



TEXAS OFFICE OF CONSUMER  
**CREDIT COMMISSIONER**

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Austin, Texas 78705

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Web address: [occc.texas.gov](http://occc.texas.gov)



## Annual Financial Report

For the Year Ended August 31, 2017

# **Office of Consumer Credit Commissioner**

Annual Financial Report for the Year Ended August 31, 2017

Unaudited

Leslie L. Pettijohn, Commissioner

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September 29, 2017

Honorable Greg Abbott, Governor  
Honorable Glenn Hegar, Texas Comptroller  
Ursula Parks, Director, Legislative Budget Board  
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Office of Consumer Credit Commissioner for the year ended August 31, 2017, in compliance with Texas Government Code Annotated, Section §2101.011 and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report* (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Christina Cuellar Hoke, Manager of Accounting at (512) 936-7642.

Sincerely,

Leslie L. Pettijohn  
Commissioner

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## **COMBINED FINANCIAL STATEMENTS**

**Office of the Consumer Credit Commissioner**  
**Exhibit I — Combined Balance Sheet/Statement of Net Position — Governmental Funds**  
**For the Fiscal Year Ended August 31, 2017**

	Governmental Fund Types		
	General Funds	Special Revenue Funds	Governmental Funds Total
<b>ASSETS</b>			
Current Assets:			
Cash (Note 3):			
Cash In Bank	18,880.00	-	18,880.00
Cash in State Treasury	611,722.87	5.41	611,728.28
Cash Equivalents (Note3)	11,801,784.57	1,385,329.27	13,187,113.84
Receivables from:			
Accounts Receivable	20,861.50		20,861.50
Due from Other Fund (Note 12)		800.00	800.00
Consumable Inventories	-		-
Total Current Assets	<u>\$ 12,453,248.94</u>	<u>\$ 1,386,134.68</u>	<u>\$ 13,839,383.62</u>
Non-Current Assets			
Capital Assets (Note 2):			
Non-Depreciable or Non-Amortizable	-	-	-
Depreciable or Amortizable			
Investments (Note 3)		2,827,341.43	2,827,341.43
Total Non-Current Assets	<u>\$ -</u>	<u>\$ 2,827,341.43</u>	<u>\$ 2,827,341.43</u>
Total Assets	<u>\$ 12,453,248.94</u>	<u>\$ 4,213,476.11</u>	<u>\$ 16,666,725.05</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities			
Payables from:			
Accounts	96,298.70	16,307.08	112,605.78
Payroll	544,195.25		544,195.25
Due To Other Funds (Note 12)	800.00		800.00
Due To Other Agencies (Note 12)	21,980.33		21,980.33
Employees' Compensable Leave (Note 5)			
Non-Current Liabilities			
Employees' Compensable Leave (Note 5)			
Total Liabilities	<u>\$ 663,274.28</u>	<u>\$ 16,307.08</u>	<u>\$ 679,581.36</u>
<b>FUND FINANCIAL STATEMENT</b>			
Fund Balances (Deficits):			
Nonspendable	-	-	-
Committed	11,789,974.66	4,197,169.03	15,987,143.69
Unassigned	-	-	-
Total Fund Balances	<u>\$ 11,789,974.66</u>	<u>\$ 4,197,169.03</u>	<u>\$ 15,987,143.69</u>
Total Liabilities and Fund Balances	<u>\$ 12,453,248.94</u>	<u>\$ 4,213,476.11</u>	<u>\$ 16,666,725.05</u>
Government-Wide Statement of Net Position			
Net Position			
Invested in Capital Assets, Net of Related Debt			
Unrestricted			
Total Net Position			

The accompanying notes to the financial statements are an integral part of this statement.

**Office of the Consumer Credit Commissioner**  
**Exhibit I — Combined Balance Sheet/Statement of Net Position — Governmental Funds**  
**For the Fiscal Year Ended August 31, 2017**

	<u>Capital Assets Adjustments</u>	<u>Long-Term Liabilities Adjustments</u>	<u>Statement of Net Position</u>
<b>ASSETS</b>			
Current Assets:			
Cash (Note 3)			
Cash In Bank	-	-	18,880.00
Cash in State Treasury			611,728.28
Cash Equivalents (Note3)			13,187,113.84
Receivables from:			
Accounts Receivable			20,861.50
Due from Other Fund (Note 12)			800.00
Consumable Inventories			-
Total Current Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,839,383.62</u>
Non-Current Assets			
Capital Assets (Note 2):			
Non-Depreciable or Non-Amortizable	-	-	-
Depreciable or Amortizable	7,638.76		7,638.76
Investments (Note 3)			2,827,341.43
Total Non-Current Assets	<u>\$ 7,638.76</u>	<u>\$ -</u>	<u>\$ 2,834,980.19</u>
Total Assets	<u>\$ 7,638.76</u>	<u>\$ -</u>	<u>\$ 16,674,363.81</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities:			
Payables from:			
Accounts	-	-	112,605.78
Payroll			544,195.25
Due To Other Funds (Note 12)			800.00
Due To Other Agencies (Note 12)			21,980.33
Employees' Compensable Leave (Note 5)		362,169.75	362,169.75
Non-Current Liabilities			
Employees' Compensable Leave (Note 5)		293,239.85	293,239.85
Total Liabilities	<u>\$ -</u>	<u>\$ 655,409.60</u>	<u>\$ 1,334,990.96</u>
<b>FUND FINANCIAL STATEMENT</b>			
Fund Balances (Deficits):			
Nonspendable			
Committed			15,987,143.69
Unassigned			-
Total Fund Balances			<u>\$ 15,987,143.69</u>
Total Liabilities and Fund Balances			<u>\$ 17,322,134.65</u>
Government-Wide Statement of Net Position			
Net Position			
Invested in Capital Assets, Net of Related Debt	7,638.76	-	7,638.76
Unrestricted	-	(655,409.60)	(655,409.60)
Total Net Position	<u>\$ 7,638.76</u>	<u>\$ (655,409.60)</u>	<u>\$ 15,339,372.85</u>

The accompanying notes to the financial statements are an integral part of this statement.



