

**Cash Management Improvement Act Agreement**  
**between**  
**The State of Texas**  
**and**  
**The Secretary of the Treasury,**  
**United States Department of the Treasury**

The Secretary of the Treasury, United States Department of the Treasury (hereafter 'Secretary'), and State of Texas (hereafter 'State'), in order to implement Section 5 of the Cash Management Improvement Act of 1990, as amended (hereafter 'Act'), agree as follows:

**1.0 AGENTS OF THE AGREEMENT**

1.1 The Authorized Official(s) for the State of Texas shall be the Deputy Comptroller, Texas Comptroller of Public Accounts in all matters concerning this Agreement.

1.2 The Assistant Commissioner, Revenue Collections Management, Bureau of the Fiscal Service (Fiscal Service), U.S. Department of the Treasury, shall act as the Secretary's representative in all matters concerning this Agreement.

**2.0 AUTHORITY**

2.1 The authority for this Agreement is the Cash Management Improvement Act of 1990 (Public Law 101-453), as amended by the Cash Management Improvement Act of 1992 (Public Law 102-589), codified at 31 U.S.C. 6501 and 31 U.S.C. 6503.

2.2 The regulations codified at 31 CFR Part 205 shall apply to all matters pertaining to this Agreement, and are incorporated herein by reference. In the event of any inconsistency between this Agreement and 31 CFR Part 205, the regulations shall govern.

**3.0 DURATION, AMENDING, TERMINATING, AND MISCELLANEOUS PROVISIONS**

3.1 This Agreement shall take effect on 09/01/2025 and shall remain in effect until 08/31/2026.

3.2 This Agreement may be amended at any time by written, mutual consent of the State and the Fiscal Service. This Agreement shall be amended annually to incorporate new programs that qualify as major Federal assistance programs and remove programs that no longer qualify as major Federal assistance programs. A State must notify the Fiscal Service in writing within 30 days of the time the State becomes aware of a change that involves additions or deletions of programs subject to Subpart A, changes in funding techniques, and/or changes in clearance patterns. The notification must include a proposed amendment for review by the Fiscal Service.

3.3 Notwithstanding section 3.2, in the event of Federal or State non-compliance with Subpart B of 31 CFR, Part 205, the Fiscal Service may amend this Agreement at any time to incorporate additional programs and the entities that administer those programs.

3.4 This Agreement may be terminated by either party with 30 days written notice. If this Agreement is terminated, the Fiscal Service will prescribe the funding techniques, clearance patterns, and methods for calculating interest liabilities to be used by the State.

#### 4.0 PROGRAMS COVERED

4.1 The State's threshold and its major Federal assistance programs shall be determined based on the State's Schedule of Expenditures of Federal Awards included in the most recently issued Single Audit Report for fiscal year ending 08/31/2024.

All major Federal assistance programs shall be covered by this Agreement, unless otherwise specified in section 4.4 of this Agreement.

4.2 The State's threshold for major Federal assistance programs is \$208,892,773.

The following programs meet or exceed the threshold and are not excluded in Section 4.4:

| CFDA    | Program Name  |
|---------|---|
| 10.551  | Supplemental Nutrition Assistance Program   |
| 10.553  | School Breakfast Program  |
| 10.555  | National School Lunch Program   |
| 10.557  | WIC Special Supplemental Nutrition Program for Women, Infants, and Children             |
| 10.558  | Child and Adult Care Food Program   |
| 10.561  | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program  |
| 10.569  | Emergency Food Assistance Program (Food Commodities)                                    |
| 14.228  | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii |
| 17.225F | Unemployment Insurance -- Federal Benefit Account and Administrative Costs              |
| 17.225S | Unemployment Insurance -- State Benefit Account   |
| 20.205  | Highway Planning and Construction   |
| 84.010  | Title I Grants to Local Educational Agencies  |
| 84.027  | Special Education -- Grants to States   |
| 84.126  | Rehabilitation Services -- Vocational Rehabilitation Grants to States                   |
| 84.367  | Supporting Effective Instruction State Grants   |
| 84.425  | Education Stabilization Fund  |
| 93.323  | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)                      |
| 93.558  | Temporary Assistance for Needy Families   |
| 93.563  | Child Support Services  |
| 93.568  | Low-Income Home Energy Assistance   |
| 93.575  | Child Care and Development Block Grant  |
| 93.596  | Child Care Mandatory and Matching Funds of the Child Care and Development Fund          |
| 93.767  | Children's Health Insurance Program   |
| 93.778  | Medical Assistance Program  |
| 97.036  | Disaster Grants - Public Assistance (Presidentially Declared Disasters)                 |
| 97.050  | Presidential Declared Disaster Assistance to Individuals and Households - Other Needs   |

4.3 The following programs fall below the State's threshold but have been required to be covered by Fiscal Service in accordance with the non-compliance provisions of Subpart B of 31 CFR Part 205:

There are currently no programs listed for Section 4.3.

4.4 The following programs exceed the State's threshold but have been excluded from coverage for the reason indicated:

| CFDA   | Program Name                                      | Exclusion Reason                 |
|--------|---|----------------------------------|
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds | Federal Statute - Full Exemption |

|        |                                     |           |
|--------|-------------------------------------|-----------|
| 84.063 | Federal Pell Grant Program          | Non-State |
| 84.268 | Federal Direct Student Loan         | Non-State |
| 93.268 | Immunization Cooperative Agreements | Non-Cash  |

- 4.5.0 Non-cash Federal assistance programs are currently excluded from this Agreement. If any non-cash Federal assistance program becomes a cash program, then the appropriate subpart shall apply to the program on the first day of the fiscal year immediately subsequent to the change from non-cash to cash program.
- 4.6.0 Non Higher-Education State Agencies required to be reported in the Texas Annual Comprehensive Financial Report issued pursuant to GAAP shall be considered agencies and instrumentalities of the State and hence subject to the provisions of this Agreement to the extent they administer federal funds for a program listed in the System for Award Management (SAM.gov). Exceptions may be based upon reliable alternative information.
- 4.7.0 Governmental entities acting as service providers for any agency disbursing Federal funds covered by this Agreement shall not be considered fiscal agents, as that term is defined in 31 CFR 205.2.
- 4.8.0 Private, nonprofit community organizations shall not be considered fiscal agents, as that term is defined in 31 CFR 205.2. Funds paid by the State to nonprofit community organizations will be considered paid out for program purposes. Service provider shall mean any entity to which the State transfers funds for payment in exchange for a service, and who does not pay, collect or hold such funds on behalf of the State.

## 5.0 ENTITIES COVERED

5.1 State agencies and instrumentalities that meet the definition of a State per 31 CFR Part 205, shall be subject to the terms of this Agreement. The following is a list of such entities that administer funds under the programs listed in Section 4.0 of this Agreement:

302 - Attorney General  
 305 - General Land Office  
 320 - Texas Workforce Commission  
 332 - Texas Department of Housing and Community Affairs  
 529 - Health and Human Services Commission  
 530 - Department of Family and Protective Services  
 537 - Department of State Health Services  
 551 - Texas Department of Agriculture  
 575 - Texas Division of Emergency Management  
 601 - Texas Department of Transportation  
 696 - Texas Department of Criminal Justice  
 701 - Texas Education Agency

5.2 Entities that meet the definition of a Fiscal Agent per 31 CFR Part 205 shall be subject to the terms of this Agreement. The following is a list of Fiscal Agents that administer funds under the programs listed in the Section 4.0 of this Agreement:

| Fiscal Agent                      | CFDA   | Program Name                              |
|-----------------------------------|--------|---|
| Affiliated Computer Services      | 10.551 | Supplemental Nutrition Assistance Program |
| Texas Medicaid Health Partnership | 93.778 | Medical Assistance Program                |

## 6.0 FUNDING TECHNIQUES

### 6.1 General Terms

6.1.1 The State shall request Federal funds in accordance with the appropriate cut-off times shown in Exhibit I to ensure funds will be received and credited to a State account by the times specified in the funding techniques. Exhibit I is incorporated by reference herein.

