

**Prepared Statement of
Ms. Carin M. Barth of Texas
Chief Financial Officer – Designate
United States Department of Housing and Urban Development
Hearing Before the Committee on Banking, Housing
and Urban Affairs
United States Senate
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Chairman Shelby, Ranking Member Sarbanes, and distinguished members of the Committee, my name is Carin Barth, and I thank you for inviting me to appear before you today. I know how busy this Committee is, and I very much appreciate the opportunity to appear before you. I am especially grateful that you have invited me to appear on such an expedited basis.

I also would like to thank Senator Cornyn for appearing and introducing me today. I have known and respected Senator Cornyn for a long time. I am honored that he could be here with me today and very much appreciate the kind words.

I am also humbled and honored to be the choice of President Bush and Secretary Jackson to serve as the Chief Financial Officer for the US Department of Housing and Urban Development. If confirmed, I look forward to being part of the team at HUD that will work with you and your staffs to address the housing and economic development needs in our nation's communities.

I would like to briefly talk about my background, because it is an important part of why I want to be the next CFO of HUD.

I grew up in Birmingham, Alabama, in a home where community service was important. My parents were very involved in the local community, and set that tone for our family.

After attending the University of Alabama as an undergraduate and business school at Vanderbilt University, I took a job in Houston, Texas in 1986 as an analyst for a firm engaged in the private equity investment business. A year and half after joining the firm, I purchased an equity interest in and went to work for one of the firm's portfolio companies, Cain Chemical. My duties at Cain Chemical largely consisted of financial analysis of commodity prices. Occidental Petroleum purchased Cain Chemical about a year later.

In August of 1988, I left Cain Chemical and co-founded a firm called LB Capital. My partner in LB Capital, Russell Bowers, had been the President of the largest division of Cain Chemical. Russell remains my partner today in a number of ventures we run out of our Houston office. Approximately nine years ago, my husband Todd, who had been a practicing attorney, joined us in the business.

Currently, I serve on the board of one public company, Southwest Bancorporation of Texas, which is a regional bank with nearly \$6 billion in assets. I serve on the bank's audit, trust and governance committee.

During the course of my professional career, I have had the opportunity to pursue some things that I truly love. One of those things is public service and I would like to talk about some of those opportunities.

I had the opportunity and privilege to co-found, in the early 1990s, the Zina Garrison All Court Tennis Academy. The Academy is an inner city program for under-privileged children that provides a free, after school activity for the children of Houston. Tennis was the hook that brought in the kids, but we taught the kids a lot more than just tennis. The program started when Zina Garrison, who you may know as a former professional tennis player from Houston, approached me with the idea and asked for help. I enlisted the help of other Houstonians, two of which are here with us today, and together we put the program together. Since its inception, the organization has literally served tens of thousands of inner city children in Houston.

I have also had the opportunity and privilege of serving on the Board of the Ronald McDonald House of Houston, and later as President of the Board. As you probably know, the Ronald McDonald House offers a home away from home for families traveling to obtain cancer treatment for their children. In Houston, where we have world-class cancer treatment facilities, the Ronald McDonald House serves a huge need in the community.

I have also had the privilege of serving the City of Houston. I am on the board of the Houston Convention Center Hotel Corporation, which is a non-profit corporation formed by the City of Houston to construct and then operate a 1200 room convention center hotel in downtown Houston.

I also serve on the City of Houston's investment committee. Our committee oversees the investment of the City's short-term funds, which exceed \$2 billion.

I also serve the State of Texas as a member of the Board of Regents of Texas Tech University, in Lubbock, Texas. The University has 25,000 students and an operating budget of over \$800 million. In connection with my board service at Texas Tech, I chair the finance committee and also chair the investment advisory committee, which manages Tech's \$400 million dollar endowment.

Based on my private and public service experience, I believe that I am qualified for the position of CFO for the Department of Housing and Urban Development. I have experience preparing, justifying and monitoring budgets and strategic plans. I have helped establish, maintain and review financial systems. I have managed assets and credit management functions. I have helped develop strong internal control programs and assisted in the production of audited financial statements. I have helped develop uniform financial management policies and procedures. And I have processed accounting transactions and payments.

My background also reflects that I sincerely love public service. When I am able to make a positive difference in the life of another human being, it makes my day. And I know that each member of this committee knows exactly what I'm talking about. Otherwise, you wouldn't be here.

I am deeply grateful for the confidence President Bush and Secretary Jackson have placed in me. If confirmed, I will take the responsibilities and challenges ahead very seriously. Once again, I want to thank Senator Cornyn for being here today, particularly on such short notice.

My husband tells me that I am blessed and cursed with the belief that I can make a difference. He's right. I believe I have the professional background and the personal drive to be successful as the Chief Financial Officer for the US Department of Housing and Urban Development. I sincerely hope that you will give me that opportunity.

Mr. Chairman and members of the Committee, thank you for your consideration of my nomination and the opportunity to appear before you today. I would be pleased to answer any questions you may have.