TEXAS CYBER COMMAND

ANNUAL FINANCIAL REPORT

For the Year Ended August 31, 2026

TJ White, VADM/USN (ret)
Chief of Texas Cyber Command

Texas Cyber Command

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended August 31, 2026

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TEXAS CYBER COMMAND

506 DOLOROSA STREET • SAN ANTONIO, TEXAS 78204
www.TXCC.Texas.gov

TJ WHITE, COMMAND CHIEF

October 1, 2026

Honorable Greg Abbott, Governor
Honorable Don Huffines, Texas Comptroller
Phillip Ashley, Director, Legislative Budget Board
Lisa Collier, State Auditor

Ladies and Gentlemen:
We are pleased to submit the annual financial report of the Texas Cyber Command for the year ended August 31, 2026, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (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 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 Sami Chadli at (512) 466-4627.

Sincerely,

TJ White, VADM/USN (Ret)
Chief of Texas Cyber Command

Texas Cyber Command (371) – UNAUDITED

```
1DAFR8580 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)              (SS1)                         (SS2)
0                                          TEXAS CYBER COMMAND (371)
                                  BALANCE SHEET - GOVERNMENTAL & PROPRIETARY FUND TYPES (FFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                        PROD SYSTEM
 ************************************************************************************************************************PAGE     1
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  0001  GENERAL REVENUE
 ************************************************************************************************************************
 GL     GL      COMP                                              AGY                        CURRENT                    PRIOR
 CAT    CLASS   GL    TITLE                                       GL                         YEAR                       YEAR
 ************************************************************************************************************************
 01     020     9000  LEGISLATIVE APPROPRIATIONS                                           654,949.43-                        .00
0  GL CLS   020 CA LEGISLATIVE APPROPRIATIONS                                             654,949.43-                        .00
0* GLA CAT  01 CURRENT ASSETS                                                            654,949.43-                        .00
0** TOTAL ASSETS AND OTHER DEBITS                                                        654,949.43-                        .00
051     550     ****  2325-POST CLS FFS FB UNASSIGNED                                    654,949.43                         .00
0  GL CLS   550 FD BAL-UNASSIGNED                                                         654,949.43                         .00
0* GLA CAT  51 FUND BALANCE (DEFICITS)                                                  654,949.43                         .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                                 654,949.43                         .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION                     654,949.43                         .00
0* FUND            0001 GENERAL REVENUE                                                       .00                         .00
1DAFR8580 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)              (SS1)                         (SS2)
0                                          TEXAS CYBER COMMAND (371)
                                  BALANCE SHEET - GOVERNMENTAL & PROPRIETARY FUND TYPES (FFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                        PROD SYSTEM
 ************************************************************************************************************************PAGE     2
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  0010  DIR GENERAL FUND
 ************************************************************************************************************************
 GL     GL      COMP                                              AGY                        CURRENT                    PRIOR
 CAT    CLASS   GL    TITLE                                       GL                         YEAR                       YEAR
 ************************************************************************************************************************
001     004     0045  CASH IN STATE TREASURY                                             3,649,850.37-                      .00
                0048  LEGISLATIVE CASH                                                   3,649,850.37                       .00
0  GL CLS   004 CA CASH IN STATE TREASURY                                                       .00                        .00
001     020     9000  LEGISLATIVE APPROPRIATIONS                                        11,255,149.63                       .00
0  GL CLS   020 CA LEGISLATIVE APPROPRIATIONS                                          11,255,149.63                       .00
0* GLA CAT  01 CURRENT ASSETS                                                         11,255,149.63                       .00
0** TOTAL ASSETS AND OTHER DEBITS                                                     11,255,149.63                       .00
021     203     1015  PAYROLL PAYABLE                                                    698,308.05-                       .00