**Office of the Consumer Credit Commissioner**  
**Exhibit II — Combined Statement of Revenues, Expenditures and Changes in Fund Balances/**  
**Statement of Activities — Governmental Funds**  
**For the Fiscal Year Ended August 31, 2017**

	<u>Governmental Fund Types</u>		
	<u>General Funds</u>	<u>Special Revenue Funds</u>	<u>Governmental Funds Total</u>
<b>REVENUES*</b>			
License, Fees & Permits (PR)	9,600,193.15	438,334.46	10,038,527.61
Interest and Other Investment Income (PR)	61,019.49	26,959.93	87,979.42
Sales of Goods and Services (PR)	2,241.99	-	2,241.99
Net Increase (Decrease) in Fair Value (PR)	-	256,547.30	256,547.30
Other (PR - Chg for Serv, Operating or Capital)	1,314.00	-	1,314.00
Total Revenues	<u>\$ 9,664,768.63</u>	<u>\$ 721,841.69</u>	<u>\$ 10,386,610.32</u>
<b>EXPENDITURES</b>			
Salaries and Wages	5,129,606.10	-	5,129,606.10
Payroll Related Costs	1,866,715.09		1,866,715.09
Professional Fees and Services	746,546.80	7,725.37	754,272.17
Travel	758,716.06		758,716.06
Materials and Supplies	98,692.52		98,692.52
Communication and Utilities	86,987.32		86,987.32
Repairs and Maintenance	54,287.31		54,287.31
Rentals and Leases	21,300.39		21,300.39
Printing and Reproduction	475.64		475.64
Public Assistance Payments		141,481.31	141,481.31
Other Expenditures	238,382.06	7,433.92	245,815.98
Capital Outlay	-		-
Depreciation and Amortization Expense			
Total Expenditures/Expenses	<u>\$ 9,001,709.29</u>	<u>\$ 156,640.60</u>	<u>\$ 9,158,349.89</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 663,059.34</u>	<u>\$ 565,201.09</u>	<u>\$ 1,228,260.43</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	-	-	-
Transfer In	9,138,268.93	163,053.60	9,301,322.53
Transfer Out	(9,139,068.93)	(162,253.60)	(9,301,322.53)
Inc (Dec) in Net Position Due to Interagency Transfer			
Total Other Financing Sources (Uses)	<u>\$ (800.00)</u>	<u>\$ 800.00</u>	<u>\$ -</u>
Net Change in Fund Balances/Net Position	<u>\$ 662,259.34</u>	<u>\$ 566,001.09</u>	<u>\$ 1,228,260.43</u>
<b>Fund Financial Statement - Fund Balances</b>			
Fund Balances, September 1, 2016	11,127,715.32	3,631,167.94	14,758,883.26
Restatements	-	-	-
Fund Balances, September 1, 2016, as Restated	<u>\$ 11,127,715.32</u>	<u>\$ 3,631,167.94</u>	<u>\$ 14,758,883.26</u>
Appropriations Lapsed			
Fund Balances, August 31, 2017	<u>\$ 11,789,974.66</u>	<u>\$ 4,197,169.03</u>	<u>\$ 15,987,143.69</u>
<b>Government-Wide Statement of Net Position</b>			
Net Position/Net Change in Net Position			<u>\$ 15,987,143.69</u>
Net Position, September 1, 2016			
Restatements			
Net Position, September 1, 2016, as Restated			
Net Position, August 31, 2017			<u>\$ 15,987,143.69</u>

\* When analyzing which comptroller object code to use, agencies need to determine if it rolls to Program Revenue (PR) or General Revenue (GR) on the Statement of Activities

**Office of the Consumer Credit Commissioner**  
**Exhibit II — Combined Statement of Revenues, Expenditures and Changes in Fund Balances/**  
**Statement of Activities — Governmental Funds**  
**For the Fiscal Year Ended August 31, 2017**

	<b>Capital Assets Adjustments</b>	<b>Long-Term Liabilities Adjustments</b>	<b>Statement of Activities</b>
<b>REVENUES*</b>			
License, Fees & Permits (PR)	-	-	10,038,527.61
Interest and Other Investment Income (PR)			87,979.42
Sales of Goods and Services (PR)			2,241.99
Net Increase (Decrease) in Fair Value (PR)			256,547.30
Other (PR - Chg for Serv, Operating or Capital)			1,314.00
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,386,610.32</u>
<b>EXPENDITURES</b>			
Salaries and Wages	-	(69,194.49)	5,060,411.61
Payroll Related Costs			1,866,715.09
Professional Fees and Services			754,272.17
Travel			758,716.06
Materials and Supplies			98,692.52
Communication and Utilities			86,987.32
Repairs and Maintenance			54,287.31
Rentals and Leases			21,300.39
Printing and Reproduction			475.64
Public Assistance Payments			141,481.31
Other Expenditures			245,815.98
Capital Outlay			-
Depreciation and Amortization Expense	4,315.80		4,315.80
Total Expenditures/Expenses	<u>\$ 4,315.80</u>	<u>\$ (69,194.49)</u>	<u>\$ 9,093,471.20</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (4,315.80)</u>	<u>\$ 69,194.49</u>	<u>\$ 1,293,139.12</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	-	-	-
Transfer In			9,301,322.53
Transfer Out			(9,301,322.53)
Inc (Dec) in Net Position Due to Interagency Transfer		-	-
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balances/Net Position			<u>\$ 1,293,139.12</u>
<b>Fund Financial Statement - Fund Balances</b>			
Fund Balances, September 1, 2016			14,758,883.26
Restatements			-
Fund Balances, September 1, 2016, as Restated			<u>\$ 14,758,883.26</u>
Appropriations Lapsed			
Fund Balances, August 31, 2017			<u>\$ 16,052,022.38</u>
<b>Government-Wide Statement of Net Position</b>			
Net Position/Net Change in Net Position	<u>\$ (4,315.80)</u>	<u>\$ 69,194.49</u>	<u>\$ 16,052,022.38</u>
Net Position, September 1, 2016	11,954.56	(724,604.09)	(712,649.53)
Restatements	-	-	-
Net Position, September 1, 2016, as Restated	<u>\$ 11,954.56</u>	<u>\$ (724,604.09)</u>	<u>\$ (712,649.53)</u>
Net Position, August 31, 2017	<u>\$ 7,638.76</u>	<u>\$ (655,409.60)</u>	<u>\$ 15,339,372.85</u>

