeds and monitoring of bond covenants. While some of the financial transactions are not specifically stipulated in the bond documents, the transactions must be made to remain in compliance with those documents. Measures agency workload.
Source/Collection of Data:	USAS Accounting Records (Journal Vouchers, Budget Vouchers, Expenditure Vouchers, MLPP Vouchers, Travel Vouchers, Debt Service Payment Vouchers, etc.)
Method of Calculation:	This measure is calculated by totaling the number of financial transactions on each voucher, including debt service payments, processed during the reporting period.
Data Limitations:	The number of financial transactions can be affected by: the number of funds opened, the number of bond issues, the number of projects authorized by the Legislature and the number of requests for financing from client agencies.
Calculation Type:	Cumulative
New Measure:	No
Desired Performance:	Higher than target



<b>Explanatory Measure A</b>	<b>Total Number of Master Lease Purchase Program Lease Contracts Managed</b>
Short Definition:	This measure reflects the total number of active Master Lease Purchase Program leases with a related invoice as of the last day of the reporting period.
Purpose/Importance:	Measures agency activity and workload.
Source/Collection of Data:	Agency records, Lease Management System database.
Method of Calculation:	This measure is calculated by totaling the number of active Master Lease Purchase Program lease contracts managed with a related invoice on the last day of reporting period.
Data Limitations:	The number of active Master Lease Purchase Program leases is determined by client agency requests and legislative appropriation.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than target

<b>Explanatory Measure B</b>	<b>Total Dollar Amount of Master Lease Purchase Program Lease Contracts Managed</b>
Short Definition:	This measure reflects the total dollar amount of active Master Lease Purchase Program lease contracts managed with a related invoice.
Purpose/Importance:	Measures agency activity and workload.
Source/Collection of Data:	Agency records, Lease Management System database.
Method of Calculation:	This measure is calculated by totaling the dollar amount of Master Lease Purchase Program lease contracts managed with a related invoice as of the last day of the reporting period.
Data Limitations:	The total dollar amount of Master Lease Purchase Program lease contracts processed is dependent on the amount of requests by client agencies and approved by the Legislature.
Calculation Type:	Non-cumulative
New Measure:	No
Desired Performance:	Higher than target

**Strategy A.2.2.: Make General Obligation Bond Debt Service Payments on Time.**

## C. HISTORICALLY UNDERUTILIZED BUSINESS PLAN

In compliance with Texas Government Code, Chapter 2161, the Board of the Authority has adopted the Comptroller’s statewide Historically Underutilized Business (“HUB”) goals for the procurement categories for the State of Texas, as well as more detailed procedures for HUB participation goals. This includes the use of HUBs and disadvantaged business enterprises (“DBEs”) participating in the bond issuance process as bond service providers, serving in such roles as financial advisors, bond counsel, financial printers, and bond underwriters, as well as in the agency’s day-to-day administrative procurements. It is the Authority’s policy to meet or exceed the guidelines promulgated by the Legislature and the Comptroller regarding the use of HUBs.

The Authority’s HUB Goals, Objectives and Strategies are included in the agency’s Supplemental Schedule A - Budget Structure. Below are the Board adopted HUB goals for the next five years for meeting or exceeding the statewide goals.

<b>HUB PROCUREMENT CATEGORIES</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
Professional Services	23.70%	23.70%	23.70%	23.70%	23.70%
Other Services	26.00%	26.00%	26.00%	26.00%	26.00%
Commodities	21.10%	21.10%	21.10%	21.10%	21.10%

### **HUB Assessment Report**

The following complies with the internal assessment and evaluation on the utilization of HUBs, including the agency’s efforts of the previous two fiscal years and to increase HUB participation, pursuant to H.B. 1, 88<sup>th</sup> Legislature, R.S., Article IX, Sections 7.06 and 7.07.

<b>HUB Procurement Categories</b>	<b>Statewide HUB Goals</b>	<b>HUB Expenditures for FY 2022</b>		<b>HUB Expenditures for FY 2023</b>	
Heavy Construction*	11.20%	0.00%	\$0.00	0.00%	\$0.00
Building Construction*	21.10%	0.00%	\$0.00	0.00%	\$0.00
Special Trade Construction*	32.90%	0.00%	\$0.00	0.00%	\$0.00
Professional Services	23.70%	0.00%	\$0.00	0.00%	\$0.00
Other Services	26.00%	9.87%	\$61,660	0.04%	\$200
Commodities	21.10%	44.64%	\$8,656	46.82%	\$6,042
<b>Total Expenditures</b>		<b>6.19%</b>	<b>\$70,315</b>	<b>.81%</b>	<b>\$6,241</b>

\*TPFA has no procurements under this category

### ***Attainment***

In FY 2022 and FY 2023, the Authority achieved its HUB attainment goal in one of the three HUB Procurement Categories, Commodities, by exceeding the 21.10% goal in FY 2022 with 44.64% and in FY 2023 with 46.82% of overall expenditures with HUBs.

In addition to expenditures reported in the table above, significant amounts of underwriting fees were paid to DBEs and/or HUBs in both FY 2022 and FY 2023. Because underwriting fees are paid from bond proceeds rather than from Treasury funds, those amounts are not reflected in the table above under Professional Services.

### ***Factors Affecting Attainment***

In the Professional Services and Other Services categories in Fiscal Years 2022 and 2023, the agency made large expenditures related to the issuance and ongoing administration of bond issues to service industries where very few HUB firms are available. These industries include paying agents, commercial banks, rating agencies and property and casualty insurance companies. As noted, underwriting fees, which are paid to DBE’s and/or HUBs, are not reflected in the expenditures above, as these fees are netted from bond proceeds prior to the deposit of funds into the State Treasury.

### ***Good Faith Efforts***

The Authority makes a good faith effort to utilize HUBs in the procurement process of all goods and services whenever applicable. The Authority issues RFPs to pre-qualify firms for inclusion in bond service provider pools for underwriter, bond counsel and financial advisor and the Authority invites the limited number of qualified HUB firms to submit proposals to provide these services. In addition to these good faith efforts, the Authority will not participate in any programs, nor will it conduct business with any entity that is found to knowingly discriminate against persons on the basis of race, color, gender, age, national origin, citizenship, genetic information, religion, veteran status, or physical or mental disability.

During the 2022-2023 biennium, the Board selected a pool of highly qualified service providers for underwriters, bond counsel and financial advisors. The underwriting pool is comprised of sixteen (16) firms, including three (3) DBEs; a pre-qualified bond counsel pool of eight (8) law firms, two (2) of which are HUBs; and the Board selected a pool of three (3) financial advisors, one (1) of which is a HUB firm. 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. During FY 2023, the Authority closed two (2) negotiated bond transactions. On one negotiated bond sale closing during this reporting period, two (2) DBE firms participated in the underwriting syndicate and received 75% of the overall underwriter compensation and on the second transaction, one (1) DBE firm participated in the underwriting syndicate and received 45.05% of the overall underwriter compensation paid. A HUB firm served as disclosure counsel on one (1) negotiated transaction and received 100% of legal fees paid for disclosure counsel services. Additionally, 100% of printing services were paid to a DBE firm for financial printing services on both transactions and received 100% of the compensation paid for their services, on each transaction.