0  GL CLS   203 CL PAYROLL PAYABLE                                                       698,308.05-                       .00
0* GLA CAT  21 CURRENT LIABILITIES                                                       698,308.05-                       .00
0** TOTAL LIABILITIES AND OTHER CREDITS                                                  698,308.05-                       .00
```

```
051     550     ****  2325-POST CLS FFS FB UNASSIGNED                                  10,556,841.58-                          .00
0  GL CLS   550 FD BAL-UNASSIGNED                                                     10,556,841.58-                          .00
0* GLA CAT  51 FUND BALANCE (DEFICITS)                                              10,556,841.58-                          .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                            10,556,841.58-                          .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION                11,255,149.63-                          .00
0* FUND            0010 DIR GENERAL FUND                                                    .00                          .00
1DAFR8580 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)             (SS1)                       (SS2)
0                                              TEXAS CYBER COMMAND (371)
                                    BALANCE SHEET - GOVERNMENTAL & PROPRIETARY FUND TYPES (FFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                        PROD SYSTEM
 ************************************************************************************************************************PAGE     3
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  8070  CHILD SUPPORT ADDENDA DEDUCTS - SUSPENSE
 ************************************************************************************************************************
 GL     GL      COMP                                          AGY                      CURRENT                      PRIOR
 CAT    CLASS   GL    TITLE                                   GL                       YEAR                         YEAR
 ************************************************************************************************************************
001     004     0045  CASH IN STATE TREASURY                                             1,102.14                          .00
0  GL CLS   004 CA CASH IN STATE TREASURY                                               1,102.14                          .00
0* GLA CAT  01 CURRENT ASSETS                                                          1,102.14                          .00
0** TOTAL ASSETS AND OTHER DEBITS                                                      1,102.14                          .00
021     200     1009  VOUCHERS PAYABLE                                                       .00                          .00
0  GL CLS   200 CL ACCOUNTS PAYABLE                                                         .00                          .00
021     203     1018  PAYROLL DEDUCTION/RETURN LIABILITY                                 1,102.14-                         .00
0  GL CLS   203 CL PAYROLL PAYABLE                                                      1,102.14-                         .00
021     300     1149  FUNDS HELD FOR OTHERS                                                  .00                          .00
0  GL CLS   300 CL FUNDS HELD FOR OTHERS                                                    .00                          .00
0* GLA CAT  21 CURRENT LIABILITIES                                                    1,102.14-                         .00
0** TOTAL LIABILITIES AND OTHER CREDITS                                               1,102.14-                         .00
051     550     ****  2325-POST CLS FFS FB UNASSIGNED                                        .00                          .00
0  GL CLS   550 FD BAL-UNASSIGNED                                                           .00                          .00
051     620     9999  FFS SYSTEM CLEARING - GL LEVEL ONLY                                    .00                          .00
0  GL CLS   620 FUND BALANCE - UNRESERVED/UNDESIGNATED                                      .00                          .00
0* GLA CAT  51 FUND BALANCE (DEFICITS)                                                    .00                          .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                                  .00                          .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION                 1,102.14-                         .00
1DAFR8580 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     01
0                                              TEXAS CYBER COMMAND (371)
                                    BALANCE SHEET - GOVERNMENTAL & PROPRIETARY FUND TYPES (FFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                        PROD SYSTEM
 ************************************************************************************************************************PAGE     4
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  8070  CHILD SUPPORT ADDENDA DEDUCTS - SUSPENSE
 ************************************************************************************************************************
 GL     GL      COMP                                          AGY                      CURRENT                      PRIOR
```