6.1.2 The State shall schedule the receipt of Federal funds such that the funds are received and credited to a State account in accordance with the clearance patterns specified in Exhibit II - List of State Clearance Patterns. Exhibit II is incorporated by reference herein.

6.1.3 In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances where the receipt of Federal funds is scheduled for deposit on a day when the State is not open for business, the State shall request funds for deposit the day following the scheduled day; in instances where the receipt of Federal funds is scheduled for deposit on a day when the Federal Government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.

#### 6.1.4 Estimates and Reconciliation of Estimates:

Where estimated expenditures are used to determine the amount of the drawdown, the State will indicate in the terms of the State unique funding technique how the estimated amount is determined and when and how the State will reconcile the difference between the estimate and the State's actual expenditures.

#### 6.1.5 Supplemental Funding:

Unless otherwise defined by program rules, Supplemental Funding is the award of additional funds to provide for an increase in costs due to unforeseen circumstances.

The State will comply with all Federal program agency policies and procedures for requesting supplemental grant funding.

The State will comply with the following guidelines when requesting supplemental funding for the Medical Assistance Program and associated administrative payments (CFDA 93.778):

The State must submit a revised Medicaid Program Budget Report (CMS-37) to request supplemental funding. The CMS guidelines and instructions for completing the CMS-37 are provided in Section 2600F of the State Medicaid Manual (SMM). The CMS/CO must receive the revised Form CMS-37 through the Medicaid Budget Expenditure System/Children's Budget Expenditure System (MBES/CBES) no later than 10 calendar days before the end of the quarter for which the supplemental grant award is being requested.

Additional guidance on this policy is available from the respective CMS Regional Office, U.S. Department of Health & Human Services.

The State will comply with the following guidelines when requesting supplemental funding for TANF (CFDA 93.558), CCDF (CFDA 93.575), CSE (93.563), and the FC/AA (CFDA 93.658 and CFDA 93.659) programs administered by the U.S. Department of Human Services, Administration for Children and Families (HHS/ACF):

##### a. Timing of the Request

A State should initiate its request for supplemental funding during a quarter as soon as it becomes aware of the fact that a shortfall does/will exist. For the TANF and CCDF grants, supplemental funding requests (estimates) may be submitted by a State, for consideration by ACF, up through and including the 15th day of the third month of the first, second or third quarter of any fiscal year. Since TANF and CCDF are block grant programs, all unawarded portions of the annual allotment will automatically be issued at the beginning of the fourth quarter. Therefore, supplemental funding requests will not be available during the fourth quarter for these programs. For the CSE and FC/AA programs, supplemental funding requests may be submitted by a state, for consideration by ACF, up through and including the 15th day of the third month of any quarter of a fiscal year.

##### b. Justification for the Request

The request for a supplemental funding for any of the above-mentioned programs should contain a justification clearly documenting the need for the additional funding authority during the current quarter. This documentation should be in the form of State accounting records or similar documents that will show the actual expenditures through the most recent month for which such data are available, as well as the State's most accurate projection of its anticipated expenditures during the remaining month(s) of the quarter. For either the TANF or the CCDF program, the State's justification should also include an explanation of the activities requiring the obligation

and/or expenditure of amounts that exceed the normal quarterly grant award restrictions and why these activities could not have been delayed until the next quarter.

c. Form Submittal

Supplemental funding requests should be made by completing the appropriate ACF quarterly report of expenditures and estimates applicable to the particular program for which the grant award request is being made.

d. Approval Process

Upon receipt of the state's request for additional funding authority for a quarter, the ACF Regional Office will promptly review the supporting documentation. If the request is properly justified, so long as ACF has adequate funding availability, the State's request will be expedited and supplemental funding will be issued within 5 days of ACF receiving the request. The State will be notified by the Regional Office when the supplemental award has been transmitted to the Payment Management System (PMS) and when it may initiate drawdowns against the supplemental funding.

Additional guidance on this policy is provided in the U.S. Department of Health & Human Services, Administration for Children and Families, letter (May 19, 2004) to State Administrators from the Deputy Assistant Secretary for Administration.

## 6.2 Description of Funding Techniques

6.2.1 The following are terms under which standard funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

| Funding Technique Name                   | Description  |
|--|--|
| Actual Clearance, ZBA - ACH              | The State shall request funds such that they are deposited by ACH in a State account on the settlement date of payments issued by the State. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the amount of funds that clear the State's account on the settlement date. This funding technique is interest neutral.                          |
| Actual Clearance, ZBA - Same Day Payment | The State shall request funds the same day it pays out funds, in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. A Federal agency will deposit funds in a State account the same day as requested. The amount of the request shall be for the amount of funds that clear the State's account that day. This funding technique is interest neutral.   |
| Average Clearance                        | The State shall request funds such that they are deposited by ACH on the dollar-weighted average day of clearance for the disbursement, in accordance with the clearance pattern specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the exact amount of that disbursement. This funding technique is interest neutral. |
| Pre-Issuance                             | The State shall request funds such that they are deposited in a State account not more than three business days prior to the day the State makes a disbursement. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be the amount the State expects to disburse. This funding technique is not interest neutral.                                       |

6.2.2 The following are terms under which funding techniques for administrative costs shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

| Funding Technique Name                     | Description   |
|--|---|
| Indirect Cost Rates - Proportionate Shares | The State shall include a proportionate share of the indirect cost allowance in each request for funds by applying the indirect cost rate to the appropriate cost base of each drawdown. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be determined by applying the indirect cost rate to the appropriate cost base estimated in accordance with the drawdowns. This funding technique is interest neutral. |

6.2.3 The following are terms under which miscellaneous funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

There are currently no funding techniques listed in Section 6.2.3.