The Authority will continue to make the following good faith efforts to comply with statewide HUB procurement goals contained in 34 TAC 20.13:

- a) Include HUBs and other DBEs in the underwriting pool for negotiated bond transactions;
- b) Require all bidders to make a good faith effort to include HUBs and other DBEs in an underwriting syndicate on competitive sales; and,
- c) Require firms responding to solicitations for bond counsel, underwriter, financial advisor, and arbitrage rebate services to provide demographic information about the firm's workforce and equal opportunity employment policies.

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## D. TEXAS PUBLIC FINANCE AUTHORITY WORKFORCE PLAN

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### **I. Agency Overview**

The Texas Public Finance Authority (the "Authority") was created by the Legislature in 1983 as the "Texas Public Building Authority" (Art. 601d, VTCS, now codified as Chapter 1232, Texas Government Code). The initial purpose of the Public Building Authority was to issue revenue bonds to provide funding for the construction and renovation of office buildings in Travis County, to relieve the State's reliance on leased space. The agency's mission was expanded in 1987 in response to the State's need to rapidly increase its prison, youth correction, and mental health facilities through the issuance of general obligation bonds. Also in 1987, the Legislature authorized the use of revenue bonds to purchase existing office buildings, if the purchase price was found to be less than the cost of comparable construction. The name of the agency was changed by the Legislature at that time, to reflect the Authority's expanded responsibilities.

Since its inception, the scope of the Authority's functions has increased significantly. In 1987, forty-two State agencies were authorized to issue bonds. There was little or no coordination among these various issuers regarding market access, structuring of documents or standards regarding the hiring of professional consultants. Consolidation of bond issuance authority was first mandated by the Legislature in 1991 and further consolidation of debt issuance, much of it through the Authority, has continued. At this time, approximately twenty state agencies and institutions of higher education are authorized to issue debt, including the Authority, which has issued debt on behalf of over twenty-seven different organizations.

In May 2023, the Authority created the Texas Public Finance Authority Charter School Finance Corporation (the "TPFA CSFC"), a public nonprofit corporation existing as an instrumentality of the State of Texas, pursuant Texas Education Code, Section 53.351, to issue revenue bonds on behalf of eligible Texas charter schools for financing or refinancing educational facilities. Additionally, the Authority created the Texas Natural Gas Securitization Finance Corporation (the "TNGSFC"), a Texas nonprofit corporation, duly constituted public authority and instrumentality of the State of Texas, HB 1520, 87<sup>th</sup> Legislature, R.S. to issue debt to securitize the extraordinary costs of certain gas incurred during Winter Storm Uri. The Authority provides ongoing administrative support to both the TPFA CSFC and the TNGSFC.

With the increase in scope of work, the Authority's workforce also has increased from only one employee at its inception to 17 FTEs authorized for the current fiscal year. All Authority personnel are located in the William P. Clements, Jr. State Office Building in Austin. A copy of the Authority's organizational chart illustrating the Authority's structure is included as Appendix A.

#### **A. Agency Mission**

***The mission of the Texas Public Finance Authority is to provide the most cost-effective financing available to fund capital projects, equipment acquisitions, and programs as authorized by the Texas Legislature.***

#### **B. Strategic Goals and Objectives**

The primary functions of the Authority are identified in three strategies. **Analyze Financings and Issue Debt** includes the issuance of debt to satisfy financing requests from client agencies. This strategy is supported by the Executive Director, General Counsel, Deputy Director, Director of Business Administration and Financial Analysts. **Manage Bond Proceeds** includes ongoing debt administration such as payment of debt service, and monitoring bond proceeds for IRS tax compliance. This strategy is supported by all Authority staff. **Bond Debt Service Payments** is directly administered through the bond management function.

Below are the Authority's goals and objectives.

	<b>Analyze Financings and Issue Debt</b>
<b>Objective A.1.</b>	<ul style="list-style-type: none"> <li>To provide timely and cost-effective funding for client agencies at the lowest possible cost.</li> </ul>
<b>Strategy A.1.1.</b>	<ul style="list-style-type: none"> <li>Analyze and process applications for debt financing submitted by client agencies and issue debt to provide financing in an efficient and cost-effective manner.</li> </ul>
	<b>Manage Bond Proceeds</b>
<b>Objective A.2.</b>	<ul style="list-style-type: none"> <li>To manage and monitor 100% of bond proceeds and covenants and to pay 100% of the outstanding debt service, which is due, on time.</li> </ul>
<b>Strategy A.2.1.</b>	<ul style="list-style-type: none"> <li>Manage bond proceeds and monitor covenants to ensure compliance.</li> </ul>
	<b>Bond Debt Service Payments</b>
<b>Strategy A.2.2.</b>	<ul style="list-style-type: none"> <li>Make general obligation bond debt service payments on time.</li> </ul>

**C. Anticipated Changes in Strategies**

The Authority does not anticipate a change in strategies unless in response to future legislative action. Over time, the Authority has experienced an increase in the number, and total dollar amount, of requests for financing as a result of new financing programs authorized by the Legislature. Accordingly, the Authority has organized staff functions to administer the requests for financing, make subsequent debt service payments, and undertake the necessary ongoing debt administration and monitoring required by these programs.

**II. Current Workforce Profile (Supply Analysis)**

**A. Critical Workforce Skills**

The Authority is fortunate to have personnel with extensive expertise in finance, accounting, budgeting, information systems, contracting, and legal issues. It is important for the Authority to maintain this expertise through training and continuing education, and to develop comprehensive and technically proficient staff in municipal finance to meet the challenges in the global financial market. Staff must be able to access, analyze and evaluate the same information that is available to experts in private industry in order to provide the Authority’s board of directors with sound financial advice for debt issuances and to ensure financings strictly conform to state guidelines and federal tax and securities law. Information technology has an increasing role in the Authority’s day-to-day operations, particularly in the areas of debt issuance and post issuance monitoring and compliance. While technology may help lessen certain burdens on staff resources, additional training must be dedicated to this area to ensure that staff may be efficient and proficient in the use of automated tools.

**B. Workforce Diversity**

The following chart illustrates the agency’s workforce diversity as compared to the statewide agency workforce. The Authority makes every effort to recruit, hire and retain a qualified workforce and provides equal opportunities for employment, without regard to race, religion, color, national origin, citizenship, genetic information, sex, age, veteran status, or disability.

TPFA EEO Job Category	Workforce Diversity								
	African American		Hispanic American		Female		Other		
	TPFA	State*	TPFA	State*	TPFA	State*	TPFA	State*	TPFA
Officials/Administrators	27%	12.9%	0%	16.2%	25%	57.2%	25%	13.9%	0%
Professionals	73%	11.5%	9%	17.8%	18%	58.5%	45%	22.6%	9%

\*Sourced from the Texas Workforce Commission’s (TWC) Hiring Practices and Equal Employment Opportunity Report FY 2021-22

Furthermore, the Authority is committed to recruiting and retaining qualified, highly skilled, professionals to fill vacant positions with individuals that enhance and complement the agency’s current workforce skills, while also addressing future goals to fill potential workforce gaps.

### C. Employee Turnover

Turnover is an important issue in any organization but can be especially critical in a small agency where staff performs multiple responsibilities across many functional areas. Vacancies offer an opportunity for an agency to evaluate the organization's functions and staff resources, to provide new challenges and motivate remaining employees, and to maximize limited resources for salaries and compensation.