\* When analyzing which comptroller object code to use, agencies need to determine if it rolls to Program Revenue (PR) or General Revenue (GR) on the Statement of Activities

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## **NOTES TO THE FINANCIAL STATEMENTS**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Entity**

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The Office of Consumer Credit Commissioner (OCCC) is an agency of the state of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' *Reporting Requirements for Annual Financial Reports of State Agencies and Universities*.

The OCCC is a financial regulatory agency with responsibilities for the regulation of certain nonbank financial service providers. The mission of the Office of Consumer Credit Commissioner (OCCC) is to regulate nondepository financial services and to educate consumers and creditors, fostering a fair, lawful, and healthy credit environment for economic prosperity in Texas. The OCCC licenses and examines the following nonbank financial service providers: regulated lenders, property tax lien lenders, certain residential mortgage loan originators, motor vehicle sales finance dealers and holders, credit access businesses, pawnshops, and pawnshop employees. The OCCC also registers debt management service providers, refund anticipation loan facilitators, crafted precious metal dealers, and retail sellers (creditors) who finance the sales of their goods and services. The OCCC performs its regulatory responsibilities through core functions of licensing and registration; examination and investigation; consumer assistance; legal and enforcement; and financial education.

The Finance Commission of Texas is responsible for overseeing and coordinating the OCCC and its sister agencies and for appointing the agency head. The Finance Commission is comprised of 11 individuals appointed by the Governor and confirmed by the Senate. The membership of the Finance Commission is apportioned by statute as follows: 2 banking executives; 1 savings bank executive; 1 residential mortgage loan originator; 1 consumer credit executive and 6 public members, one of whom must be a certified public accountant.

The OCCC's revenues are derived through the collection of license and registration application fees, renewal fees and assessments, administrative penalties, charges for agency publications and administrative services, and examination charges collected from regulated entities. Various provisions in the Finance Code authorize the Commissioner to recover the cost of examination, the equitable or proportionate cost of maintenance and operation of the agency, and the cost of enforcement. The OCCC is responsible for all direct and indirect costs and does not receive any general revenue funds. The Legislature designated the OCCC as a self-directed, semi-independent (SDSI) agency in 2009. All revenues for operations are placed in a separate account at the Texas Treasury Safekeeping Trust Company.

The OCCC does not have any component units.

Due to the statewide requirements embedded in GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report is considered for audit by the state auditor as part of the audit of the state's *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

**Fund Structure**

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The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

**Governmental Fund Types and Government-wide Adjustment Fund Types**

**General Funds**

The Office of Consumer Credit Commissioner operating fund (Fund 1012/Fund 2973) is used to account for most of the agency's operations, except those reported in other special funds.

**Special Revenue Funds**

Two funds administered by the OCCC are reported in the following accounts:

- The Texas Financial Education Endowment fund (Fund 0826/Fund 0851/Fund3710) contains the activity related to an endowment established to improve consumer credit, financial education, and asset-building opportunities in the state. The fund operates a grant program to award grants to entities that support statewide financial education and consumer credit building activities and programs.

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- The State-Licensed Mortgage Loan Originator Recovery Fund (Fund 0826/Fund 3080) operates as a recovery fund to reimburse residential mortgage loan applicants for actual damages incurred because of acts committed by an OCCC-licensed residential mortgage loan originator.

### **Capital Assets Adjustment Fund Type**

The capital assets adjustment fund (Fund 9998) is used to convert governmental fund types' capital assets from modified accrual to full accrual basis.

### **Long-Term Liabilities Adjustment Fund Type**

The long-term liabilities adjustment fund (Fund 9997) is used to convert governmental fund types' debt from modified accrual to full accrual basis.

### **Fiduciary Fund Types**

#### **Agency Funds**

Agency Funds (Fund 8070/Fund 0807, Fund 9015/Fund 0900 and Fund 0980/Fund 0980) account for funds received that are temporarily held on behalf of other funds and will be transferred to those other funds (FY18).

### **Basis of Accounting**

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The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period that they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year-end. The state of Texas considers receivables collected within 60 days after fiscal year-end to be available and recognizes them as revenues of the current year for fund financial statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Basis conversion adjustment fund types convert modified accrued basis to full accrued basis of accounting. The following activities are recognized in these fund types:

- Capital assets
- Accumulated depreciation
- Unpaid employee compensable leave

Fiduciary fund types (pension and other employee benefit trust funds, external investment trust funds and private-purpose trust funds) except agency funds are accounted for on the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

### **Budget and Budgetary Accounting**

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The OCCC is self-directed, semi-independent pursuant to Tex Fin Code §16.002. The budget is prepared annually and represents amounts authorized by the Finance Commission of Texas.

### **Assets, Liabilities and Fund Balances/Net Position**

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#### **Assets**

##### **Cash and Cash Equivalents**

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

##### **Securities Lending Collateral**

Investments are generally stated at fair value with certain exceptions in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*.

Invested security lending collaterals are measured at fair value.

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Securities lent are reported as assets on the balance sheet. The costs of securities lending transactions are reported as expenditures or expenses on the operating statement. These costs are reported at gross.

### Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements.

### Inventories and Prepaid Items

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally using the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are used or consumed.