Texas Cyber Command (371) – UNAUDITED

CAT	CLASS	GL	TITLE	GL YEAR	YEAR
0* FUND		8070	CHILD SUPPORT ADDENDA DEDUCTS - SUSPENSE	.00	.00
0* GAAP FUND		0001	GENERAL REVENUE (0001)-GENERAL	.00	.00
0* GAAP FUND TYPE		01	GENERAL	.00	.00
0* GAAP FUND GROUP		01	GOVERNMENTAL	.00	.00
0* AGENCY			371	.00	.00

Texas Cyber Command (371) – UNAUDITED

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1DAFR8581 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)              (SS1)                         (SS2)
0                                          TEXAS CYBER COMMAND (371)
                                  STATEMENT OF NET POSITION - BALANCE SHEET FORMAT(GWFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                        PROD SYSTEM
 ************************************************************************************************************************PAGE     1
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  0001  GENERAL REVENUE
 ************************************************************************************************************************
 GL  GL  B/C COMP                                                AGY                        CURRENT                      PRIOR
 CT  CLS IND GL    TITLE                                         GL                         YEAR                         YEAR
 ************************************************************************************************************************
 01  020  N  9000  LEGISLATIVE APPROPRIATIONS                                               654,949.43-                          .00
0  GL CLS   020 CA LEGISLATIVE APPROPRIATIONS                                               654,949.43-                          .00
0* GLA CAT  01 CURRENT ASSETS                                                             654,949.43-                          .00
0** TOTAL ASSETS AND OTHER DEBITS                                                         654,949.43-                          .00
051  550  N  ****  2325-POST CLS FFS FB UNASSIGNED                                        654,949.43                           .00
0  GL CLS   550 FD BAL-UNASSIGNED                                                         654,949.43                           .00
0* GLA CAT  51 FUND BALANCE (DEFICITS)                                                   654,949.43                           .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                                 654,949.43                           .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION                     654,949.43                           .00
0* FUND            0001 GENERAL REVENUE                                                        .00                           .00
1DAFR8581 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)              (SS1)                         (SS2)
0                                          TEXAS CYBER COMMAND (371)
                                  STATEMENT OF NET POSITION - BALANCE SHEET FORMAT(GWFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                        PROD SYSTEM
 ************************************************************************************************************************PAGE     2
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  0010  DIR GENERAL FUND
 ************************************************************************************************************************
 GL  GL  B/C COMP                                                AGY                        CURRENT                      PRIOR
 CT  CLS IND GL    TITLE                                         GL                         YEAR                         YEAR
 ************************************************************************************************************************
001  004  N  0045  CASH IN STATE TREASURY                                                3,649,850.37-                        .00
          N  0048  LEGISLATIVE CASH                                                      3,649,850.37                         .00
0  GL CLS   004 CA CASH IN STATE TREASURY                                                      .00                           .00
001  020  N  9000  LEGISLATIVE APPROPRIATIONS                                           11,255,149.63                         .00
0  GL CLS   020 CA LEGISLATIVE APPROPRIATIONS                                           11,255,149.63                         .00
0* GLA CAT  01 CURRENT ASSETS                                                         11,255,149.63                         .00
0** TOTAL ASSETS AND OTHER DEBITS                                                     11,255,149.63                         .00
021  203  N  1015  PAYROLL PAYABLE                                                       698,308.05-                          .00
0  GL CLS   203 CL PAYROLL PAYABLE                                                       698,308.05-                          .00
0* GLA CAT  21 CURRENT LIABILITIES                                                       698,308.05-                          .00
0** TOTAL LIABILITIES AND OTHER CREDITS                                                  698,308.05-                          .00
```

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051  550  N  ****  2325-POST CLS FFS FB UNASSIGNED                                    10,556,841.58-                        .00
0  GL CLS   550 FD BAL-UNASSIGNED                                                    10,556,841.58-                        .00
0* GLA CAT  51 FUND BALANCE (DEFICITS)                                               10,556,841.58-                        .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                             10,556,841.58-                        .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION                 11,255,149.63-                        .00
0* FUND            0010 DIR GENERAL FUND                                                    .00                           .00
1DAFR8581 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26          01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)             (PRJ)             (SS1)                        (SS2)
0                                          TEXAS CYBER COMMAND (371)
                                  STATEMENT OF NET POSITION - BALANCE SHEET FORMAT(GWFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                    PROD SYSTEM
 ************************************************************************************************************************PAGE     3
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  8070  CHILD SUPPORT ADDENDA DEDUCTS - SUSPENSE
 ************************************************************************************************************************
 GL  GL  B/C COMP                                          AGY                      CURRENT                      PRIOR
 CT  CLS IND GL    TITLE                                   GL                       YEAR                         YEAR
 ************************************************************************************************************************
001  004  N  0045  CASH IN STATE TREASURY                                             1,102.14                        .00
0  GL CLS   004 CA CASH IN STATE TREASURY                                            1,102.14                        .00
0* GLA CAT  01 CURRENT ASSETS                                                       1,102.14                        .00
0** TOTAL ASSETS AND OTHER DEBITS                                                   1,102.14                        .00
021  200  N  1009  VOUCHERS PAYABLE                                                      .00                        .00
0  GL CLS   200 CL ACCOUNTS PAYABLE                                                  .00                        .00
021  203  N  1018  PAYROLL DEDUCTION/RETURN LIABILITY                                1,102.14-                       .00
0  GL CLS   203 CL PAYROLL PAYABLE                                                   1,102.14-                       .00
021  300  N  1149  FUNDS HELD FOR OTHERS                                                .00                        .00
0  GL CLS   300 CL FUNDS HELD FOR OTHERS                                             .00                        .00
0* GLA CAT  21 CURRENT LIABILITIES                                                 1,102.14-                       .00
0** TOTAL LIABILITIES AND OTHER CREDITS                                            1,102.14-                       .00
051  550  N  ****  2325-POST CLS FFS FB UNASSIGNED                                      .00                        .00
0  GL CLS   550 FD BAL-UNASSIGNED                                                    .00                        .00
051  620  N  9999  FFS SYSTEM CLEARING - GL LEVEL ONLY                                .00                        .00
0  GL CLS   620 FUND BALANCE - UNRESERVED/UNDESIGNATED                               .00                        .00
0* GLA CAT  51 FUND BALANCE (DEFICITS)                                             .00                        .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                           .00                        .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION               1,102.14-                       .00
1DAFR8581 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26          01     01
0                                          TEXAS CYBER COMMAND (371)
                                  STATEMENT OF NET POSITION - BALANCE SHEET FORMAT(GWFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                    PROD SYSTEM
 ************************************************************************************************************************PAGE     4
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        01    GENERAL
 GAAP FUND             0001  GENERAL REVENUE (0001)-GENERAL
 FUND                  8070  CHILD SUPPORT ADDENDA DEDUCTS - SUSPENSE
 ************************************************************************************************************************
 GL  GL  B/C COMP                                          AGY                      CURRENT                      PRIOR
```

