

Texas Higher Education Coordinating Board



Annual Financial Report
For the Year Ended August 31, 2019

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

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TEXAS HIGHER EDUCATION COORDINATING BOARD

P.O. Box 12788 Austin, Texas 78711

Stuart W. Stedman
CHAIR

Fred Farias III, O.D.
VICE CHAIR

Ricky A. Raven
SECRETARY OF THE BOARD

Lauren C. McKenzie
STUDENT REPRESENTATIVE

S. Javaid Anwar
Emma W. Schwartz
Donna N. Williams
Welcome Wilson, Jr.


Harrison Keller, Ph.D.
COMMISSIONER
OF HIGHER EDUCATION

(512) 427-6101
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Web site:
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November 20, 2019

To: Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
Sarah Keyton, Assistant Director, Legislative Budget Board
John McGeady, Assistant Director, Legislative Budget Board
Lisa R. Collier, CPA, First Assistant State Auditor

From: Harrison Keller 

RE: Annual Financial Report

I am pleased to submit the annual financial report of the Texas Higher Education Coordinating Board for the year ended 08/31/2019, in compliance with Texas Government Code, 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 of 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 Glenn Osher, Director of Financial Reporting, at (512) 427-6174.

Enclosure

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT I
COMBINED BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
For the Year Ended August 31, 2019

	GOVERNMENTAL FUND TYPES			
	General (Exhibit A-1)	Special Revenue (Exhibit B-1)	Debt Service (Exhibit C-1)	Permanent (Exhibit E-1)
ASSETS				
Current Assets:				
Cash:				
Shared Funds	\$	\$	\$	\$
In State Treasury	226,673,813.20	596,251.38	112,840,794.93	10,051,666.84
Legislative Appropriations	52,120,892.96	217,628,441.58		
Receivable From:				
Accounts Receivable	181,249.27	70,897.00	240,568.18	
Federal	7,719,987.42			
Interest and Dividends (net of Allowance for Doubtful Accounts of \$6,567,394.82)	99,241.55	10,205,119.71	695,472.54	20,631.33
Due From Other Agencies (Note 12)	3,504,308.01			636,441.67
Prepaid Items	54,123.23			
Loans & Contracts (net of Allowance for Doubtful Accounts of \$2,083,373.14)	4,036,434.70			
Restricted:				
Loans & Contracts (net of Allowance for Doubtful Accounts of \$20,837,460.47)	7,973,229.06	104,786,058.16		
Total Current Assets	302,363,279.40	333,286,767.83	113,776,835.65	10,708,739.84
Non-Current Assets:				
Receivable From:				
Interest and Dividends (net of Allowance for Doubtful Accounts of \$2,164,008.00)	991,442.50			
Loans & Contracts (net of Allowance for Doubtful Accounts of \$20,830,349.09)	40,357,793.99			
Restricted:				
Receivable From:				
Interest and Dividends (net of Allowance for Doubtful Accounts of \$63,499,278.29)	26.63	102,034,629.39		
Loans & Contracts (net of Allowance for Doubtful Accounts of \$208,340,775.79)	79,719,346.29	1,047,690,464.18		
Capital Assets (Note 2):				
Depreciable:				
Furniture and equipment				
Accumulated depreciation				
Net depreciable capital assets				
Total Non-Current Assets	121,068,609.41	1,149,725,093.57		
TOTAL ASSETS	423,431,888.81	1,483,011,861.40	113,776,835.65	10,708,739.84

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT I
 COMBINED BALANCE SHEET/STATEMENT OF NET POSITION
 GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Position
\$ 596,251.38	\$	\$	\$ 596,251.38
567,194,716.55			567,194,716.55
52,120,892.96			52,120,892.96
492,714.45			492,714.45
7,719,987.42			7,719,987.42
11,020,465.13			11,020,465.13
4,140,749.68			4,140,749.68
54,123.23			54,123.23
4,036,434.70			4,036,434.70
112,759,287.22			112,759,287.22
<u>760,135,622.72</u>			<u>760,135,622.72</u>
991,442.50			991,442.50
40,357,793.99			40,357,793.99
102,034,656.02			102,034,656.02
1,127,409,810.47			1,127,409,810.47
	527,140.16		527,140.16
	(430,869.70)		(430,869.70)
	96,270.46		96,270.46
<u>1,270,793,702.98</u>	<u>96,270.46</u>		<u>1,270,889,973.44</u>
<u>2,030,929,325.70</u>	<u>96,270.46</u>		<u>2,031,025,596.16</u>

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT I
 COMBINED BALANCE SHEET/STATEMENT OF NET POSITION
 GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

	GOVERNMENTAL FUND TYPES			
	General (Exhibit A-1)	Special Revenue (Exhibit B-1)	Debt Service (Exhibit C-1)	Permanent (Exhibit E-1)
LIABILITIES				
Current Liabilities:				
Payables from:				
Accounts - Vendors	74,297.23			
Accounts - Grants and Loans	11,586,985.21	674,730.02		536,151.48
Payroll	1,864,924.58			
Bond Interest Payable				
Employees' Compensable Leave Payable (Note 5)				
General Obligation Bonds Payable (Note 5, 6)				
Due To Other Agencies (Note 12)	11,700,623.38			163,729.56
Total Current Liabilities	25,226,830.40	674,730.02		699,881.04
Non Current Liabilities:				
Employees' Compensable Leave Payable (Note 5)				
General Obligation Bonds Payable (Note 5, 6)				
Arbitrage Rebate Liability Payable (Note 15)				
Total Non-Current Liabilities				
Total Liabilities	25,226,830.40	674,730.02		699,881.04
FUND FINANCIAL STATEMENT-FUND BALANCES				
Fund Balances (Deficits):				
Nonspendable-Prepaid Items	54,123.23			
Nonspendable-LT Contract and Receivables	41,349,236.49			
Restricted	389,577.94	1,482,337,131.38	113,776,835.65	
Committed	313,888,231.47			10,008,858.80
Assigned	80,236.35			
Unassigned	42,443,652.93			
Total Fund Balances	398,205,058.41	1,482,337,131.38	113,776,835.65	10,008,858.80
TOTAL LIABILITIES AND FUND BALANCES	\$ 423,431,888.81	\$ 1,483,011,861.40	\$ 113,776,835.65	\$ 10,708,739.84