### Capital Assets

Assets that meet the reporting threshold and useful life are capitalized. The capitalization threshold and the estimated useful life vary depending on the asset type. These assets are capitalized at cost or, if purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets (such as works of art and historical treasures) are not depreciated. Other depreciable assets are depreciated over the estimated useful life of the asset using the straight-line method.

## Liabilities

### Accounts Payable

Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

### Employees' Compensable Leave Balances

Employees' compensable leave balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net position. These obligations are normally paid from the same funding source from which each employee's salary or wage compensation was paid.

## Fund Balance/Net Position

"Fund balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary and fiduciary fund statements.

The OCCC uses resources in the following order:

- When both restricted and unrestricted resources are available, use:
  1. restricted resources
  2. unrestricted resources (as they are needed)
- When only unrestricted resources are available for use in governmental funds, use:
  1. committed resources
  2. assigned resources
  3. unassigned resources

### Fund Balance Components

Fund balances for governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

- **Nonspendable fund balance** includes amounts not available to be spent because they are either:
  - Not in spendable form
  - Legally or contractually required to be maintained intact.
- **Restricted fund balance** includes those resources that have constraints placed on their use through external parties — such as creditors, grantors, contributors, laws or regulations of other governments — or by law through constitutional provisions or enabling legislation.
- **Committed fund balance** can be used only for specific purposes pursuant to constraints imposed through legislation passed into law by a formal action of the Texas Legislature, the state's highest level of decision making authority.
- **Assigned fund balance** includes amounts constrained by the state's intent to be used for specific purposes, but the constraints do not meet the requirements to be reported as restricted or committed. Intent is expressed by either:

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- The Texas Legislature
- A body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
- **Unassigned fund balance** is the residual classification for the general fund. This classification represents fund balance that was not restricted, committed or assigned to specific purposes within the general fund.

**Net Investment in Capital Assets**

Net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

**Restricted Net Position**

Restricted net position results when constraints placed on net resources are either externally imposed by creditors, grantors, contributors and the like or imposed by law through constitutional provisions or enabling legislation.

**Unrestricted Net Position**

Unrestricted net position consists of net resources that do not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources that are imposed by management but can be removed or modified.

**Interfund Activities and Transactions**

The agency has the following types of transactions between funds:

1. **Transfers** – Legally required transfers that are reported when incurred as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.
2. **Reimbursements** – Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.
3. **Interfund receivables and payables** – Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter, the balance is classified as “current.” Balances for repayment due in two (or more) years are classified as “noncurrent.”
4. **Interfund Sales and Purchases** – Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund (interfund services provided) and expenditures or expenses of the disbursing fund (interfund services used).

The composition of the agency’s interfund activities and transactions are presented in Note 12.

**NOTE 2: CAPITAL ASSETS**

<b>Governmental Activities</b>	Balance 09/01/2016	Adjustments	Additions	Deletions	Balance 08/31/2017
<b>Non-depreciable Assets</b>					
Construction in Progress	-				-
<b>Depreciable Assets</b>					
Furniture & Equipment	81,788.78				81,788.78
Other Capital Assets	-				-
<b>Less Accumulated Depreciation for:</b>					
Furniture & Equipment	(69,834.22)		(4,315.80)		(74,150.02)
Other Capital Assets	-				-
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 11,954.56</b>	-	<b>(\$ 4,315.80)</b>	-	<b>\$7,638.76</b>



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**NOTE 3: DEPOSITS, INVESTMENTS, AND REPURCHASE AGREEMENTS**

The Office of the Consumer Credit Commissioner reports investments held in the Texas Treasury Safekeeping Trust Company. The Texas Financial Education Endowment Fund is authorized by statute to make investments in the same manner as the Employee Retirement System. There were no significant violations of legal provisions during the period.

**DEPOSITS OF CASH IN BANK**

As of August 31, 2017, the carrying amount of deposits was \$18,880.00 as presented below.

**Governmental and Business-Type Activities**

CASH IN BANK – CARRYING VALUE	\$ 18,880.00
Total Cash in Bank per AFR	\$ 18,880.00
Governmental Funds Current Assets	\$ 18,800.00
Cash in Bank per AFR	\$ 18,880.00

These amounts consist of all cash in local banks and a portion of short-term investments. These amounts are included on the combined statement of net position as part of the “cash and cash equivalents” and “securities lending collateral” accounts.

As of August 31, 2017 total bank balance was as follows:

<b>Governmental and Business-Type Activities</b>	<b>\$ 18,880.00</b>
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**INVESTMENTS**

The Office of Consumer Credit Commissioner reports investments held in the Texas Treasury Safekeeping Trust Company (the "Trust Company"). The Trust Company was created by the Legislature as a special purpose entity to efficiently and economically manage, invest and safeguard funds for state agencies and various political subdivisions.

The Trust Company invests funds for the Texas Financial Education Endowment Fund in a diversified manner designed to preserve the purchasing power of the funds' assets and provide stable distributions to fund grants.

As of August 31, 2017, the fair value of investments was:

**Governmental and Business-Type Activities**

	Fair Value Hierarchy					(Fair Value)
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Amortized Cost	Net Asset Value	
Repurchase Agreements-Texas Treasury Safekeeping Trust Co	\$11,801,784.57					\$ 11,801,784.57
<b>Total</b>	<b>\$11,801,784.57</b>					<b>\$ 11,801,784.57</b>

Repurchase Agreements-Texas Treasury Safekeeping Trust Co	\$1,252,483.60					\$ 1,252,483.60
Money Market Funds	\$132,845.67					\$ 132,845.67
Total Investment by fair value level	\$1,385,329.27					\$ 1,385,329.27

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Investments measured at the net asset value (NAV):						
Mutual Funds – Global Equities					\$33,439.81	\$ 33,439.81
Mutual Funds – Global Fixed Income					\$239,168.98	\$ 239,168.98
Hedge Funds – Fund of Funds					\$243,026.64	\$ 243,026.64
Hedge Funds – Direct Funds					\$1,662,129.81	\$ 1,662,129.81
Alternative Investments Domestic					\$596,822.54	\$ 596,822.54
Alternative Investments International					\$52,753.65	\$ 52,753.65
<b>Total</b>					<b>\$2,827,341.42</b>	<b>\$ 2,827,341.42</b>

① – Repurchase Agreements with the Texas Treasury Safekeeping Trust Company are recorded as Cash Equivalents – Miscellaneous Investments in the Financial Statements and as Repurchase Agreements in the Notes, based on Reporting Requirements for Annual Financial Reports of State Agencies and Universities.