In the last five years, the Authority experienced turnover of two financial analysts, a systems analyst, a budget analyst, a director, and an executive assistant. TPFA's executive assistant retired and moved out-of-state. Both financial analysts transferred to other state debt issuers at significantly higher salaries. Similarly, TPFA's budget analyst left for another municipality in closer proximity to their residence and for an increase in pay. The losses of the financial analyst and budget analyst were unexpected as they were each being groomed to fill senior level future staff vacancies. Management has been able to fill vacancies with experienced and skilled personnel and must continue rebuilding its bench with personnel possessing knowledge and critical thinking skills necessary for the agency to continue to perform its mission. The Authority's workforce includes several return-to-work retirees that continue to impart knowledge and expertise to its most recently hired individuals.

In our most recent *Survey of Employee Engagement* results, 85.71 percent of staff plan to continue working for the agency through the next year. Turnover will become especially crucial to the Authority in the next five to 10 years, as over 66.7 percent of its staff will have reached retirement eligibility, depleting the Authority of its most senior employees. To address its aging workforce and limited financial resources, the Authority will continue to 1) utilize each vacancy as an opportunity to reevaluate needs and 2) include outreach to colleges and universities and mid-career candidates having appropriate skills to contribute and develop at the Authority as part of its recruitment plan.

As a small agency, the Authority must remain flexible in its staffing and organizational structure to provide opportunities for staff development, to address the needs of its client agencies and respond to legislative directives, all within limited resources. Several factors may result in further organizational and staffing changes in the next biennium, including: appropriation adjustments, legislative initiatives, retirement eligibility within the existing workforce, and increased monitoring and municipal finance compliance responsibilities.

The graph below compares the Authority's turnover trends to that of the State over a five-year period.



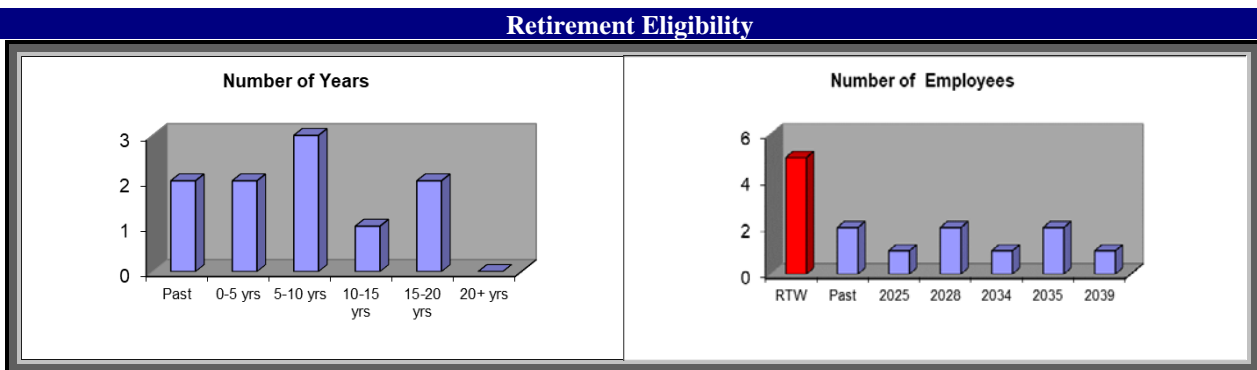
*Note: Statewide turnover includes full-time classified employees as compared to TPFA turnover, which reflects permanent full-time, part-time, classified and exempt employees.*

The Authority has enjoyed the benefit of remaining below the statewide turnover rate in four of the last five years, spiking to 22.7% in FY 2022. The Authority continues to make flexible schedules and remote work opportunities available to staff, and to authorize tuition reimbursement when the budget has allowed. Additionally, TPFA's return to office following the COVID-19 pandemic extended remote work to a 3-2 in office/telework week to retain the existing workforce desiring a more flexible work environment. However, as additional agency personnel reach retirement eligibility and other staff leave for higher salaries, there is little room to offer financial incentives to encourage these employees to stay.

### D. Retirement Eligibility

Since 1998, fourteen of the thirty-eight employment separations were the result of retirement. Retirements of Authority personnel in the next 5 to 10 years will have a significant impact on agency operations, especially as the agency continues to experience low turnover through natural attrition while the tenure of existing staff increases. Currently, 33.3 percent of staff are return-to-work retirees, another 13.3 percent are currently eligible to retire, and another 20 percent of staff can retire in the next five to ten years. As retirements occur, positions may be reclassified to attract new employees who can bring a more advanced skill set, or job duties may be absorbed by remaining employees. Loss of experienced personnel and adding duties to fully engaged staff presents risk. However, reallocating job duties is appropriate when individual staff have the capacity to assume additional duties, thus enhancing their human capital and earnings potential. Given the small size of the agency, it is critical to retain institutional knowledge and expertise through cross-training and mentoring efforts to avoid a loss of resources when separation occurs.

The following charts examine the potential loss of Authority employees due to retirement.



*Note: Retirement estimates based on CAPPs employment history and do not include available leave balances or future leave accruals that could impact retirement dates.*

### III. Future Workforce Profile (Demand Analysis)

The Authority's most significant workforce challenge is to build and retain a bench of experienced and capable staff who can move into senior level and management positions within the agency. Because the agency is small and has a relatively flat organizational structure, defining career paths is a challenge without sufficient budget to provide merit increases and in-class promotions to developing employees.

Municipal finance is a small industry and there are few financial analysts, information technology professionals, accountants and attorneys with specific expertise in the field. Attracting experienced people from the private sector or other state and local debt issuing agencies is difficult because the Authority is unable to keep up with salaries of other top tier state debt issuers. To compensate for the limited ability to recruit experienced personnel, the agency seeks to recruit the highest qualified candidates having related experience and then train those individuals on the specific tasks and responsibilities of the agency. Highly qualified candidates command higher salaries; however, the agency cannot afford the financial risk to the state by entrusting critical functions to unqualified or under-trained staff. TPFA staff have decades of debt issuance experience, more than most personnel at other state debt issuers, yet the Authority is unable to compensate their experience.

Another workforce demand of the agency is to attract and retain the technical staff expertise necessary to support the agency's transition to more automated financial management systems from its traditional spreadsheet environment. This transition is necessary to enhance debt monitoring and compliance activities required by increased scrutiny and demands placed on issuers by state and federal regulatory agencies and tax and securities laws. The implementation of such systems creates efficiencies in preparing and responding to information requests and enhance staff's ability to monitor and manage debt through the multi-year debt lifecycle.

The increasing use of technology in all aspects of the Authority's workplace is critical to the achievement of the Authority's mission. In FY 2020-21, the Authority implemented its first phase of electronic content management to

aid in workflow management and replacing paper documents as electronic media. The Authority successfully made a transition to the financials and human resources/payroll components of the Comptroller's Centralized Accounting and Payroll/Personnel System ("CAPPS"), which left staff to create and prepare new workflow processes and desk aids. Implementation of these efforts requires the agency to attract and retain technically proficient staff; provide appropriate and ongoing training and to implement improvements in business processes that may require staff be adaptable to potential restructuring of business processes. These trends became apparent when the Governor declared a State of Emergency in March 2020, in response to which the Authority to close its offices due to COVID-19. This change in work-environment forced staff to be flexible and technically savvy, utilizing work group meetings with new technology, and changing business processes, practices still in place with the current 3-2 in office/telework environment. The increasing workload on information technology staff required functional staff to perform these responsibilities and adapt to a more technical environment during this time, and may necessitate that future vacancies be filled with individuals possessing greater technical skills than subject-matter specific skills to meet this demand. It will also be important that future workforce additions compliment the Authority's existing staff to include individuals who possess critical thinking abilities, technical writing skills, and the ability to adapt to an ever-changing work environment.