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 CT  CLS IND GL    TITLE                                                GL                          YEAR                          YEAR
 ***************************************************************************************************************************************
0* FUND            8070 CHILD SUPPORT ADDENDA DEDUCTS - SUSPENSE                                    .00                           .00
0* GAAP FUND       0001 GENERAL REVENUE (0001)-GENERAL                                              .00                           .00
0* GAAP FUND TYPE    01 GENERAL                                                                    .00                           .00
1DAFR8581 371 NSAT 01 13      PROD RJE  R371    2(ORG)  (   )  (   ) 4(FND)  (   ) 3(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371 26           01     12
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)             (SS1)                         (SS2)
0                                          TEXAS CYBER COMMAND (371)
                                 STATEMENT OF NET POSITION - BALANCE SHEET FORMAT(GWFS)
 PERCENT OF YEAR ELAPSED: 100%                    REPORT PERIOD= ADJUSTMENT FY= 26                                          PROD SYSTEM
 ***************************************************************************************************************************PAGE     5
 GAAP FUND GROUP       01    GOVERNMENTAL
 GAAP FUND TYPE        12    LONG-TERM LIAB BASIS CONVERSION ADJUSTMT
 GAAP FUND             9997  LONG-TERM LIABILITIES BASIS CONVERSION
 FUND                  0098  LONG TERM DEBT ACCOUNT GROUP
 ***************************************************************************************************************************************
 GL  GL  B/C COMP                                                 AGY                     CURRENT                       PRIOR
 CT  CLS IND GL    TITLE                                          GL                      YEAR                          YEAR
 ***************************************************************************************************************************************
021  230  Y  1525  BC CL EMPLOYEES' COMPENSABLE LEAVE                                     819,257.21-                       .00
0  GL CLS   230 CL EMPLOYEE'S COMPENSABLE LEAVE                                          819,257.21-                       .00
0* GLA CAT  21 CURRENT LIABILITIES                                                       819,257.21-                       .00
026  301  Y  1700  BC NC EMPLOYEES' COMPENSABLE LEAVE                                          .00                       .00
0  GL CLS   301 NC EMPLOYEE'S COMPENSABLE LEAVE                                               .00                       .00
0* GLA CAT  26 NON-CURRENT LIABILITIES                                                       .00                       .00
0** TOTAL LIABILITIES AND OTHER CREDITS                                                 819,257.21-                       .00
045  430  Y  ****  3950-POST CLS BC UNRE NET POSITION                                    819,257.21                        .00
          Y  9992  BC SYSTEM CLEARING                                                       .00                       .00
0  GL CLS   430 UNRESTRICTED NET POSITION                                                819,257.21                        .00
0* GLA CAT  45 NET POSITION                                                             819,257.21                        .00
0** TOTAL FUND BALANCE/NET POSITION WITH CURRENT CHANGES                                819,257.21                        .00
0** TOTAL LIABILITIES, OTHER CR, DEF INFLOWS AND FD BAL/NET POSITION                          .00                       .00
0* FUND            0098 LONG TERM DEBT ACCOUNT GROUP                                          .00                       .00
0* GAAP FUND       9997 LONG-TERM LIABILITIES BASIS CONVERSION                                .00                       .00
0* GAAP FUND TYPE    12 LONG-TERM LIAB BASIS CONVERSION ADJUSTMT                              .00                       .00
0* GAAP FUND GROUP   01 GOVERNMENTAL                                                         .00                       .00
0* AGENCY              371                                                                   .00                       .00
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Texas Cyber Command (371) – UNAUDITED