6.2.4 The following are terms under which State unique funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

| Funding Technique Name   | Description  |
|--|--|
| Monthly Draws  | The State shall draw down once a month, approximately mid-month by applying the indirect cost rate to the appropriate direct costs of the prior month. This draw shall cover indirect costs incurred during the prior month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. This funding technique is interest neutral.  |
| N/A - TANF Recoveries  | Funds are not requested. Cut-off times in accordance with Exhibit I do not apply as funds are not requested. No amount of funds are requested. This funding technique is interest neutral.   |
| Non-Cash   | No funds are requested as this is a non-cash funding technique, as funding consists of commodities, food items, which are served in the National School Lunch Program by public, charter and private schools and Residential Child Care Institutions (RCCIs). United States Department of Agriculture (USDA) allocates Texas Department of Agriculture (TDA) a dollar value of food and TDA makes food items available through TDA's automated system. The commodities are administered by TDA and are delivered by USDA directly to a TDA contracted warehouse for schools to draw down or to public, charter, and private schools and RCCIs. Cut-off time specified in Exhibit I does not apply as this is a non-cash funding technique. No funds are requested as this is a non-cash funding technique. This funding technique is interest neutral.                                       |
| Pre-Issuance as it applies to the TX Dept of Transportation - First Week | Because highway contractor payments occur during the first week of each month, the Texas Department of Transportation (TXDOT) requests payment for all accrued expenditures submitted by highway contractors during this time. Federal reimbursement funds are needed immediately after TXDOT issues a payment check or EFT to its highway contractors. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. TXDOT calculates the necessary funding based on a project's funding profile and the associated federal share. This funding technique is not interest neutral.   |
| Reimbursement  | The State requests funds such that they are deposited in a State account after the State has disbursed funds for Federal assistance program purposes. This funding technique is interest neutral.  |
| Weekly Draws - Texas Department of Transportation (Program Cost/Other)   | Each week (excluding the first week of the month), the Texas Department of Transportation (TXDOT) shall request payment for expenditures (submitted by contractors and for all other direct cost) that have been paid for by the State Highway Fund. TXDOT needs federal reimbursement funds within one to three weeks from when a payment check or EFT has cleared the bank. The frequency of federal reimbursement funds involving this weekly draw funding technique is around three times per month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of funds TXDOT can bill depends on the actual expenditures incurred during this time frame. The agency calculates required funding based on the project's funding profile and the associated federal share. This funding technique is interest neutral. |

### 6.3 Application of Funding Techniques to Programs

6.3.1 The State shall apply the following funding techniques when requesting Federal funds for the component cash flows of the programs listed in sections 4.2 and 4.3 of this Agreement.

#### 6.3.2 Programs

Below are programs listed in Section 4.2 and Section 4.3.

10.551 Supplemental Nutrition Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 100  
Component: Program Costs under EBT  
Technique: Actual Clearance, ZBA - ACH  
Average Day of Clearance: 3 Days

10.553 School Breakfast Program  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: 100  
Component: Program Costs  
Technique: Actual Clearance, ZBA - Same Day Payment  
Average Day of Clearance: 0 Days

10.555 National School Lunch Program  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: 6.54  
Component: Program Costs - Pre-Issuance  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.555 National School Lunch Program  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: 10.06  
Component: Program Costs  
Technique: Non-Cash  
Average Day of Clearance: N/A

10.555 National School Lunch Program  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: 83.4  
Component: Program Costs  
Technique: Actual Clearance, ZBA - Same Day Payment  
Average Day of Clearance: 0 Days

10.557 WIC Special Supplemental Nutrition Program for Women,  
Infants, and Children  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 7.68  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.557 WIC Special Supplemental Nutrition Program for Women,  
Infants, and Children  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 3.71  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.557 WIC Special Supplemental Nutrition Program for Women,  
Infants, and Children  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 88.61  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.558 Child and Adult Care Food Program  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: 99.13  
Component: Program Costs - Pre-Issuance  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.558 Child and Adult Care Food Program  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: .59  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.558 Child and Adult Care Food Program  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: .28  
Component: Indirect Cost  
Technique: Indirect Cost Rates - Proportionate Shares  
Average Day of Clearance: N/A

10.561 State Administrative Matching Grants for the Supplemental  
Nutrition Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 44.28  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.561 State Administrative Matching Grants for the Supplemental  
Nutrition Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 44.27  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.561 State Administrative Matching Grants for the Supplemental  
Nutrition Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 11.45  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.569 Emergency Food Assistance Program (Food Commodities)  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: .2  
Component: Program Costs - Pre-Issuance  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

10.569 Emergency Food Assistance Program (Food Commodities)  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: 99.8  
Component: Program Costs  
Technique: Non-Cash  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 305 - General Land Office  
% of Funds Agency Receives: 2.41  
Component: Payroll Costs  
Technique: Reimbursement  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 305 - General Land Office  
% of Funds Agency Receives: .37  
Component: Indirect Costs  
Technique: Indirect Cost Rates - Proportionate Shares  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 305 - General Land Office  
% of Funds Agency Receives: 1.81  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: .1  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 305 - General Land Office  
% of Funds Agency Receives: 89.06  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: 6.21  
Component: Program Costs - Pre-Issuance  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's program and  
Non-Entitlement Grants in Hawaii  
Recipient: 551 - Texas Department of Agriculture  
% of Funds Agency Receives: .04  
Component: Indirect Cost  
Technique: Indirect Cost Rates - Proportionate Shares  
Average Day of Clearance: N/A

17.225F Unemployment Insurance -- Federal Benefit Account and  
Administrative Costs  
Recipient: 320 - Texas Workforce Commission  
% of Funds Agency Receives: 56.43  
Component: Payroll Costs

Technique: Monthly Draws  
Average Day of Clearance: 1 Day

17.225F Unemployment Insurance -- Federal Benefit Account and  
Administrative Costs  
Recipient: 320 - Texas Workforce Commission  
% of Funds Agency Receives: 43.57  
Component: Indirect Cost  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

17.225S Unemployment Insurance -- State Benefit Account  
Recipient: 320 - Texas Workforce Commission  
% of Funds Agency Receives: 100  
Component: Payment to Beneficiaries - Grants (ATAA, TRA & DUA)  
Technique: Actual Clearance, ZBA - Same Day Payment  
Average Day of Clearance: 0 Days

20.205 Highway Planning and Construction  
Recipient: 601 - Texas Department of Transportation  
% of Funds Agency Receives: 51.45  
Component: Program Costs - Weekly Draws  
Technique: Weekly Draws - Texas Department of Transportation  
(Program Cost/Other)  
Average Day of Clearance: N/A

20.205 Highway Planning and Construction  
Recipient: 601 - Texas Department of Transportation  
% of Funds Agency Receives: .72  
Component: Payroll Costs  
Technique: Monthly Draws  
Average Day of Clearance: 1 Day

20.205 Highway Planning and Construction  
Recipient: 601 - Texas Department of Transportation  
% of Funds Agency Receives: 47.83  
Component: Program Costs - Pre-Issuance  
Technique: Pre-Issuance as it applies to the TX Dept of Transportation  
- First Week  
Average Day of Clearance: N/A

84.010 Title I Grants to Local Educational Agencies  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: 99.48  
Component: Program Costs  
Technique: Actual Clearance, ZBA - Same Day Payment  
Average Day of Clearance: 0 Days

84.010 Title I Grants to Local Educational Agencies  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: .43  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

84.010 Title I Grants to Local Educational Agencies  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: .09  
Component: Administrative Costs  
Technique: Pre-Issuance

Average Day of Clearance: N/A

84.027 Special Education -- Grants to States

Recipient: 701 - Texas Education Agency

% of Funds Agency Receives: 97.12

Component: Program Costs

Technique: Actual Clearance, ZBA - Same Day Payment

Average Day of Clearance: 0 Days

84.027 Special Education -- Grants to States

Recipient: 701 - Texas Education Agency

% of Funds Agency Receives: 1.47

Component: Payroll Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

84.027 Special Education -- Grants to States

Recipient: 701 - Texas Education Agency

% of Funds Agency Receives: 1.41

Component: Administrative Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States

Recipient: 320 - Texas Workforce Commission

% of Funds Agency Receives: 39.5

Component: Payroll Costs

Technique: Monthly Draws

Average Day of Clearance: 1 Day

84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States

Recipient: 320 - Texas Workforce Commission

% of Funds Agency Receives: 60.5

Component: Program Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

84.367 Supporting Effective Instruction State Grants

Recipient: 701 - Texas Education Agency

% of Funds Agency Receives: 99.19

Component: Program Costs

Technique: Actual Clearance, ZBA - Same Day Payment

Average Day of Clearance: 0 Days

84.367 Supporting Effective Instruction State Grants

Recipient: 701 - Texas Education Agency

% of Funds Agency Receives: .58

Component: Payroll Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

84.367 Supporting Effective Instruction State Grants

Recipient: 701 - Texas Education Agency

% of Funds Agency Receives: .23

Component: Administrative Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

84.425 Education Stabilization Fund  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: 96.8  
Component: Program Costs  
Technique: Actual Clearance, ZBA - Same Day Payment  
Average Day of Clearance: 0 Days