Finally, as a result of new debt authorized pursuant to HB 1520, 87<sup>th</sup> Legislature, R.S., the Authority established a special purpose entity (SPE), the Texas Natural Gas Securitization Finance Corporation, to issue Customer Rate Relief Bonds to finance certain extraordinary costs incurred by natural gas utilities totaling approximately \$3.5 billion. The Authority will provide ongoing administrative support to the SPE, under which Authority resources will be allocated to providing administrative oversight of the debt issued by the SPE, including ensuring that certain information is maintained and accessible to the market for the life of the bonds and that ongoing municipal filings are made to meet the requirements of the Municipal Securities Rulemaking Board ("MSRB").

#### ***A. Critical Functions***

- Debt issuance and monitoring functions may change workforce needs in response to legislative debt authorizations and in response to federal compliance or other reporting requirements related to municipal finance.
- Ongoing and progressive technological advancements to modernize the Authority's debt management function will change the way many job functions are performed.
- The implementation of CAPPS continues to change the way the Authority's personnel perform and manage the agency's core processes, which is anticipated to increase workload and processing time.

#### ***C. Expected Workforce Changes***

- Conduit issuances for charter schools, debt issuance for natural gas securitization financing, and other increases in debt authorization will shift agency resources to meet these challenges.
- Natural gas securitization financing will require a commitment of up to 18-years to provide administrative support to the SPE, file municipal market updates as required by the MSRB rules and maintain a website and a data room to post required financial information for rating agencies and financial market until the bonds are paid in full.
- Increasing oversight by state agencies and federal regulatory mandates will require employees to perform a greater level of post issuance monitoring and compliance.
- Enhanced post issuance monitoring and compliance throughout the debt life cycle will require that staff perform additional responsibilities in conjunction with automating certain functions.
- Employees will require increased cross-training in functional and technical areas.
- Employee retention incentivized by market pay for accumulating knowledge, skills and ability will result in greater stress on the salary budget.
- Continued use of new technology to change business processes, including meetings with staff and other agency stakeholders.
- Ongoing municipal bond market analyses to meet stakeholders' demands will require additional technical expertise, access to market systems, and will increase staff workload.



#### ***D. Anticipated Increase/Decrease in Number of Employees Needed to Do the Work***

The primary driver for the Authority's staffing needs will be additional legislative authorization for debt and related programs assigned to the Authority to administer. To support any new debt authorization, the Authority will require additional trained staff due to this increase in responsibility and workload and will require both additional human capital and funding to devote to this new effort.

#### ***E. Future Workforce Skills Needed***

To fully exploit necessary technological changes, the Authority will need staff able to identify, develop, implement and fully utilize technology to streamline operations. These developments, in addition to the Authority's core finance functions will require staff with the following skills:

- Financial analysis
- Expertise in debt management and issuance
- Knowledge of the municipal securities industry
- Procurement
- Accounting and automated accounting systems
- Budgeting
- Legal, including securities and tax law
- Information Resources
- Database design and management
- Project management
- Contract management
- Business process analysis and re-engineering

### **IV. Gap Analysis/Strategy Development**

#### ***A. Anticipated Surplus or Shortage of Workers or Skills***

As positions become vacant as a result of attrition, the Authority seeks to hire individuals with the potential for advancement within the organizational structure. It is important that the agency maintain a workforce with strong analytical skills, and exceptional communication and technical writing skills. The subject matter of the agency's core functions requires sophisticated personnel who can effectively represent the Authority and the State when working with bond counsel, financial advisors, underwriters, rating agencies and other participants in the financial marketplace, as well as with its client agencies in matters of post issuance compliance and monitoring to maintain the tax-exempt status of certain outstanding debt.

Two critical challenges facing the Authority are in the areas of compensation and opportunity for advancement within the agency. Because the Authority is a small state agency, there are limited opportunities for promotions and it is difficult for the Authority to remain competitive with the private sector and other state agencies in the area of salary, particularly because private sector employees in the financial industry are typically highly compensated when compared to other private sector jobs. With current financial resources, it is difficult for the Authority to match the compensation of similar positions offered at other state agencies, particularly agencies and institutions of higher education that issue debt or manage investments. With respect to workforce compensation, the Authority is squeezed from two directions: 1) limited budget for salaries, and 2) employee related costs that are borne by the agency, reducing funds that could otherwise be used for merit and promotion pay. Authority employees, who otherwise may have a high degree of job satisfaction, have left the agency in order to sustain their career development and to enjoy higher compensation.

Another area of potential shortfall is in technological expertise. As the Authority transitions to a more modernized and automated approach to debt management, technology will have a larger role in the day-to-day operations of the agency. Development in this area includes not only the technical positions required to identify, design, and deploy new technologies, but also the basic skills of all employees required to utilize new technology to its maximum potential. Similarly, with the implementation of CAPPs, these systems often require individuals with a higher degree

of skill; thus, the agency will continue to examine its workforce and fill positions with individuals complimenting its workforce.

Professional positions will continue to require additional training in the latest trends in the securities industry, as well as the expanding regulatory environment. Finally, as the web pages of the Authority, the TPFA CSFC, and the TNGSFC become a more integral component of its contact with other state agencies, stakeholders and the general public, the time and resources required to maintain these resources will also increase.

## **V. Strategy Development**

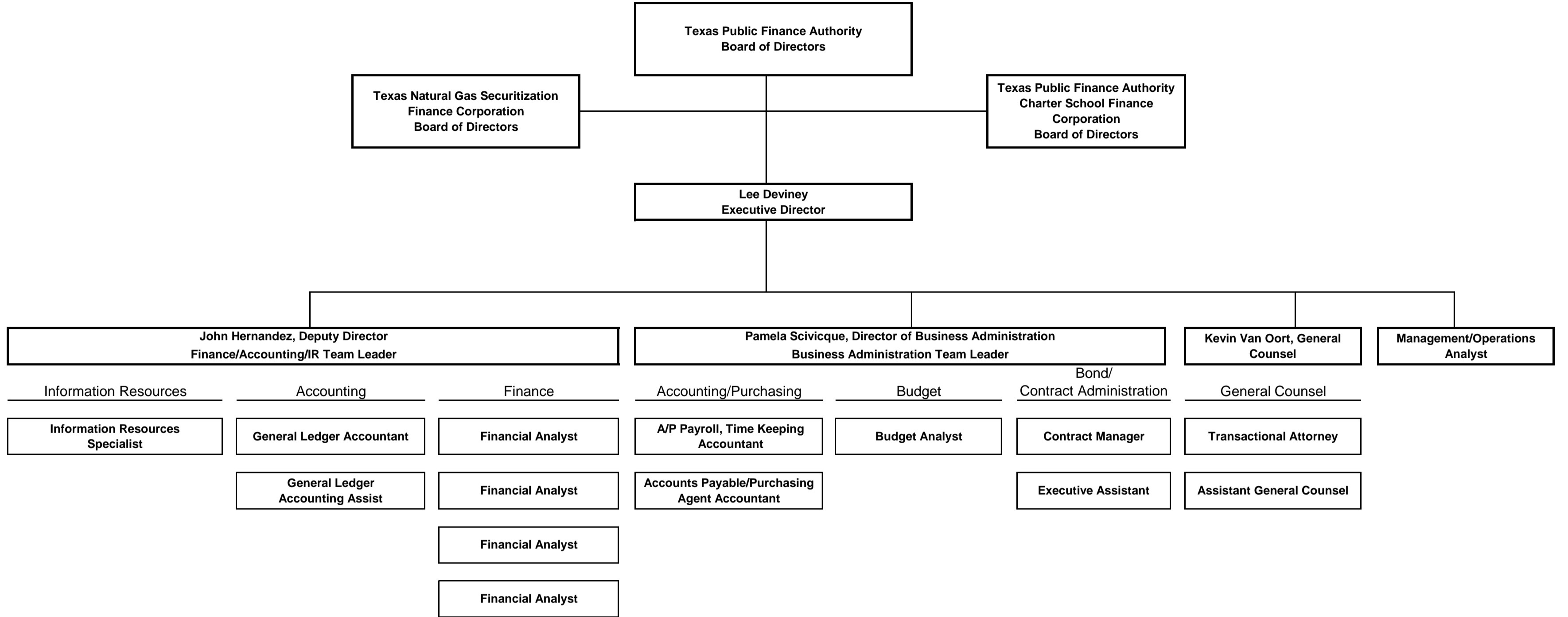
In order to address many of the gaps between the current workforce and future demands, TPFA has developed several goals for the current workforce plan. These are based on a range of factors identified through analyzing the agency and its workforce.