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1DAFR8590 371 NSAT 03 13      PROD RJE  R371    2(ORG)  (   ) 2(OBJ) 2(FND)  (   ) 0(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371       01     01
0(AGY)371     (ORG)          (PRG)          (NAC)          (APP)          (FND)          (COB)          (AOB)          (GLA)
 (AGL)                 (GRT)              (PRJ)              (SS1)                         (SS2)
0                                                TEXAS CYBER COMMAND (371)
                                              OPERATING STATEMENT - GOVERNMENTAL FUNDS
 PERCENT OF YEAR ELAPSED: 100%                   REPORT PERIOD= ADJUSTMENT FY= 26                                    PROD SYSTEM
 ************************************************************************************************************************PAGE     1
 GAAP FUND GROUP    01  GOVERNMENTAL
 GAAP FUND TYPE     01  GENERAL
 ************************************************************************************************************************
              GAAP
    GAAP   GAAP GL ACCT GL    GAAP   COMPT                                                          CURRENT
  CATEGORY FUNC CLASS   ACCT SRC/OBJ  OBJ           TITLE                                           YEAR
 ************************************************************************************************************************

0  GAAP SRC/OBJ               0006          ADDITIONAL APPROPRIATIONS                              750,050.57
0* GAAP CATEGORY  01                        REVENUES                                               750,050.57
0TOTAL REVENUES                                                                                   750,050.57
0  GAAP SRC/OBJ               0200          SALARIES AND WAGES                                   3,536,407.48
0  GAAP SRC/OBJ               0210          PAYROLL RELATED COSTS                                  811,610.94
0  GAAP SRC/OBJ               0230          TRAVEL                                                     140.00
0* GAAP CATEGORY  04                        EXPENDITURES                                         4,348,158.42
0TOTAL EXPENDITURES                                                                               4,348,158.42
0EXCESS(DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES                                          3,598,107.85-
0  GAAP SRC/OBJ               0578          LEGISLATIVE FINANCING SOURCES                       13,500,000.00
0  GAAP SRC/OBJ               0900          BACKOUT-NOT APPLICABLE REVENUE                              0.00
0  GAAP SRC/OBJ               0910          BACKOUT-NOT APPLICABLE EXPENDITURE                          0.00
0* GAAP CATEGORY  05                        OTHER FINANCING SOURCES (USES)                      13,500,000.00
0TOTAL OTHER FINANCING SOURCES(USES)                                                              13,500,000.00
0NET CHANGE IN FUND BALANCE                                                                        9,901,892.15
0FUND BALANCE - BEGINNING                                                                                  0.00
0FUND BALANCE - BEGINNING, AS RESTATED                                                                     0.00
0FUND BALANCE - ENDING                                                                             9,901,892.15
1DAFR8590 371 NSAT 03 13      PROD RJE  R371    2(ORG)  (   ) 2(OBJ) 2(FND)  (   ) 0(GLA)    (   )    (   )      USAS
 CYCLE: 09/29/26 21:39 8804  RUN DATE: 09/29/26 TIME: 22:44 57  CFY: 27   CFM: 01 LCY: 25   LCM: 11 FICHE: 371       01     01
0                                                TEXAS CYBER COMMAND (371)
                                              OPERATING STATEMENT - GOVERNMENTAL FUNDS
 PERCENT OF YEAR ELAPSED: 100%                   REPORT PERIOD= ADJUSTMENT FY= 26                                    PROD SYSTEM
 ************************************************************************************************************************PAGE     2
 GAAP FUND GROUP    01  GOVERNMENTAL
 GAAP FUND TYPE     01  GENERAL
 ************************************************************************************************************************
              GAAP
    GAAP   GAAP GL ACCT GL    GAAP   COMPT                                                          CURRENT
  CATEGORY FUNC CLASS   ACCT SRC/OBJ  OBJ           TITLE                                           YEAR
 ************************************************************************************************************************

0* GAAP FUND TY   01                       GENERAL                                                9,901,892.15
0* GAAP FD GRP    01                       GOVERNMENTAL                                           9,901,892.15
0* AGENCY         371                                                                             9,901,892.15
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ENTITY

The Texas Cyber Command (TXCC) 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.

TXCC became operational in March 2026 and is completing the transfer of specified cybersecurity and network-security functions, personnel, contracts, property, records, and appropriated funds from the Department of Information Resources (DIR).