Valuations are intended to be made in a manner that is consistent with the Governmental Accounting Standard Board's ("GASB") Statement No. 72, *Fair Value Measurement and Application*. GASB 72 generally requires state and local governments to measure investments at fair value with some exceptions.

GASB defines an investment as a security or other asset that: (a) a government holds primarily for the purpose of income or profit, and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash. The investment designation is made at acquisition and remains for the life of the asset.

Investments not measured at fair value continue to include, for example, money market instruments, 2a7-like external investment pools, investments in life insurance contracts, common stock meeting the criteria for applying the equity method, unallocated insurance contracts, and synthetic guaranteed investment contracts. A government is permitted in certain circumstances to establish the fair value of an investment that does not have a readily determinable fair value by using the net asset value per share (or its equivalent) of the investment.

Investments are categorized based on the fair value hierarchy of inputs summarized below:

Level 1 Inputs – Quoted (unadjusted) prices in active markets for identical assets or liabilities. Examples of markets in which inputs might be observable include exchange markets, dealer markets, brokered markets, and principal-to-principal markets.

Level 2 Inputs – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves, implied volatilities, credit spreads; or market-corroborated inputs.

Level 3 Inputs - Unobservable inputs for the asset or liability. They should be used only when relevant Level 1 and Level 2 inputs are unavailable. A government should develop Level 3 inputs using the best information available under the circumstances, which might include the government's own data. It should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants. A government need not undertake exhaustive efforts to obtain information about market participant assumptions.

Investments in private equity, real estate, and hedge funds are generally limited partner interests in the funds and reported at net asset value ("NAV").

A. Private Equity and Real Estate Investments

Investments are valued monthly at NAV using the latest account statements from the funds. NAV is adjusted for cash flows that occur after the date of the statements through the month-end date. Account statements are typically issued quarterly.

B. Hedge Funds

Investments are valued monthly at NAV using the current monthly account statements from the funds. If a current monthly account statement is unavailable, the value is calculated by using the estimated monthly return from the fund. Once a statement is received, the value is adjusted to reflect the NAV from the statement adjusted for cash flows that occur after the statement date.

C. Mutual Funds

Investments are valued daily or monthly, as appropriate, at NAV per share.

D. Exchange Traded Funds ("ETFs")

Investments are valued daily using electronic feeds from pricing vendors.

Investments valued using the net asset value (NAV) per share (or its equivalent) are considered "alternate investments" and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The Trust Company values these investments based on the partnerships' audited financial statements. If August 31<sup>st</sup> statements are available, those values are used preferentially. However, most partnerships have fiscal years ending at other than August 31. If August 31 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions. The following table presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the Endowments' alternative investments measured at NAV:

UNAUDITED

**Investments Reported at Net Asset Value (NAV)**

<b>Investment Strategy</b>	<b>Fair Value</b>	<b>Frequency Range Low</b>	<b>Frequency Range High</b>	<b>Notice Period Range Low</b>	<b>Notice Period Range High</b>	<b>Unfunded Commitment</b>
Money Market Funds	132,845.67	Daily	Daily	1 day	1 day	N/A
Mutual Funds - Equities	33,439.81	Daily	Daily	1 day	1 day	N/A
Mutual Funds – global fixed income	239,168.98	Daily	Daily	1 day	1 day	N/A
Hedge Funds – fund of funds	243,026.64	Daily	Annually	1 day	95 days	N/A
Hedge Funds – direct funds	1,662,129.81	Monthly	Annually	1 day	90 days	N/A
Domestic alternative investments	596,822.54	N/A	N/A	N/A	N/A	369,711.39
International alternative investments	52,753.65	N/A	N/A	N/A	N/A	32,335.48
Total Investments Reported at NAV	2,960,187.10					

**Foreign currency risk** for investments is the risk that changes in exchange rates will adversely affect the investment. The agency's investments are held in the Trust Company which is responsible for limiting foreign currency risk. The exposure to foreign currency risk as of Aug. 31, 2017 was:

<b>Fund Type</b>	<b>Foreign Currency</b>	<b>International Obligation</b>	<b>International Equity</b>	<b>International Other Commingled Funds</b>
02	Euro			\$54,871.70

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of August 31, 2017, the agency's credit quality distribution for securities with credit risk exposure was:

**Standard & Poor's**

<b>Fund Type</b>	<b>GAAP Fund</b>	<b>Investment Type</b>	<b>AAA</b>	<b>AA</b>	<b>A</b>	<b>BB</b>
01	2973	Repurchase Agreements Texas Treasury Safekeeping Trust Co	\$ 11,801,784.57			
02	0826	Repurchase Agreements Texas Treasury Safekeeping Trust Co	\$ 1,252,483.60			
02		Money Market Funds	\$ 132,845.67			

**Unrated**

02	Mutual Funds – Global Fixed Income	\$ 239,168.98
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**NOTE 4: SHORT-TERM DEBT**

Agency does not have short – term debt.

**NOTE 5: LONG-TERM LIABILITIES**

**Changes in Long-Term Liabilities**

During the year ended August 31, 2017, the following changes occurred in liabilities.