84.425 Education Stabilization Fund  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: .45  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

84.425 Education Stabilization Fund  
Recipient: 701 - Texas Education Agency  
% of Funds Agency Receives: 2.75  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases  
(ELC)  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: 35.06  
Component: Indirect Costs  
Technique: Monthly Draws  
Average Day of Clearance: 1 Day

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases  
(ELC)  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: 4.39  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases  
(ELC)  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: 50.68  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.323 Epidemiology and Laboratory Capacity for Infectious Diseases  
(ELC)  
Recipient: 696 - Texas Department of Criminal Justice  
% of Funds Agency Receives: 9.87  
Component: Administrative Costs  
Technique: Actual Clearance, ZBA - ACH  
Average Day of Clearance: 3 Days

93.558 Temporary Assistance for Needy Families  
Recipient: 320 - Texas Workforce Commission  
% of Funds Agency Receives: 1.25  
Component: Payroll Costs  
Technique: Monthly Draws  
Average Day of Clearance: 1 Day

93.558 Temporary Assistance for Needy Families

Recipient: 320 - Texas Workforce Commission

% of Funds Agency Receives: 16.16

Component: Program Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families

Recipient: 529 - Health and Human Services Commission

% of Funds Agency Receives: .22

Component: Administrative Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families

Recipient: 529 - Health and Human Services Commission

% of Funds Agency Receives: .4

Component: Payroll Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families

Recipient: 529 - Health and Human Services Commission

% of Funds Agency Receives: 2.47

Component: Program Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families

Recipient: 530 - Department of Family and Protective Services

% of Funds Agency Receives: 14.2

Component: Administrative Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families

Recipient: 530 - Department of Family and Protective Services

% of Funds Agency Receives: 21.87

Component: Program Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families

Recipient: 530 - Department of Family and Protective Services

% of Funds Agency Receives: 43.43

Component: Payroll Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.563 Child Support Services

Recipient: 302 - Attorney General

% of Funds Agency Receives: 50.75

Component: Program Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

93.563 Child Support Services

Recipient: 302 - Attorney General

% of Funds Agency Receives: 37.43

Component: Payroll Costs

Technique: Average Clearance

Average Day of Clearance: 0 Days

93.563 Child Support Services  
Recipient: 302 - Attorney General  
% of Funds Agency Receives: 8.25  
Component: Administrative Costs  
Technique: Average Clearance  
Average Day of Clearance: 0 Days

93.563 Child Support Services  
Recipient: 302 - Attorney General  
% of Funds Agency Receives: 3.57  
Component: TANF Recoveries  
Technique: N/A - TANF Recoveries  
Average Day of Clearance: N/A

93.568 Low-Income Home Energy Assistance  
Recipient: 332 - Texas Department of Housing and Community Affairs  
% of Funds Agency Receives: .18  
Component: Administrative Costs  
Technique: Actual Clearance, ZBA - ACH  
Average Day of Clearance: 3 Days

93.568 Low-Income Home Energy Assistance  
Recipient: 332 - Texas Department of Housing and Community Affairs  
% of Funds Agency Receives: .41  
Component: Payroll Costs  
Technique: Actual Clearance, ZBA - ACH  
Average Day of Clearance: 3 Days

93.568 Low-Income Home Energy Assistance  
Recipient: 332 - Texas Department of Housing and Community Affairs  
% of Funds Agency Receives: 99.41  
Component: Program Costs  
Technique: Actual Clearance, ZBA - ACH  
Average Day of Clearance: 3 Days

93.575 Child Care and Development Block Grant  
Recipient: 320 - Texas Workforce Commission  
% of Funds Agency Receives: 1.22  
Component: Payroll Costs  
Technique: Monthly Draws  
Average Day of Clearance: 1 Day

93.575 Child Care and Development Block Grant  
Recipient: 320 - Texas Workforce Commission  
% of Funds Agency Receives: 96.23  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.575 Child Care and Development Block Grant  
Recipient: 530 - Department of Family and Protective Services  
% of Funds Agency Receives: 2.55  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.596 Child Care Mandatory and Matching Funds of the Child Care  
and Development Fund  
Recipient: 320 - Texas Workforce Commission

% of Funds Agency Receives: 100  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: .37  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: .5  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 99.13  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 2.51  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 1.54  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 529 - Health and Human Services Commission  
% of Funds Agency Receives: 95.84  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 530 - Department of Family and Protective Services  
% of Funds Agency Receives: .01  
Component: Administrative Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 530 - Department of Family and Protective Services  
% of Funds Agency Receives: .01  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 530 - Department of Family and Protective Services  
% of Funds Agency Receives: .03  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: .04  
Component: Payroll Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: .01  
Component: Program Costs  
Technique: Pre-Issuance  
Average Day of Clearance: N/A

93.778 Medical Assistance Program  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: .01  
Component: Indirect Cost  
Technique: Monthly Draws  
Average Day of Clearance: 1 Day

97.036 Disaster Grants - Public Assistance (Presidentially Declared  
Disasters)  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: .08  
Component: Payroll Costs  
Technique: Reimbursement  
Average Day of Clearance: N/A

97.036 Disaster Grants - Public Assistance (Presidentially Declared  
Disasters)  
Recipient: 575 - Texas Division of Emergency Management  
% of Funds Agency Receives: -3.92  
Component: Program Costs  
Technique: Reimbursement  
Average Day of Clearance: N/A

97.036 Disaster Grants - Public Assistance (Presidentially Declared  
Disasters)  
Recipient: 537 - Department of State Health Services  
% of Funds Agency Receives: 36.09  
Component: Program Costs  
Technique: Reimbursement  
Average Day of Clearance: N/A

97.036 Disaster Grants - Public Assistance (Presidentially Declared  
Disasters)  
Recipient: 575 - Texas Division of Emergency Management  
% of Funds Agency Receives: 2.87  
Component: Payroll Costs  
Technique: Reimbursement  
Average Day of Clearance: N/A

97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Recipient: 575 - Texas Division of Emergency Management

% of Funds Agency Receives: 64.88

Component: Program Costs - Pre-Issuance

Technique: Pre-Issuance

Average Day of Clearance: N/A

97.050 Presidential Declared Disaster Assistance to Individuals and Households - Other Needs

Recipient: 529 - Health and Human Services Commission

% of Funds Agency Receives: .05

Component: Payroll Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

97.050 Presidential Declared Disaster Assistance to Individuals and Households - Other Needs

Recipient: 529 - Health and Human Services Commission

% of Funds Agency Receives: 99.95

Component: Program Costs

Technique: Pre-Issuance

Average Day of Clearance: N/A

### 6.3.3 Materiality Exemptions

Agencies exempt from coverage on the basis of materiality:

212 - Office of Court Administration for ALN 93.563

305 - General Land Office for ALN 97.036

320 - Texas Workforce Commission ALN 10.561 and 97.050

401 - Texas Military Department for ALNs 10.553, 10.555, and 97.036

405 - Department of Public Safety for ALN 97.036

506 - University of Texas M. D. Anderson Cancer Center for ALNs 93.558 and 97.036