Due to the statewide requirements embedded in Governmental Accounting Standards Board 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 Annual Comprehensive Financial Report (ACFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

This note is limited to a discussion of only governmental funds to reflect the organization of this state agency.

FUND STRUCTURE

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 Revenue Funds

The general revenue fund is used to account for all financial resources of the state except those required to be accounted for in the other funds.

Capital Asset Adjustment Fund Type

The capital asset adjustment fund is used to convert capital assets from modified accrual to full accrual for all governmental fund types.

Long-Term Liabilities Adjustment Fund Type

The long-term liabilities adjustment fund is used to convert debt from modified accrual to full accrual for all governmental fund types.

Basis of Accounting

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 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.

Budgets and Budgetary Accounting
The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after fiscal year-end for which they were appropriated. If the authority exists within the biennium, the unexpended balance of appropriation year one is transferred forward to year two.

Assets, Liabilities and Fund Balances/Net Position

***A*ssets**
Cash and Cash Equivalents
Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

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 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 not 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 and are depreciated over the estimated useful life of the asset using the straight-line method.

Receivables – Current and Noncurrent
The disaggregation of receivables as reported in the financial statement is disclosed in Note 24 when required and applicable.

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.

Other Payables – Current and Noncurrent

The disaggregation of other payables as reported in the financial statements is disclosed in Note 24 when required and applicable.

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.

TXCC 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 non-spendable, restricted, committed, assigned or unassigned in the fund financial statements.

Non-spendable fund balance includes amounts not available to be spent because they are either not in a spendable form or legally or contractually required to maintain intact.

Restricted fund balance includes those resources that have constraints placed on their use through external parties – such as creditors, grantors, contributors, law 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.

Interfund Activities and Transactions
TXCC has the following types of transactions between funds:

Transfers - Legally required transfers that are reported when incurred as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

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.

NOTE 2: CAPITAL ASSETS – NOT APPLICABLE

NOTE 3: DEPOSITS, INVESTMENTS, AND REPURCHASE AGREEMENTS – NOT APPLICABLE

NOTE 4: SHORT-TERM DEBT – NOT APPLICABLE

NOTE 5: LONG-TERM LIABILITIES

Changes in General Long-Term Liabilities
During the fiscal year ended August 31, 2014, the following changes occurred in liabilities.

Governmental Activities	Balance 9/1/2025	Additions	Reductions	Balance 8/31/2026	Amounts Due Within One Year	Amounts Due Thereafter
Employees' Compensable Leave	$0.00	$1,027,744.55	$208,487.41	$819,257.21	$819,257.21	$0.00
Total Governmental Activities	**$0.00**	**$1,027,744.55**	**$208,487.41**	**$819,257.21**	**$819,257.21**	**$0.00**

Employees' Compensable Leave
If a state employee 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 position. 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 employees 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: DERIVATIVE INSTRUMENTS – NOT APPLICABLE

NOTE 8: LEASES – NOT APPLICABLE

NOTE 9: DEFINED BENEFIT PENSION PLANS AND DEFINED CONTRIBUTION PLAN – NOT APPLICABLE

NOTE 10: DEFERRED COMPENSATION – NOT APPLICABLE

NOTE 11: POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS – NOT APPLICABLE

NOTE 12: INTERFUND ACTIVITY AND TRANSACTIONS – NOT APPLICABLE

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

HB 150 (89th Session) established TXCC effective September 1, 2025. The agency will undergo Sunset review for a determination of future existence in the 2030-2031 review cycle - 92nd Legislative Session.

NOTE 14: ADJUSTMENTS TO FUND BALANCES AND NET POSITION - NOT APPLICABLE

NOTE 15: CONTINGENCIES AND COMMITMENTS – NOT APPLICABLE

NOTE 16: SUBSEQUENT EVENTS – NOT APPLICABLE

NOTE 17: RISK MANAGEMENT

TXCC is exposed to a variety of civil claims resulting from the performance of its duties. It is agency policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed.

The agency assumes substantially all risks associated with tort and liability claims due to the performance of its duties. Currently there is no purchase of commercial insurance nor is the agency involved in any risk pools with other government entities.

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) - 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

NOTE 22: DONOR RESTRICTED ENDOWNMENTS - 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: FINANCIAL GUARANTEES - NOT APPLICABLE

NOTE 31: TAX ABATEMENTS - NOT APPLICABLE

NOTE 32: FUND BALANCES – NOT APPLICABLE