Below are the Authority’s identified gaps with the specific goals, rationale, and action steps to achieve the goals and ultimately close the gaps.

<b><i>Gap</i></b>	<b><i>Recruitment/Retention and Succession Planning</i></b>
<b><i>Goal</i></b>	Enhance current workforce stability to ensure institutional knowledge is not lost when experienced personnel leave as a result of retirement, or other attrition, and to effectively recruit and retain a qualified and diverse workforce for the future.
<b><i>Rationale</i></b>	Focus on hiring and retaining employees who demonstrate the ability to develop competencies that allow them to progress into more advanced positions.
<b><i>Action Steps</i></b>	<ul style="list-style-type: none"> <li>• Institute succession planning and identify critical workforce skills needed to fill future vacancies within its current workforce.</li> <li>• Continue agency-wide cross training initiatives when cost-effective.</li> <li>• Establish a recruitment plan to attract a qualified and diverse applicant pool.</li> <li>• Utilize all compensation and benefit options available to retain skilled, qualified, and talented employees.</li> <li>• Identify future leaders within the organization for leadership training and development to potentially fill senior level positions during natural attrition.</li> </ul>
<b><i>Gap</i></b>	<b><i>Compensation</i></b>
<b><i>Goal</i></b>	Make salaries competitive with private sector and other state agencies, particularly debt issuers and investment pools.
<b><i>Rationale</i></b>	Although most employees tend to consider the “whole package” when evaluating job satisfaction, ultimately, employment decisions are driven by financial compensation. As public sector employees shoulder a greater share of benefit costs, the salary component of the compensation package must rise to stay competitive with private sector compensation packages. The Authority must have a competitive pay scale to attract and retain talented employees, who often have skills highly valued in the private sector.
<b><i>Action Steps</i></b>	<ul style="list-style-type: none"> <li>• Secure additional financial resources through the legislative appropriations process to attract and retain the appropriate level of personnel for vacant positions.</li> <li>• Continue to offer other benefits such as flexible work schedules, remote work, tuition reimbursement and wellness programs to enhance financial compensation.</li> </ul>
<b><i>Gap</i></b>	<b><i>Technological Skills</i></b>
<b><i>Goal</i></b>	Ensure all employees can fully utilize current and new technology as the agency moves to automate its debt management function.
<b><i>Rationale</i></b>	The Authority must ensure that all employees have the basic skills required to utilize new technology to its maximum potential.
<b><i>Action Steps</i></b>	<ul style="list-style-type: none"> <li>• Retain and recruit talented information technology (“IT”) staff.</li> <li>• Provide ongoing training to existing IT staff via state-agency sponsored seminars.</li> <li>• Develop in-house training programs for non-IT staff as new technology is developed and implemented. Involve non-IT staff in design phase of new technology to ensure that technology meets needs.</li> <li>• Provide outside training to all staff to stay abreast of industry developments.</li> <li>• Seek co-operative opportunities with other small agencies to obtain staff training.</li> </ul>

<i>Gap</i>	<i>Critical Thinking and Technical Writing</i>
<i>Goal</i>	Ensure any new personnel possess the ability to analyze data, make sound judgment decisions, and communicate findings in a clear, concise, and unambiguous written manner.
<i>Rationale</i>	The Authority must ensure that employees possess functional abilities and capacity that allow for future growth and development within the organization.
<i>Action Steps</i>	<ul style="list-style-type: none"> <li>• Recruit and retain individuals with the ability to make sound decisions and communicate effectively from sources such as local colleges and universities, including developing possible hires by utilizing internship opportunities.</li> <li>• Provide ongoing training both in-house and externally, as budget and time permit, to further grow and develop existing staff skills in these fundamental areas.</li> </ul>

Exhibit I  
**Texas Public Finance Authority**  
**Organizational Chart**  
**FY2024-25**



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**E. REPORT ON CUSTOMER SERVICE**

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# TEXAS PUBLIC FINANCE AUTHORITY

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REPORT ON CUSTOMER SERVICE

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JUNE 1, 2024

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# REPORT ON CUSTOMER SERVICE

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## INTRODUCTION

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The Texas Public Finance Authority (“TPFA” or “Authority”) developed customer service standards, adopted its Compact with Texans, and conducted its first customer satisfaction survey as part of the statewide strategic planning process beginning in 2002. The Authority has continued to survey its customers during each subsequent biennium in order to evaluate the services provided by the Authority and to identify opportunities for areas of improvement, as a cornerstone of its strategic planning process.

The Authority endeavors to provide the highest quality of service to its customers and is pleased to present its fiscal year 2024 customer service report.

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## INVENTORY OF EXTERNAL CUSTOMERS BY STRATEGY

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While most state agencies directly serve the general public, the Authority’s customers consist of other state agencies, universities and other legislatively designated entities on whose behalf the Authority issues debt. These customers are referred to collectively as “client agencies.” The Authority’s key service functions provided to its client agencies are: project financing (consisting of legislatively authorized programs, construction, renovation and repairs of facilities, real property acquisition and facilities acquisition); equipment financing through the Master Lease Purchase Program (“MLPP”); and, debt administration. The specific customer service elements are based on the Authority’s strategies in the 2024-2025 General Appropriations Act as outlined below.

### A. Goal: FINANCE CAPITAL PROJECTS

#### A.1.1. Strategy: ANALYZE FINANCINGS AND ISSUE DEBT

#### A.2.1. Strategy: MANAGE BOND PROCEEDS

#### A.2.2. Strategy: BOND DEBT SERVICE PAYMENTS

Authority staff identified contacts within the various client agencies performing functions that inter-relate with the Authority’s mission. Executive staff screened the list to determine those individuals or organizations that constitute “customers” from which meaningful data could be collected cost effectively. The list of contacts consists of 63 individuals at 18 client agencies, which represent the following groups:

- Individuals involved in requesting project financing;
- Individuals involved in MLPP equipment financing; and,
- Individuals involved in debt administration.