529 - Health and Human Services Commission for ALNs 84.027, 84.126, and 93.575

537 - Department of State Health Services for ALN 10.561

551 - Texas Department of Agriculture for ALN 10.553

554 - Texas Animal Health Commission for ALN 97.036

555 - Texas A&M AgriLife Extension Service for ALNs 10.561, 14.228, 20.205, and 93.323

575 - Texas Division of Emergency Management for ALN 14.228

580 - Texas Water Development Board for ALN 14.228

582 - Texas Commission on Environmental Quality ALN 97.036

601 - Texas Department of Transportation ALN 20.205 and 97.036

644 - Texas Juvenile Justice Department for ALNs 10.553, 10.555, 84.027, 84.367, 93.323, and 97.036

696 - Texas Department of Criminal Justice for ALNs 84.027 and 84.367

701 - Texas Education Agency for ALN 93.323 and 93.558

708 - Texas A&M University System - Shared Services Center for ALN 93.575

709 - Texas A&M University System Health Science Center for ALNs 93.558

712 - Texas A&M Engineering Experiment Station for ALN 97.036

716 - Texas A&M Engineering Extension Service for ALN 97.036

727 - Texas A&M Transportation Institute for ALNs 20.205

771 - Texas School for the Blind and Visually Impaired for ALNs 10.553, 10.555, 84.027, 84.367, 84.425 and 93.778

772 - Texas School for the Deaf for ALNs 10.553, 10.555, 84.010, 84.027, 84.367, and 93.778

802 - Parks and Wildlife Department for ALN 97.036

808 - Texas Historical Commission for ALN 97.036

## 7.0 CLEARANCE PATTERNS

7.1 The State shall develop separate clearance patterns for each of the following:

For each program or logical group of programs subject to the provisions of Subpart A of 31 CFR 205, except for those programs that utilize Electronic Benefit Transfers (EBT). The State will also develop functional clearance patterns for those programs where applicable.

7.2 The following shall develop the State's clearance patterns:

State agencies will calculate clearance patterns for period 1 (from deposit date to issuance date, where issuance means the actual release of payments). The Comptroller of Public Accounts will calculate clearance patterns for period 2 from issuance to clearance.

7.3 The sources of data the State shall use when developing its clearance patterns are as follows:

An agency's internal accounting system, the Uniform Statewide Accounting System, the Treasury Warrants System, and the Standardized Payroll/Personnel Reporting System.

7.4 The State shall use the following methodology when developing its clearance patterns:

When developing each clearance pattern, the State shall track at least 99% of the funds disbursed, from issuance to clearance, for a period of at least three months.

7.5 The State shall identify for each check or warrant (hereafter, check) in the population: (1) the date the check was released for payment; (2) the date the check was debited from the State's account, and, (3) the amount of the check.

7.6 The State shall use the following method to calculate the dollar-weighted average day of clearance:

To determine the number of days each check was outstanding (clearance time), the issue date shall be subtracted from the date the check cleared the State's account.

To determine the percentage of the disbursement paid out each day following issuance, the amount of the checks that clear the State's account each day shall be summed and then divided by the amount of the total disbursement.

For each day following issuance, the clearance time of the checks paid out that day shall be multiplied by the percentage of the total disbursement those checks represent. This product is the clearance factor.

The dollar-weighted average day of clearance for the disbursement shall be determined by summing the clearance factor of each day following the disbursement.

7.7 The State shall adjust each clearance pattern to reflect the dollar-weighted proportion of funds paid out by EFT/Direct payroll, with the following exceptions:

None

The State shall also adjust each clearance pattern to reflect:

Not Applicable

7.8 Each of the State's clearance patterns is calculated in Calendar days.

7.9 An authorized State official shall certify that each clearance pattern developed by the State accurately corresponds to the clearance activity of the programs to which it is applied. This certification shall be provided to the Fiscal Service prior to the effective date of the Agreement. The State shall recertify its clearance patterns at least every five years.

7.10 The State shall follow the procedures of 31 CFR 205 if it has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity.

## **8.0 INTEREST CALCULATION METHODOLOGY**

## 8.1 General Terms

8.1.1 The State and the Secretary agree that no interest liabilities will be incurred for transfers of funds made in accordance with the procedures specified in section 6 of this Agreement where the following funding techniques are applied:

Actual Clearance, ZBA - ACH  
Actual Clearance, ZBA - Same Day Payment  
Average Clearance  
Indirect Cost Rates - Proportionate Shares  
Monthly Draws  
N/A - TANF Recoveries  
Non-Cash  
Reimbursement  
Weekly Draws - Texas Department of Transportation (Program Cost/Other)

8.1.2 The State shall maintain information on disbursements and receipts of funds to verify the implementation of any funding technique and document interest liabilities.

For each disbursement, the State shall be able to identify:

- (1) amount of the issuance
- (2) date of issuance
- (3) date Federal funds are received and credited to a State account
- (4) amount of Federal funds received
- (5) date funds were requested

## 8.2 Federal Interest Liabilities

8.2.1 A Federal interest liability shall accrue from the day the State pays out its own funds for program purposes to the day Federal funds are credited to a State account. With regard to funds transferred out of the Federal Highway Trust Fund, if a State does not bill at least weekly for current project costs, the Federal interest liability shall not accrue prior to the day the State submits a request for funds.

8.2.2 The State shall use the following method to calculate Federal interest liabilities:

Actual Activity:

For all transactions where the State pays out its own funds for program purposes prior to receiving Federal funds, the State shall track each payment from the date it is paid out of a State account to the date Federal funds are subsequently credited to a State account to cover that outlay. The Federal interest liability on each payment shall be based on the difference in whole days between the two events. With Federal-State matching programs, interest shall be calculated on the Federal percentage of the disbursement.

## 8.3 The Unemployment Trust Fund

8.3.1 The State shall use the following method to calculate State interest liabilities on funds withdrawn from the several accounts in the Unemployment Trust Fund:

Federal and State Funds are Interest Neutral:

There are no interest earnings on funds withdrawn from the State account, as the State has implemented estimated clearance, an interest-neutral funding technique, for such transfers. For UTF transfers that do not follow the technique specified in section 6.2 and result in a positive balance of funds in a State account, the State's liability for interest on funds withdrawn from its account in the UTF shall consist of the actual interest earnings of the benefit payment account on the pro-rata share less the related banking costs attributed to such funds.

## 8.4 Refund Liabilities

8.4.1 The State shall be liable for interest on refunds from the date the refund is credited to a State account until the date the refund is debited from the State account for program purposes. The State shall apply a \$50,000 refund transaction threshold below which the State shall not incur or calculate interest liabilities on refunds. A transaction is defined as a single deposit.

8.4.2 For each refund, the State shall maintain information identifying:

- (1) date a refund is credited to a State account
- (2) date of the subsequent deposit of Federal funds against which the refund is offset
- (3) amount of the refund

8.4.3 The State shall use the following methodology to calculate interest liabilities on refunds:

With programs to which applicable interest neutral funding techniques are applied, the State interest liability shall be based on the difference in whole days between the date the refund is deposited in a State account and the date the refund is offset against a subsequent deposit of Federal funds.

## 8.5 Exemptions

8.5.1 Where more than one State agency is a recipient of Federal funds under a program, a particular State agency's funding may be excluded from interest calculation procedures if the State agency receives an amount of funds less than 5

% of the State's threshold for major Federal assistance programs. Notwithstanding this potential exemption, however, in no case shall less than 90% of a program's total funding be subject to interest calculation procedures.