<b>Governmental Activities</b>	<b>Balance 09-1-15</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 08-31-16</b>	<b>Amounts Due Within One Year</b>
Compensable Leave	724,604.09	555,761.57	624,956.06	655,409.60	362,169.75
<b>Total Governmental Activities</b>	<b>\$ 724,604.09</b>	<b>\$ 555,761.57</b>	<b>\$ 624,956.06</b>	<b>\$ 655,409.60</b>	<b>\$ 362,169.75</b>

Employees Compensable Leave

If a state employee has had continuous employment with the state for at least six months, the state employee is entitled to be paid for all unused vacation time accrued in the event of the employee's resignation, dismissal or separation from state employment. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the statement of net assets. Both an expense and a liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. This obligation is usually paid from the same funding source(s) from which the employee's salary or wage compensation was paid.

**NOTE 6: BONDED INDEBTEDNESS**

Not-Applicable

**NOTE 7: CAPITAL LEASES**

Not-Applicable

**NOTE 8: OPERATING LEASES**

Not-Applicable

**NOTE 9: RETIREMENT PLANS**

Not-Applicable

**NOTE 10: DEFERRED COMPENSATION**

Not-Applicable

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**NOTE 11: POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

Not-Applicable

**NOTE 12: INTERFUND ACTIVITY AND TRANSACTIONS**

There are numerous transactions between funds and agencies. At year-end amounts to be received or paid are reported as:

- \*Interfund Receivables or Interfund Payables
- \*Due From Other Agencies or Due To Other Agencies
- \*Transfers In or Transfers Out

The agency experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

Individual balances and activity at August 31, 2017, follows:

Current Portion	Due From Other Agency	Due To Other Agency
Agy 450, D23 Fund 1007		\$ 3,583.93
Agy 451, D23 Fund 1008		\$ 18,396.40
<b>Total Due From/To</b>		<b>\$ 21,980.33</b>

	Due From	Due To
Fund 1012, D23 Fund 2973	\$ 800.00	
Fund 0826, D23 Fund 3080		\$ 200.00
Fund 0826, D23 Fund 3710		\$ 600.00
<b>Total Due From/ To</b>	<b>\$ 800.00</b>	<b>\$ 800.00</b>

	Operating Transfer in	Operating Transfer Out
Fund 0826, D23 Fund 0851	\$ 162,253.60	
Fund 0826, D23 Fund 3080	\$ 200.00	
Fund 0826, D23 Fund 3710	\$ 600.00	
Fund 1012, D23 Fund 1012	\$ 9,020,900.00	
Fund 1012, D23 Fund 2973	\$ 117,368.93	
Fund 0826, D23 Fund 3710		\$ 162,253.60
Fund 1012, D23 Fund 1012		\$ 117,368.93
Fund 1012, D23 Fund 2973		\$ 9,021,700.00
<b>Total Operating Transfer In/Out</b>	<b>\$ 9,301,322.53</b>	<b>\$ 9,301,322.53</b>

**NOTE 13: CONTINUANCE SUBJECT TO REVIEW**

Under the *Texas Sunset Act*, the agency will be abolished effective September 1, 2019, unless continued in existence by the 86th Legislature as provided by the Act. If abolished, the agency may continue until September 1, 2020, to close out its operations.

**NOTE 14: ADJUSTMENTS TO FUND BALANCE / NET ASSETS**

Not-Applicable

**NOTE 15: CONTINGENT LIABILITIES**

Not-Applicable

**NOTE 16: SUBSEQUENT EVENTS**

Not-Applicable

**NOTE 17: RISK MANAGEMENT**

Not-Applicable

**NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS**

Not-Applicable

**NOTE 19: THE FINANCIAL REPORTING ENTITY**

Not-Applicable

**NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Not-Applicable

**NOTE 21: NOT APPLICABLE TO THE AFR**

Not-Applicable

**NOTE 22: DONOR RESTRICTED ENDOWMENTS**

Not-Applicable

**NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS**

Not-Applicable

**NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

Not-Applicable

**NOTE 25: TERMINATION BENEFITS**

Not-Applicable

**NOTE 26: SEGMENT INFORMATION**

Not-Applicable

**NOTE 27: SERVICE CONCESSION ARRANGEMENTS**

Not-Applicable

**NOTE 28: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

Not-Applicable

**NOTE 29: TROUBLED DEBT RESTRUCTURING**

Not-Applicable

**NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES**

Not-Applicable

**NOTE 31: TAX ABATEMENTS**

Not-Applicable

**NOTE 32: FUND BALANCES**

<b>GAAP FUND</b>	<b>Fund</b>	<b>AFR 54 Class</b>	<b>Citation</b>	<b>Comments</b>
001	3080	Committed	TEX FIN CODE § 341.602	Funds for a specific purpose, mortgage loan recovery fund.
001	3710	Committed	TEX FIN CODE § 393.628	Funds for a specific purpose, Texas Financial Education Endowment.

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Not-Applicable

**NOTE 26: SEGMENT INFORMATION**

Not-Applicable

**NOTE 27: SERVICE CONCESSION ARRANGEMENTS**

Not-Applicable

**NOTE 28: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

Not-Applicable

**NOTE 29: TROUBLED DEBT RESTRUCTURING**

Not-Applicable

**NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES**

Not-Applicable

**NOTE 31: TAX ABATEMENTS**

Not-Applicable

**NOTE 32: FUND BALANCES**

<b>GAAP FUND</b>	<b>Fund</b>	<b>AFR 54 Class</b>	<b>Citation</b>	<b>Comments</b>
001	3080	Committed	TEX FIN CODE § 341.602	Funds for a specific purpose, mortgage loan recovery fund.
001	3710	Committed	TEX FIN CODE § 393.628	Funds for a specific purpose, Texas Financial Education Endowment.