The Authority’s 2024 survey is materially different from the 2022 survey instrument, which was modified to eliminate the specific agency groups into a singular response for all categories to streamline the survey.

Throughout this report, a few comparisons to prior year surveys are made; however, due to significant changes in the Authority’s survey over time, overall survey comparisons are not included.



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## INFORMATION GATHERING METHODOLOGY

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On Thursday, April 18, 2024, the Authority distributed notification of its web-based customer satisfaction survey by electronic mail. Survey responses were due Monday, April 29, 2024. Customers were offered a single option to submit their survey anonymously on-line through the Authority's web-based system. The Authority previously included additional submission options for mail, facsimile or e-mail; however, since none have been submitted in any of these mediums in the last couple of biennia, these options were not included as survey submission options this year. On the survey due date, one survey was received. Responsive data from the survey received is included in this report. The agency's web server captured response data in a web form, the data were copied to an internal file server and finally imported to Excel where additional survey data was hand-keyed, and the data were grouped and sorted. A copy of the Authority's Customer Satisfaction Survey is attached as Exhibit I.

Authority staff developed survey questions to evaluate the Authority's financing services and specific statutorily required customer satisfaction elements (websites, complaint-handling processes, service timeliness, and printed information, etc.). Evaluation criteria for each survey question were based on a standard Likert Scale utilizing the following measures: strongly agree, agree, neutral, disagree, and strongly disagree.

The survey instrument also included a Comments Section for respondents to provide quantifiable details for ratings of "strongly agree" or "strongly disagree". Also, customers were asked to indicate in a separate Comment Section any specific TPFA sponsored future training needs.

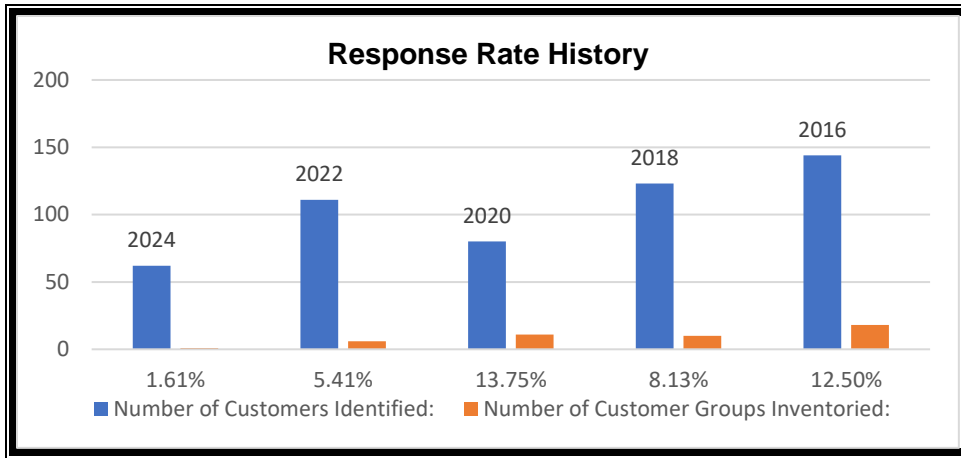
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## RESPONSE RATE

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Over the years, the Authority has attempted to increase its survey response rate by expanding its customer list. In 2006, legislative offices and oversight agencies were added to the Authority's customer list and in 2010, the Authority marketed its survey by appending a survey response request to all outgoing emails sent to customers during the survey period. In 2004, TPFA's second time participating in collecting customer satisfaction data, the agency achieved its highest response rate in the history of collecting customer service data, at 35.88%. This is in stark comparison to the Authority's response rate during the current period at 1.61% in 2024, its lowest rate in history. In 2024, the Authority's list of customers surveyed as compared to those in prior years remains significantly lower due to a pare-down of customers surveyed due to consolidation of some client agencies, turnover at others, debt paydown of other client agencies and COVID-19. Working environment standards for all state agencies have evolved through technology and through the attrition of some staff as agencies implemented post COVID-19 return to work protocols. Maintaining accurate points of contacts has been challenging, which may have affected the number of responses received. Additionally, client agencies and others are not as responsive to providing feedback by completing surveys as they have in earlier years when customer service surveys were initially implemented. The Authority's response rate remains below 15% over the last five biennia and significantly decreased from 13.75% in 2020 to historic lows of 1.61% in 2024.

Below is a chart depicting the response rate history for the Authority's Customer Satisfaction Survey for 2024, with comparative totals over the last five biennia.



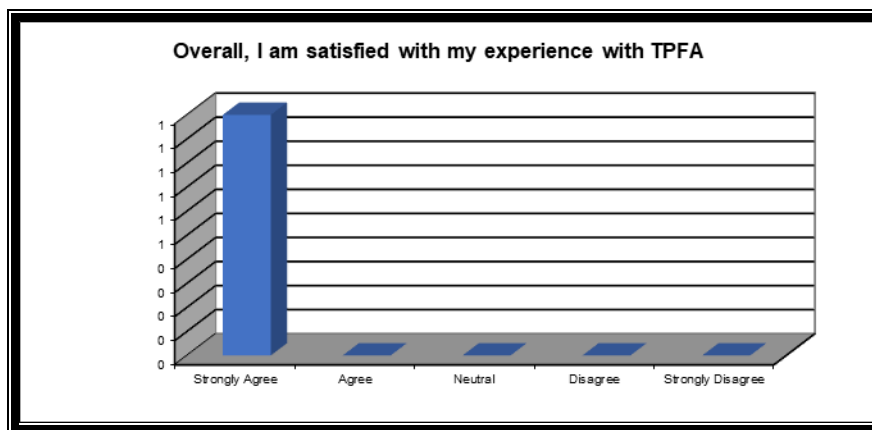
Survey Response Data for Fiscal Year 2024 is attached as Exhibit II.

## SURVEY RESULTS

### *Overall Results*

Though the Authority received only one survey response in 2024, the survey response comes with high satisfaction ratings for services provided to client agencies with 100% strongly agreeing as being satisfied with their overall experience with the Authority.

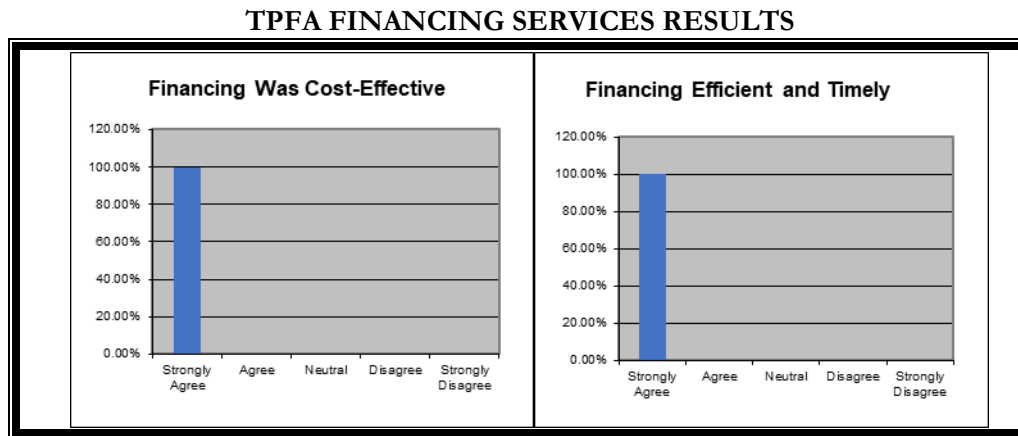
In 2024, customer comments and satisfaction ratings reflect overwhelmingly positive remarks and is discussed in greater detail in the next section. These high satisfaction ratings coincide with the positive written feedback from agency customers as reflected in this year's survey results as demonstrated in one customer commenting "I am pleased to give TPFA the highest Customer Service rating. The staff is knowledgeable and responsive to our agency's needs". Below is a table expressing overall customer satisfaction results.