Proration of calculations: If less than total program funding is subject to interest calculation procedures, the resulting interest liability calculations shall be prorated to 100% of program funding.

## 8.6 State Interest Liabilities

8.6.1 The State shall be liable for interest on Federal funds from the date Federal funds are credited to a State account until the date those funds are paid out for program purposes.

8.6.2 The State shall use the following method to calculate State interest liabilities on Federal funds:

### 8.6.2.1 Measuring Time Funds Are Held

Deposit to Issuance; Issuance to Clearance:

To determine the total time Federal funds are held, the State shall separately measure two time periods: (1) the date Federal funds are deposited to the date checks are issued; and (2) the date checks are issued to the date funds are debited from the State's account.

### 8.6.2.2 Source of Data

The time period from issuance of funds to the date funds are debited from the State's account shall be determined by the appropriate clearance pattern specified in Exhibit II.

### 8.6.2.3 Standards Applied

Census (Average Daily Balance):

The average daily cash balance of Federal Funds in the program's account reflects the actual activity of each draw from the date of deposit to the date of issuance or clearance, whichever is pertinent.

### 8.6.2.4 Calculation Procedure

Pre-Issuance Time + Clearance Time:

$I = P \times r \times \{PI + CT\}$ , where

$I$  = State's total interest liability

P = Total annual expenditures of Federal funds for program or component cash flow of program

r = Annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during a State's fiscal year divided by 365 days

PI = Dollar-weighted average number of days Federal funds are held by State prior to issuance

CT = Dollar-weighted average number of days Federal funds are held by State between issuance and clearance of checks, as determined by the appropriate clearance pattern in Exhibit II

## **9.0 REVERSE FLOW PROGRAMS**

The State is not required to cover any reverse flow programs under the terms of this Agreement because the State does not participate in the program.

## **10.0 INTEREST CALCULATION COSTS**

10.1 As set forth in 31 CFR 205.27, interest calculation costs are defined as those costs necessary for the actual calculation of interest, including the cost of developing and maintaining clearance patterns in support of the interest calculations. Interest calculation costs do not include expenses for normal disbursing services, such as processing of checks or maintaining records for accounting and reconciliation of cash balances, or expenses for upgrading or modernizing accounting systems. Interest calculation costs in excess of \$50,000 in any year are not eligible for reimbursement, unless the State provides justification with the annual report.

10.2 The State expects to incur the following types of interest calculation costs:

Personnel; computer resources and administrative overhead.


10.3 The State shall submit all claims for reimbursement of interest calculation costs with its Annual Report in accordance with 31 CFR 205.

## **11.0 NON-COMPLIANCE**

11.1 The provisions of 31 CFR Part 205.29 and 31 CFR Part 205.30 shall apply in cases of non-compliance with the terms of this Agreement.

12.0 AUTHORIZED SIGNATURES

Lisa Craven  
Deputy Comptroller, Texas Comptroller of Public Accounts

DocuSigned by:  
Signature:  Date Signed: 8/29/2025  
E450165D764443C...

Date Submitted 8/28/2025

Tannura Elie  
Assistant Commissioner  
Revenue Collections Management  
Bureau of the Fiscal Service  
U.S. Department of the Treasury

Signed by:  
Signature:  Date Signed: 9/2/2025  
T11465BA46B941E...

**Exhibit I - Funds Request and Receipt Times Schedule****State of Texas**

| <b>Federal Agency</b>             | <b>Payment Type</b> | <b>Request Cut-Off Time</b> | <b>Receipt Window</b> |
|-----------------------------------|---------------------|-----------------------------|-----------------------|
| Agriculture-FNS                   | ACH                 | 11:59 PM                    | 1 day                 |
| Agriculture-FNS                   | Fedwire             | 5:45 PM                     | 0 day                 |
| Agriculture-FS                    | ACH                 | 3:00 PM                     | 1 day                 |
| Air National Guard                | ACH                 | 12:00 PM                    | 15 days               |
| Army National Guard               | ACH                 | 12:00 PM                    | 15 days               |
| Commerce-NOAA                     | ACH                 | 2:00 PM                     | 1 day                 |
| Dept of Homeland Security (FEMA)  | Fedwire             | 2:00 PM                     | 2 days                |
| Dept of Homeland Security (ODP)   | ACH                 | 2:00 PM                     | 2 days                |
| Dept of Homeland Security (ODP)   | Fedwire             | 2:00 PM                     | 2 days                |
| EPA                               | ACH                 | 2:00 PM                     | 2 days                |
| EPA                               | Fedwire             | 2:00 PM                     | 0 day                 |
| Education                         | ACH                 | 3:00 PM                     | 1 day                 |
| Education                         | Fedwire             | 2:00 PM                     | 0 day                 |
| Energy                            | ACH                 | 4:00 PM                     | 1 day                 |
| Energy                            | Fedwire             | 3:00 PM                     | 0 day                 |
| HHS                               | ACH                 | 5:00 PM                     | 1 day                 |
| HHS                               | Fedwire             | 3:00 PM                     | 0 day                 |
| HUD                               | ACH                 | 5:30 PM                     | 2 days                |
| HUD                               | Fedwire             | 3:00 PM                     | 0 day                 |
| Interior-FWS                      | ACH                 | 11:59 PM                    | 1 day                 |
| Interior-FWS                      | Fedwire             | 5:45 PM                     | 0 day                 |
| Interior-OSM                      | ACH                 | 3:00 PM                     | 1 day                 |
| Interior-OSM                      | Fedwire             | 1:00 PM                     | 0 day                 |
| Justice                           | ACH                 | 11:00 PM                    | 6 days                |
| Justice                           | Fedwire             | 2:00 PM                     | 2 days                |
| Labor-Non-UTF                     | ACH                 | 3:00 PM                     | 1 day                 |
| Labor-UTF                         | ACH                 | 3:00 PM                     | 1 day                 |
| Labor-UTF                         | Fedwire             | 3:00 PM                     | 0 day                 |
| National Science Foundation (NSF) | ACH                 | 8:00 PM                     | 1 day                 |
| National Science Foundation (NSF) | Fedwire             | 5:45 PM                     | 0 day                 |
| Social Security Administration    | ACH                 | 11:59 PM                    | 1 day                 |
| Social Security Administration    | Fedwire             | 5:45 PM                     | 0 day                 |
| Transportation (FAA)              | ACH                 | 2:00 PM                     | 1 day                 |
| Transportation (FHWA)             | ACH                 | 12:00 PM                    | 3 days                |
| Transportation (FHWA)             | Fedwire             | 12:00 PM                    | 0 day                 |
| Transportation (FTA)              | ACH                 | 2:00 PM                     | 1 day                 |
| Veterans Administration           | ACH                 | 12:00 PM                    | 3 days                |