## **FINANCIAL STATEMENTS**

**Office of the Consumer Credit Commissioner**  
**Exhibit A-1 — Combining Balance Sheet- All General and Consolidated Funds**  
**August 31, 2017**

	<b>General</b>		<b>Total</b>
	Fund (1012)* U/F (1012)	Fund (1012)* U/F (2973)	
<b>ASSETS</b>			
Current Assets:			
Cash (Note 3):			
Cash In Bank	-	18,880.00	18,880.00
Cash in State Treasury	611,722.87		611,722.87
Cash Equivalents		11,801,784.57	11,801,784.57
Receivables from:			
Accounts Receivable		20,861.50	20,861.50
Due from Other Funds			-
Consumable Inventories			-
<b>Total Assets</b>	<b>\$ 611,722.87</b>	<b>\$ 11,841,526.07</b>	<b>\$ 12,453,248.94</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities:			
Payables from:			
Accounts	96,298.70	-	96,298.70
Payroll	544,195.25		544,195.25
Due To Other Funds (Note 12)		800.00	800.00
Due To Other Agency (Note 12)	21,980.33		21,980.33
Employees' Compensable Leave (Note 5)			
Non-Current Liabilities			
Employees' Compensable Leave (Note 5)			
<b>Total Liabilities</b>	<b>\$ 662,474.28</b>	<b>\$ 800.00</b>	<b>\$ 663,274.28</b>
<b>FUND FINANCIAL STATEMENT</b>			
Fund Balances (Deficits):			
Nonspendable	-	-	-
Committed	(50,751.41)	11,840,726.07	11,789,974.66
Unassigned			-
<b>Total Fund Balances</b>	<b>\$ (50,751.41)</b>	<b>\$ 11,840,726.07</b>	<b>\$ 11,789,974.66</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 611,722.87</b>	<b>\$ 11,841,526.07</b>	<b>\$ 12,453,248.94</b>

\* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)

**Office of the Consumer Credit Commissioner**  
**Exhibit A-2 — Combining Statement of Revenues, Expenditures and Changes in Fund Balances —**  
**All General and Consolidated Funds**  
**For the Fiscal Year Ended August 31, 2017**

	<b>General</b>		<b>Total</b>
	Fund (1012)* U/F (1012)	Fund (1012)* U/F (2973)	
<b>REVENUES*</b>			
License, Fees & Permits (PR)	-	9,600,193.15	9,600,193.15
Interest and Other Investment Income (PR)		61,019.49	61,019.49
Sales of Goods and Services (PR)		2,241.99	2,241.99
Other (PR - Chg for Serv, Operating or Capital)		1,314.00	1,314.00
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 9,664,768.63</b>	<b>\$ 9,664,768.63</b>
<b>EXPENDITURES</b>			
Salaries and Wages	5,129,606.10	-	5,129,606.10
Payroll Related Costs	1,866,715.09		1,866,715.09
Professional Fees and Services	746,546.80		746,546.80
Travel	758,716.06		758,716.06
Materials and Supplies	98,692.52		98,692.52
Communication and Utilities	86,987.32		86,987.32
Repairs and Maintenance	54,287.31		54,287.31
Rentals and Leases	21,300.39		21,300.39
Public Assistance Payments	-		-
Printing and Reproduction	475.64		475.64
Other Expenditures	115,498.64	122,883.42	238,382.06
Capital Outlay			-
Depreciation			
<b>Total Expenditures</b>	<b>\$ 8,878,825.87</b>	<b>\$ 122,883.42</b>	<b>\$ 9,001,709.29</b>
Excess (Deficiency) of Revenues over Expenditures	<b>\$ (8,878,825.87)</b>	<b>\$ 9,541,885.21</b>	<b>\$ 663,059.34</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	-	-	-
Transfer In	9,020,900.00	117,368.93	9,138,268.93
Transfer Out	(117,368.93)	(9,021,700.00)	(9,139,068.93)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 8,903,531.07</b>	<b>\$ (8,904,331.07)</b>	<b>\$ (800.00)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 24,705.20</b>	<b>\$ 637,554.14</b>	<b>\$ 662,259.34</b>
<b>Fund Financial Statement - Fund Balances</b>			
Fund Balances, September 1, 2016	(75,456.61)	11,203,171.93	11,127,715.32
Restatements	-	-	-
Fund Balances, September 1, 2016, as Restated	<b>\$ (75,456.61)</b>	<b>\$ 11,203,171.93</b>	<b>\$ 11,127,715.32</b>
Appropriations Lapsed			
Fund Balances, August 31, 2017	<b>\$ (50,751.41)</b>	<b>\$ 11,840,726.07</b>	<b>\$ 11,789,974.66</b>

\* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)

Office of the Consumer Credit Commissioner  
 Exhibit B-I — Combining Balance Sheet - Special Revenue Funds  
 August 31, 2017

	<b>Special Revenue</b>			<b>Total</b>
	Fund (0826)* U/F (0851)	Fund (0826)* U/F (3080)	Fund (0826)* U/F (3710)	
<b>ASSETS</b>				
Current Assets:				
Cash (Note 3):				
Cash In Bank	-	-	-	-
Cash in State Treasury	5.41			5.41
Cash Equivalents	-	143,042.08	1,242,287.19	1,385,329.27
Receivables from:				
Accounts Receivable				
Due from Other Funds	-	200.00	600.00	800.00
Non-Current Assets:				
Investments	-	-	2,827,341.43	2,827,341.43
<b>Total Assets</b>	<b>\$ 5.41</b>	<b>\$ 143,242.08</b>	<b>\$ 4,070,228.62</b>	<b>\$ 4,213,476.11</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Current Liabilities:				
Payables from:				
Accounts	14,803.00	-	1,504.08	16,307.08
Payroll				
Due To Other Fund (Note 12)				
Due to Other Agency (Note 12)				
Employees' Compensable Leave (Note 5)				
Non-Current Liabilities				
Employees' Compensable Leave (Note 5)				
<b>Total Liabilities</b>	<b>\$ 14,803.00</b>	<b>\$ -</b>	<b>\$ 1,504.08</b>	<b>\$ 16,307.08</b>
<b>FUND FINANCIAL STATEMENT</b>				
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Committed	(14,797.59)	143,242.08	4,068,724.54	4,197,169.03
Unassigned				-
<b>Total Fund Balances</b>	<b>\$ (14,797.59)</b>	<b>\$ 143,242.08</b>	<b>\$ 4,068,724.54</b>	<b>\$ 4,197,169.03</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5.41</b>	<b>\$ 143,242.08</b>	<b>\$ 4,070,228.62</b>	<b>\$ 4,213,476.11</b>

\* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)

**Office of the Consumer Credit Commissioner**  
**Exhibit B-2 — Combining Statement of Revenues, Expenditures and Changes in Fund Balances —**  
**Special Revenue Funds**  
**For the Fiscal Year Ended August 31, 2017**

	<b>Special Revenue</b>			<b>Total</b>
	Fund (0826)* U/F (0851)	Fund (0826)* U/F (3080)	Fund (0826)* U/F (3710)	
<b>REVENUES*</b>				
License, Fees & Permits (PR)	-	9,275.00	429,059.46	438,334.46
Interest and Other Investment Income (PR)	-	773.63	26,186.30	26,959.93
Sales of Goods and Services (PR)				
Net Increase (Decrease) in Fair Value (PR)	-	-	256,547.30	256,547.30
Other (PR - Chg for Serv, Operating or Capital)				
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 10,048.63</b>	<b>\$ 711,793.06</b>	<b>\$ 721,841.69</b>
<b>EXPENDITURES</b>				
Salaries and Wages	-	-	-	-
Payroll Related Costs				
Professional Fees and Services	-	-	7,725.37	7,725.37
Travel				
Materials and Supplies				
Communication and Utilities				
Repairs and Maintenance				
Rentals and Leases				
Printing and Reproduction				
Public Assistance Payments	141,481.31	-	-	141,481.31
Other Expenditures	-	174.46	7,259.46	7,433.92
Capital Outlay				
Depreciation				
<b>Total Expenditures</b>	<b>\$ 141,481.31</b>	<b>\$ 174.46</b>	<b>\$ 14,984.83</b>	<b>\$ 156,640.60</b>
Excess (Deficiency) of Revenues over Expenditures	<b>\$ (141,481.31)</b>	<b>\$ 9,874.17</b>	<b>\$ 696,808.23</b>	<b>\$ 565,201.09</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In	162,253.60	200.00	600.00	163,053.60
Transfer Out	-	-	(162,253.60)	(162,253.60)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 162,253.60</b>	<b>\$ 200.00</b>	<b>\$ (161,653.60)</b>	<b>\$ 800.00</b>
<b>Net Change in Fund Balances</b>	<b>\$ 20,772.29</b>	<b>\$ 10,074.17</b>	<b>\$ 535,154.63</b>	<b>\$ 566,001.09</b>
<b>Fund Financial Statement - Fund Balances</b>				
Fund Balances, September 1, 2016	(35,569.88)	133,167.91	3,533,569.91	3,631,167.94
Restatements				-
Fund Balances, September 1, 2016, as Restated	<b>\$ (35,569.88)</b>	<b>\$ 133,167.91</b>	<b>\$ 3,533,569.91</b>	<b>\$ 3,631,167.94</b>
Appropriations Lapsed				
Fund Balances, August 31, 2017	<b>\$ (14,797.59)</b>	<b>\$ 143,242.08</b>	<b>\$ 4,068,724.54</b>	<b>\$ 4,197,169.03</b>

\* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)

**Office of the Consumer Credit Commissioner  
Exhibit J-1 — Combining Statement of Changes in Assets and Liabilities— Agency Funds  
For the Fiscal Year Ended August 31, 2017**

	Beginning Balance 9/1/2016	Additions	Deductions	Ending Balance 8/31/2017
<b>Unappropriated Receipts</b>				
<b>Agency Fund (8070)* U/F (0807)</b>				
<b>ASSETS</b>				
Cash on Hand	\$ 930.49	\$ -	\$ (930.49)	-
Other Assets	-	-	-	-
<b>Total Assets</b>	<b>\$ 930.49</b>	<b>\$ -</b>	<b>\$ (930.49)</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
Accounts Payable		\$ -		\$ -
Funds Held for Others	930.49	-	(930.49)	-
<b>Total Liabilities</b>	<b>\$ 930.49</b>	<b>\$ -</b>	<b>\$ (930.49)</b>	<b>\$ -</b>
<b>Agency Fund (9015)* U/F (0900)</b>				
<b>ASSETS</b>				
Cash on Hand	\$ 22.51	\$ -	\$ -	\$ 22.51
Other Assets	-	-	-	-
<b>Total Assets</b>	<b>\$ 22.51</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22.51</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Funds Held for Others	22.51	-	-	22.51
<b>Total Liabilities</b>	<b>\$ 22.51</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22.51</b>
<b>Agency Fund (0980)* U/F (0980)</b>				
<b>ASSETS</b>				
Cash on Hand	\$ -	\$ 97.00	\$ -	\$ 97.00
Other Assets	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 97.00</b>	<b>\$ -</b>	<b>\$ 97.00</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Funds Held for Others	-	97.00	-	97.00
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 97.00</b>	<b>\$ -</b>	<b>\$ 97.00</b>
<b>Totals - All Agency Funds</b>				
<b>ASSETS</b>				
Cash on Hand	\$ 953.00	\$ 97.00	\$ (930.49)	\$ 119.51
Other Assets	-	-	-	-
<b>Total Assets</b>	<b>\$ 953.00</b>	<b>\$ 97.00</b>	<b>\$ (930.49)</b>	<b>\$ 119.51</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Funds Held for Others	953.00	97.00	(930.49)	119.51
<b>Total Liabilities</b>	<b>\$ 953.00</b>	<b>\$ 97.00</b>	<b>\$ (930.49)</b>	<b>\$ 119.51</b>

\* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)