*Financing Services*

In 2024, the Authority’s survey captures data from customers receiving project financing, including MLPP equipment financing, from TPFA and debt administration. This service element is directly linked to the agency’s mission to issue debt in the most cost effective and efficient manner and to provide funds to client agencies in a timely manner. The results of the 2024 survey reflect high customer satisfaction in the Authority’s financing services provided to its client agencies, with 100% strongly agreeing that the Authority’s financings are both cost-effective and that financing was efficient and provided in a timely manner.

Below are the results indicating client agencies’ perceptions of the Authority’s financing services.



The Authority attributes these results to the tenure and expertise of its staff combined with previous client agency orientation training sessions, one-on-one agency-by-agency as needed basis, and other customer driven services the Authority’s staff provides.

*General Services*

This section reflects specific customer satisfaction elements addressed in TX Gov’t Code, chapter 2114 that are not captured elsewhere in this report. Such elements include customer experience with the Authority’s website, complaint-handling process, and responsiveness to general inquiries of Authority personnel.

One hundred percent of customers strongly agree that Authority staff respond satisfactorily to questions or requests for information and provide accurate and complete information. Also, 100% of respondents strongly agree that Authority staff are knowledgeable, courteous and professional, and provided information in a timely manner.

Below is a table of customer service results as it relates to the Authority’s website over the last five biennia. The overall average agreement expressed in this table is computed by combining the categories of strongly agree and agree. Based on the 2024 survey responses, 100% of customers strongly agree that the Authority’s website is both current and that it is easy to use and well organized.

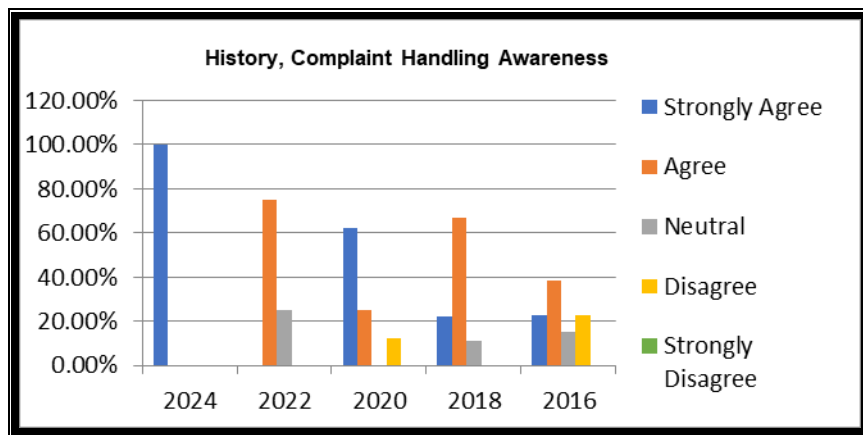
**RESULTS REGARDING TPFA's WEBSITE**

	<u>2024</u>	<u>2022</u>	<u>2020</u>	<u>2018</u>	<u>2016</u>
<b>Information is current and up-to-date</b>					
Strongly Agree	100.00%	0.00%	50.00%	62.50%	20.00%
Agree	0.00%	50.00%	50.00%	12.50%	66.67%
Neutral	0.00%	50.00%	0.00%	25.00%	6.67%
Disagree	0.00%	0.00%	0.00%	0.00%	6.67%
Strongly Disagree	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Easy to use and well organized</b>					
Strongly Agree	100.00%	0.00%	57.14%	37.50%	21.43%
Agree	0.00%	50.00%	28.57%	37.50%	64.29%
Neutral	0.00%	50.00%	14.29%	25.00%	7.14%
Disagree	0.00%	0.00%	0.00%	0.00%	7.14%
Strongly Disagree	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Average, Overall Agreement</b>	<b>100.00%</b>	<b>90.63%</b>	<b>92.86%</b>	<b>75.00%</b>	<b>86.19%</b>

As an issuer of municipal debt, the Authority uses its website to communicate to the bond market, rating agencies, and other stakeholders while also providing sufficient resources for client agencies and legislative offices. Like most state agencies, the Authority is challenged with organizing vast amounts of resources on its website related to its financing programs, processes, outstanding debt, and a multitude of statutorily required reports and links. The Authority will continue to seek additional ways to enhance the Authority's customers experience when visiting its website.

*Complaint Handling*

In 2024, 100% of customer responses reflect familiarity with the Authority's complaint handling process. Below is a chart reflecting five biennia of historical responses from customers on complaint handling awareness.



The above results indicate that the percentage of customers familiar with the complaint handling process increased in 2024 after remaining relatively flat the last three biennia; however, it should be noted that no formal complaints have been received by the Authority since the implementation of its complaint handling process in 2000. In an effort to increase familiarity with this portion of the agency's business practice, the Authority's Compact with Texans continues to be included in the distribution of its Customer Satisfaction Survey, including the 2024 survey

distribution. Following the adoption of its Compact with Texans, a complaint has not been filed with the Authority.

### *Training*

Training sessions are generally held for legislative and oversight agencies as well as the Authority's client agencies. Other more specialized training sessions are conducted as requested or as needed. Client agency training is designed to familiarize agencies with the bond issuance process, including the timeline needed to structure financings, and the documents that must accompany a financing request. Other specialized training regarding the bond issuance process and others are conducted between legislative sessions with legislative staff and staff from oversight agencies. In 2020, the Authority released a YouTube training video containing a case study of a previous TPFA project financing. A link to the training video remains on the Authority's website for legislative staff, oversight agencies and TPFA client agencies to access at their convenience. Following the return to a more in-office work environment in FY 2022, TPFA completed an online version of its client agency training for individuals requiring training in preparation of the 88<sup>th</sup> Legislative Session and is available on TPFA's website. Additionally, TPFA conducted an in-person information session in the Spring of 2024 on Infrastructure and Equipment Financing Options - Preparing for the 89<sup>th</sup> Legislative Session. The purpose of the information session included identifying resources for state agency capital planning in preparation for the upcoming legislative session and to induce follow-up questions specific to client agency needs. As previously mentioned, due to high turnover at state agencies, this session was necessary to introduce TPFA and the method of finance options available for funding capital projects that may be included in agency Legislative Appropriations Requests. The session was attended by 48 individuals and the word-of-mouth feedback received was overwhelmingly positive.

In 2024, there were no responses or comments received related to TPFA trainings.

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## **ANALYSIS OF FINDINGS**

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The survey results indicate that, overall, Authority customers are satisfied with the services that the agency provides. The Authority continues to receive exemplary ratings in carrying out its mission to provide its customers with the most cost effective, efficient and timely financings. Staff responsiveness, knowledge, courtesy and professionalism, precision, and timeliness reflect similar results. The agency attributes these results to the tenure and expertise of Authority's staff and previously customer training sessions frequented by its client agencies.