## Exhibit II - State of Texas

### LIST OF STATE CLEARANCE TIMES

**(Rounded Dollar-Weighted Average Day of Clearance)**

#### Clearance Times Where the Timing of A Draw Down Is Based on A Clearance Pattern

| CFDA   | Program Name   | Recipient                                  | %     | Component                    | Technique                                  | Rounded days |
|--------|--|--|-------|------------------------------|--|--------------|
| 10.551 | Supplemental Nutrition Assistance Program  | 529 - Health and Human Services Commission | 100.0 | Program Costs under EBT      | Actual Clearance, ZBA - ACH                | 3 Days       |
| 10.553 | School Breakfast Program   | 701 - Texas Education Agency               | 100.0 | Program Costs                | Actual Clearance, ZBA - Same Day Payment   | 0 Days       |
| 10.555 | National School Lunch Program  | 551 - Texas Department of Agriculture      | 6.54  | Program Costs - Pre-Issuance | Pre-Issuance                               | N/A          |
|        | National School Lunch Program  | 551 - Texas Department of Agriculture      | 10.06 | Program Costs                | Non-Cash                                   | N/A          |
|        | National School Lunch Program  | 701 - Texas Education Agency               | 83.4  | Program Costs                | Actual Clearance, ZBA - Same Day Payment   | 0 Days       |
| 10.557 | WIC Special Supplemental Nutrition Program for Women, Infants, and Children            | 529 - Health and Human Services Commission | 7.68  | Administrative Costs         | Pre-Issuance                               | N/A          |
|        | WIC Special Supplemental Nutrition Program for Women, Infants, and Children            | 529 - Health and Human Services Commission | 3.71  | Payroll Costs                | Pre-Issuance                               | N/A          |
|        | WIC Special Supplemental Nutrition Program for Women, Infants, and Children            | 529 - Health and Human Services Commission | 88.61 | Program Costs                | Pre-Issuance                               | N/A          |
| 10.558 | Child and Adult Care Food Program  | 551 - Texas Department of Agriculture      | 99.13 | Program Costs - Pre-Issuance | Pre-Issuance                               | N/A          |
|        | Child and Adult Care Food Program  | 551 - Texas Department of Agriculture      | 0.59  | Payroll Costs                | Pre-Issuance                               | N/A          |
|        | Child and Adult Care Food Program  | 551 - Texas Department of Agriculture      | 0.28  | Indirect Cost                | Indirect Cost Rates - Proportionate Shares | N/A          |
| 10.561 | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 529 - Health and Human Services Commission | 44.28 | Administrative Costs         | Pre-Issuance                               | N/A          |
|        | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 529 - Health and Human Services Commission | 44.27 | Payroll Costs                | Pre-Issuance                               | N/A          |

|          |   |  |       |                              |  |       |
|----------|---|--|-------|------------------------------|--|-------|
|          | State Administrative Matching Grants for the Supplemental Nutrition Assistance Program  | 529 - Health and Human Services Commission | 11.45 | Program Costs                | Pre-Issuance                               | N/A   |
| 10.569   | Emergency Food Assistance Program (Food Commodities)                                    | 551 - Texas Department of Agriculture      | 0.2   | Program Costs - Pre-Issuance | Pre-Issuance                               | N/A   |
|          | Emergency Food Assistance Program (Food Commodities)                                    | 551 - Texas Department of Agriculture      | 99.8  | Program Costs                | Non-Cash                                   | N/A   |
| 14.228   | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 305 - General Land Office                  | 2.41  | Payroll Costs                | Reimbursement                              | N/A   |
|          | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 305 - General Land Office                  | 0.37  | Indirect Costs               | Indirect Cost Rates - Proportionate Shares | N/A   |
|          | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 305 - General Land Office                  | 1.81  | Administrative Costs         | Pre-Issuance                               | N/A   |
|          | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 551 - Texas Department of Agriculture      | 0.1   | Payroll Costs                | Pre-Issuance                               | N/A   |
|          | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 305 - General Land Office                  | 89.06 | Program Costs                | Pre-Issuance                               | N/A   |
|          | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 551 - Texas Department of Agriculture      | 6.21  | Program Costs - Pre-Issuance | Pre-Issuance                               | N/A   |
|          | Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 551 - Texas Department of Agriculture      | 0.04  | Indirect Cost                | Indirect Cost Rates - Proportionate Shares | N/A   |
|          | Unemployment Insurance -- Federal Benefit Account and Administrative Costs              | 320 - Texas Workforce Commission           | 56.43 | Payroll Costs                | Monthly Draws                              | 1 Day |
| 17.225 F | Unemployment Insurance -- Federal Benefit Account and Administrative Costs              | 320 - Texas Workforce Commission           | 43.57 | Indirect Cost                | Pre-Issuance                               | N/A   |

|             |   |  |       |   |  |        |
|-------------|---|--|-------|---|--|--------|
| 17.225<br>S | Unemployment Insurance -- State Benefit Account                       | 320 - Texas Workforce Commission         | 100.0 | Payment to Beneficiaries - Grants (ATAA, TRA & DUA) | Actual Clearance, ZBA - Same Day Payment                                 | 0 Days |
| 20.205      | Highway Planning and Construction                                     | 601 - Texas Department of Transportation | 51.45 | Program Costs - Weekly Draws                        | Weekly Draws - Texas Department of Transportation (Program Cost/Other)   | N/A    |
|             | Highway Planning and Construction                                     | 601 - Texas Department of Transportation | 0.72  | Payroll Costs                                       | Monthly Draws  | 1 Day  |
|             | Highway Planning and Construction                                     | 601 - Texas Department of Transportation | 47.83 | Program Costs - Pre-Issuance                        | Pre-Issuance as it applies to the TX Dept of Transportation - First Week | N/A    |
| 84.010      | Title I Grants to Local Educational Agencies                          | 701 - Texas Education Agency             | 99.48 | Program Costs                                       | Actual Clearance, ZBA - Same Day Payment                                 | 0 Days |
|             | Title I Grants to Local Educational Agencies                          | 701 - Texas Education Agency             | 0.43  | Payroll Costs                                       | Pre-Issuance   | N/A    |
|             | Title I Grants to Local Educational Agencies                          | 701 - Texas Education Agency             | 0.09  | Administrative Costs                                | Pre-Issuance   | N/A    |
| 84.027      | Special Education -- Grants to States                                 | 701 - Texas Education Agency             | 97.12 | Program Costs                                       | Actual Clearance, ZBA - Same Day Payment                                 | 0 Days |
|             | Special Education -- Grants to States                                 | 701 - Texas Education Agency             | 1.47  | Payroll Costs                                       | Pre-Issuance   | N/A    |
|             | Special Education -- Grants to States                                 | 701 - Texas Education Agency             | 1.41  | Administrative Costs                                | Pre-Issuance   | N/A    |
| 84.126      | Rehabilitation Services -- Vocational Rehabilitation Grants to States | 320 - Texas Workforce Commission         | 39.5  | Payroll Costs                                       | Monthly Draws  | 1 Day  |
|             | Rehabilitation Services -- Vocational Rehabilitation Grants to States | 320 - Texas Workforce Commission         | 60.5  | Program Costs                                       | Pre-Issuance   | N/A    |
| 84.367      | Supporting Effective Instruction State Grants                         | 701 - Texas Education Agency             | 99.19 | Program Costs                                       | Actual Clearance, ZBA - Same Day Payment                                 | 0 Days |
|             | Supporting Effective Instruction State Grants                         | 701 - Texas Education Agency             | 0.58  | Payroll Costs                                       | Pre-Issuance   | N/A    |
|             | Supporting Effective Instruction State Grants                         | 701 - Texas Education Agency             | 0.23  | Administrative Costs                                | Pre-Issuance   | N/A    |
| 84.425      | Education Stabilization Fund  | 701 - Texas Education Agency             | 96.8  | Program Costs                                       | Actual Clearance, ZBA - Same Day Payment                                 | 0 Days |
|             | Education Stabilization Fund  | 701 - Texas Education Agency             | 0.45  | Payroll Costs                                       | Pre-Issuance   | N/A    |
|             | Education Stabilization Fund  | 701 - Texas Education Agency             | 2.75  | Administrative Costs                                | Pre-Issuance   | N/A    |