The Authority is extremely pleased with the results of the survey and will strive to maintain the high level of service its customers have come to expect in carrying out the agency's mission.

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## CUSTOMER SERVICE CONTACT INFORMATION

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Customer Service Representative: Lee Deviney, Executive Director  
Agency: Texas Public Finance Authority  
Physical Address: 300 West 15<sup>th</sup> Street, Suite 411, Austin, TX 78701  
Mailing Address: P.O. Box 12906, Austin, TX 78711-2906  
Phone Number: 512.463.5544  
Fax Number: 512.463.5501  
Email Address: [lee.deviney@tpfa.texas.gov](mailto:lee.deviney@tpfa.texas.gov)  
Hours of Operation: Monday – Friday 8:00 a.m. to 5:00 p.m.

**CUSTOMER SERVICE PERFORMANCE MEASURES DEFINITIONS AND  
FISCAL YEAR 2024 RESULTS**

<b>Outcome Measure</b>	<b>Percentage of Surveyed Customer Respondents (Client Agencies) Expressing Overall Satisfaction with Financing Services Received</b>	100.00%
Short Definition	The percent of state agencies and institutions (staff involved in requesting financing, budgeting, accounting, and legislative offices) who report overall satisfaction with services on surveys conducted by the Texas Public Finance Authority (TPFA). TPFA services focus on cost-effective capital financing for capital projects and equipment acquisitions.	
Purpose/Importance	This measure provides valuable information to agency management on the level and quality of services provided to client agencies and cost to Texas taxpayers.	
Source/Collection of Data	Surveys conducted by the TPFA.	
Method of Calculation	The calculation for this measure is the total number of clients who respond that they are satisfied with TPFA services by answering “Strongly Agree” or “Agree,” divided by the total number of clients who respond to the survey.	
Data Limitations	None	
Calculation Type	Non-cumulative	
New Measure	No	
Desired Performance	Higher than target.	
<b>Outcome Measure</b>	<b>Percentage of Surveyed Customer Respondents Identifying Ways to Improve Service Delivery</b>	0%
Short Definition	The percent of state agencies and institutions (staff involved in requesting financing, budgeting, accounting, and legislative offices) that identify ways to improve service delivery in the survey.	
Purpose/Importance	This measure provides valuable information to agency management on the level and quality of services provided to client agencies and cost to Texas taxpayers.	
Source/Collection of Data	Surveys conducted by the TPFA.	
Method of Calculation	The calculation for this measure is the total number of clients who included comments for improving service delivery.	
Data Limitations	None	

Calculation Type	Non-cumulative	
New Measure	No	
Desired Performance	Target	

<b>Output Measure</b>	<b>Number of Customers (Client Agencies) Surveyed</b>	1
Short Definition	The number of state agencies, institutions and other state entities (staff involved in requesting financing, budgeting, accounting, and legislative offices) who are surveyed by TPFA.	
Purpose/Importance	This measure reflects the accuracy of the survey.	
Source/Collection of Data	Surveys conducted by TPFA.	
Method of Calculation	Number of agencies surveyed	
Data Limitations	None	
Calculation Type	Non-Cumulative	
New Measure	No	
Desired Performance	Higher than target.	

<b>Efficiency Measure</b>	<b>Cost Per Customer Surveyed</b>	\$0.00
Short Definition	The average cost per survey (one survey sent to each staff person involved in requesting financing, budgeting, accounting, and legislative offices). Costs include, but are not limited to, postage, materials and staff time.	
Purpose/Importance	This measure reflects the cost efficiency of the survey and weighs the cost of surveying a customer group to the potential benefits of the information.	
Source/Collection of Data	Surveys conducted by the TPFA and compiled cost reports.	
Method of calculation	The total cost (as defined in the short definition) to administer the survey divided by the total number of surveys mailed.	
Data Limitation	No direct costs. Allocation of indirect costs (staff time, overhead) not available.	
Calculation Type	Non-cumulative	
New Measure	No	
Desired Performance	Lower than target.	



# Texas Public Finance Authority

(512) 463-5544 300 W. 15th St., Suite 411 Austin, TX 78701

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## Texas Public Finance Authority Customer Service Survey 2024

TPFA's mission is to meet our client agencies' financing needs in the most cost-effective and efficient manner possible. In an effort to determine how we may better serve you, we would appreciate your feedback and request that you complete this survey on or before **Monday, April 29, 2024**. Please feel free to forward this survey to other staff in your agency, as appropriate.

**Financing was cost effective.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Financing process was efficient and provided in a timely manner.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Staff were knowledgeable, courteous and professional.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Staff satisfactorily responded to questions or requests for information in a timely manner.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Staff provided accurate, complete information.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Staff demonstrated a willingness to assist.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Information on TPFA's website is current and up-to-date.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree

**The TPFA website is easy to use and well organized.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**I am aware that TPFA has a complaint-handling process.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**My telephone call, email, or letter was responded to in a reasonable amount of time.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**Overall, I am satisfied with my experience with TPFA.**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**For ratings of "Strongly Agree" or "Strongly Disagree," please add comments.**

**I found TPFA training material and/or sessions useful. (Answer only if you have attended TPFA sponsored training sessions.)**

Strongly Agree     Agree     Neutral     Disagree     Strongly Disagree     N/A

**In the box below, please specify the type of TPFA training of interest that your agency would like to attend in the future.**

**Submit Survey**

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**Search TPFA**

Search TPFA

**Survey Response Data  
Results for FY 2024**

EXHIBIT II

**Financing was cost effective.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Financing process was efficient and provided in a timely manner.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Staff were knowledgeable, courteous and professional.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Staff satisfactorily responded to questions or requests for information in a timely manner.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Staff provided accurate, complete information.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Staff demonstrated a willingness to assist.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Survey Response Data  
Results for FY 2024**

EXHIBIT II

**Information on TPFA's website is current and up-to-date.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**The TPFA website is easy to use and well organized.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**I am aware that TPFA has a complaint-handling process.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**My telephone call, email, or letter was responded to in a reasonable amount of time.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Overall, I am satisfied with my experience with TPFA.**

Strongly Agree	1	100.00%	100.00%
Agree	0	0.00%	
Neutral	0	0.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**I found TPFA training material and/or sessions useful.**

Strongly Agree	0	0.00%	0.00%
Agree	0	0.00%	
Neutral	1	100.00%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	1	100.00%	

**Survey Response Data  
Results for FY 2024**

EXHIBIT II

**COMBINED TOTALS BY CATEGORY TYPE**

Strongly Agree	11	91.67%	91.67%
Agree	0	0.00%	
Neutral	1	8.33%	
Disagree	0	0.00%	
Strongly Disagree	0	0.00%	
Total	12	100.00%	

**TOTAL NUMBER OF RESPONSES RECEIVED**

**1**

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**F. CYBER SECURITY TRAINING CERTIFICATION**

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## CERTIFICATE

**Agency Name: Texas Public Finance Authority**

Pursuant to the Texas Government Code, Section 2056.002(b)(12), this is to certify that the agency has complied with the cybersecurity training required pursuant to the Texas Government Code, Sections 2054.5191 and 2054.5192.

**Chief Executive Officer**

  
Signature

Lee Deviney  
Printed Name

Executive Director  
Title

June 1, 2024  
Date