|        |  |   |       |                      |                             |        |
|--------|--|---|-------|----------------------|-----------------------------|--------|
| 93.323 | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 537 - Department of State Health Services               | 35.06 | Indirect Costs       | Monthly Draws               | 1 Day  |
|        | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 537 - Department of State Health Services               | 4.39  | Payroll Costs        | Pre-Issuance                | N/A    |
|        | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 537 - Department of State Health Services               | 50.68 | Program Costs        | Pre-Issuance                | N/A    |
|        | Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 696 - Texas Department of Criminal Justice              | 9.87  | Administrative Costs | Actual Clearance, ZBA - ACH | 3 Days |
| 93.558 | Temporary Assistance for Needy Families                            | 320 - Texas Workforce Commission                        | 1.25  | Payroll Costs        | Monthly Draws               | 1 Day  |
|        | Temporary Assistance for Needy Families                            | 320 - Texas Workforce Commission                        | 16.16 | Program Costs        | Pre-Issuance                | N/A    |
|        | Temporary Assistance for Needy Families                            | 529 - Health and Human Services Commission              | 0.22  | Administrative Costs | Pre-Issuance                | N/A    |
|        | Temporary Assistance for Needy Families                            | 529 - Health and Human Services Commission              | 0.4   | Payroll Costs        | Pre-Issuance                | N/A    |
|        | Temporary Assistance for Needy Families                            | 529 - Health and Human Services Commission              | 2.47  | Program Costs        | Pre-Issuance                | N/A    |
|        | Temporary Assistance for Needy Families                            | 530 - Department of Family and Protective Services      | 14.2  | Administrative Costs | Pre-Issuance                | N/A    |
|        | Temporary Assistance for Needy Families                            | 530 - Department of Family and Protective Services      | 21.87 | Program Costs        | Pre-Issuance                | N/A    |
|        | Temporary Assistance for Needy Families                            | 530 - Department of Family and Protective Services      | 43.43 | Payroll Costs        | Pre-Issuance                | N/A    |
| 93.563 | Child Support Services   | 302 - Attorney General                                  | 50.75 | Program Costs        | Pre-Issuance                | N/A    |
|        | Child Support Services   | 302 - Attorney General                                  | 37.43 | Payroll Costs        | Average Clearance           | 0 Days |
|        | Child Support Services   | 302 - Attorney General                                  | 8.25  | Administrative Costs | Average Clearance           | 0 Days |
|        | Child Support Services   | 302 - Attorney General                                  | 3.57  | TANF Recoveries      | N/A - TANF Recoveries       | N/A    |
| 93.568 | Low-Income Home Energy Assistance                                  | 332 - Texas Department of Housing and Community Affairs | 0.18  | Administrative Costs | Actual Clearance, ZBA - ACH | 3 Days |
|        | Low-Income Home Energy Assistance                                  | 332 - Texas Department of Housing and Community Affairs | 0.41  | Payroll Costs        | Actual Clearance, ZBA - ACH | 3 Days |
|        | Low-Income Home Energy Assistance                                  | 332 - Texas Department of Housing and Community Affairs | 99.41 | Program Costs        | Actual Clearance, ZBA - ACH | 3 Days |
| 93.575 | Child Care and Development Block Grant                             | 320 - Texas Workforce Commission                        | 1.22  | Payroll Costs        | Monthly Draws               | 1 Day  |

|        |  |  |       |                              |               |       |
|--------|--|--|-------|------------------------------|---------------|-------|
|        | Child Care and Development Block Grant   | 320 - Texas Workforce Commission                   | 96.23 | Program Costs                | Pre-Issuance  | N/A   |
|        | Child Care and Development Block Grant   | 530 - Department of Family and Protective Services | 2.55  | Program Costs                | Pre-Issuance  | N/A   |
| 93.596 | Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 320 - Texas Workforce Commission                   | 100.0 | Program Costs                | Pre-Issuance  | N/A   |
| 93.767 | Children's Health Insurance Program  | 529 - Health and Human Services Commission         | 0.37  | Payroll Costs                | Pre-Issuance  | N/A   |
|        | Children's Health Insurance Program  | 529 - Health and Human Services Commission         | 0.5   | Administrative Costs         | Pre-Issuance  | N/A   |
|        | Children's Health Insurance Program  | 529 - Health and Human Services Commission         | 99.13 | Program Costs                | Pre-Issuance  | N/A   |
| 93.778 | Medical Assistance Program   | 529 - Health and Human Services Commission         | 2.51  | Administrative Costs         | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 529 - Health and Human Services Commission         | 1.54  | Payroll Costs                | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 529 - Health and Human Services Commission         | 95.84 | Program Costs                | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 530 - Department of Family and Protective Services | 0.01  | Administrative Costs         | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 530 - Department of Family and Protective Services | 0.01  | Program Costs                | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 530 - Department of Family and Protective Services | 0.03  | Payroll Costs                | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 537 - Department of State Health Services          | 0.04  | Payroll Costs                | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 537 - Department of State Health Services          | 0.01  | Program Costs                | Pre-Issuance  | N/A   |
|        | Medical Assistance Program   | 537 - Department of State Health Services          | 0.01  | Indirect Cost                | Monthly Draws | 1 Day |
| 97.036 | Disaster Grants - Public Assistance (Presidentially Declared Disasters)        | 537 - Department of State Health Services          | 0.08  | Payroll Costs                | Reimbursement | N/A   |
|        | Disaster Grants - Public Assistance (Presidentially Declared Disasters)        | 575 - Texas Division of Emergency Management       | -3.92 | Program Costs                | Reimbursement | N/A   |
|        | Disaster Grants - Public Assistance (Presidentially Declared Disasters)        | 537 - Department of State Health Services          | 36.09 | Program Costs                | Reimbursement | N/A   |
|        | Disaster Grants - Public Assistance (Presidentially Declared Disasters)        | 575 - Texas Division of Emergency Management       | 2.87  | Payroll Costs                | Reimbursement | N/A   |
|        | Disaster Grants - Public Assistance  | 575 - Texas Division of                            | 64.88 | Program Costs - Pre-Issuance | Pre-Issuance  | N/A   |

|        |   |  |       |               |              |     |
|--------|---|--|-------|---------------|--------------|-----|
|        | (Presidentially Declared Disasters)   | Emergency Management                       |       |               |              |     |
| 97.050 | Presidential Declared Disaster Assistance to Individuals and Households - Other Needs | 529 - Health and Human Services Commission | 0.05  | Payroll Costs | Pre-Issuance | N/A |
|        | Presidential Declared Disaster Assistance to Individuals and Households - Other Needs | 529 - Health and Human Services Commission | 99.95 | Program Costs | Pre-Issuance | N/A |

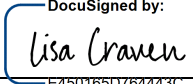
### Certification

I hereby certify that an authorized State official has certified at least every five years that the "Rounded Days of Clearance" listed in Exhibit 2 of this Treasury-State Agreement:

1. Have been prepared in accordance with the standards provided in 31 CFR 205.20;
2. Accurately represent the flow of Federal funds under the Federal assistance programs to which they apply;
3. Reflect seasonal or other periodic variations in the clearance activities; and,
4. Are auditable.

Date: 8/29/2025

Printed Name: Lisa Craven

Certifying Signature:  E450165D764443C...

Title: Deputy Comptroller