Government-Wide Statement of Net Position
 Net Position
 Invested in Capital Assets, Net of Related Debt
 Restricted For:
 Other
 Unrestricted
TOTAL NET POSITION

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT I
 COMBINED BALANCE SHEET/STATEMENT OF NET POSITION
 GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Position
74,297.23			74,297.23
12,797,866.71			12,797,866.71
1,864,924.58			1,864,924.58
		4,616,687.23	4,616,687.23
		1,144,592.15	1,144,592.15
		68,617,327.92	68,617,327.92
<u>11,864,352.94</u>			<u>11,864,352.94</u>
<u>26,601,441.46</u>		<u>74,378,607.30</u>	<u>100,980,048.76</u>
		693,756.82	693,756.82
		1,210,167,082.48	1,210,167,082.48
		<u>9,454,465.16</u>	<u>9,454,465.16</u>
		<u>1,220,315,304.46</u>	<u>1,220,315,304.46</u>
<u>26,601,441.46</u>		<u>1,294,693,911.76</u>	<u>1,321,295,353.22</u>
54,123.23			54,123.23
41,349,236.49			41,349,236.49
1,596,503,544.97			1,596,503,544.97
323,897,090.27			323,897,090.27
80,236.35			80,236.35
<u>42,443,652.93</u>			<u>42,443,652.93</u>
<u>2,004,327,884.24</u>			<u>2,004,327,884.24</u>
<u>\$ 2,030,929,325.70</u>			
	96,270.46		96,270.46
		(1,283,401,097.63)	(1,283,401,097.63)
		(11,292,814.13)	(11,292,814.13)
<u>\$ 96,270.46</u>	<u>\$ (1,294,693,911.76)</u>	<u>\$ 709,730,242.94</u>	

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT II
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

	GOVERNMENTAL FUND TYPES			
	General (Exhibit A-2)	Special Revenue (Exhibit B-2)	Debt Service (Exhibit C-2)	Permanent (Exhibit E-2)
REVENUES				
Legislative Appropriations:				
Original Legislative Appropriation Revenue	\$ 1,583,320,552.76	\$	\$	\$
Additional Legislative Appropriation Revenue	2,661,088.76			
Federal Revenues	1,884,682.90	21,960.16	8,987.90	
Federal Grant Pass-Through Revenues	30,453,230.04			
Licenses, Fees and Permits	1,484,622.23	2,472,489.70		
Interest and Investment Income	2,056,077.50	72,239,265.41	8,654,730.68	11,991,476.35
Other Revenues	1,437,593.54			
Total Revenues	1,623,297,847.73	74,733,715.27	8,663,718.58	11,991,476.35
EXPENDITURES				
Salaries & Wages	17,550,966.17			
Payroll Related Costs	5,114,007.32			
Professional Fees & Services	6,232,583.72			
Travel	163,788.76			
Materials & Supplies	1,731,325.21			
Communication & Utilities	436,553.62			
Repairs & Maintenance	24,734.09			
Rentals & Leases	1,661,316.17			
Printing & Reproduction	22,261.15			
Federal Grant Pass-Through Expenditures	3,370,443.22			
State Grant Pass-Through Expenditures	472,296,514.66	10,000.00		1,017,030.53
Intergovernmental Payments	1,081,193,260.63	5,000.00		2,598,858.27
Public Assistance Payments	34,205,473.88			9,619,363.00
Other Expenditures	22,588,231.28	28,946,663.63		
Debt Service:				
Principal		2,000.00	62,388,000.00	
Interest		16,576.00	52,534,736.62	
Other Financing Fees		1,587,421.43		
Capital Outlays	59,646.90			
Depreciation and Amortization Expense				
Total Expenditures	1,646,651,106.78	30,567,661.06	114,922,736.62	13,235,251.80
Excess (Deficiency) Of Revenues Over Expenditures	(23,353,259.05)	44,166,054.21	(106,259,018.04)	(1,243,775.45)

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EXHIBIT II
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/
 STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
\$ 1,583,320,552.76	\$	\$	\$ 1,583,320,552.76
2,661,088.76			2,661,088.76
1,915,630.96			1,915,630.96
30,453,230.04			30,453,230.04
3,957,111.93			3,957,111.93
94,941,549.94			94,941,549.94
1,437,593.54			1,437,593.54
<u>1,718,686,757.93</u>			<u>1,718,686,757.93</u>
17,550,966.17		21,615.40	17,572,581.57
5,114,007.32			5,114,007.32
6,232,583.72			6,232,583.72
163,788.76			163,788.76
1,731,325.21			1,731,325.21
436,553.62			436,553.62
24,734.09			24,734.09
1,661,316.17			1,661,316.17
22,261.15			22,261.15
3,370,443.22			3,370,443.22
473,323,545.19			473,323,545.19
1,083,797,118.90			1,083,797,118.90
43,824,836.88			43,824,836.88
51,534,894.91		1,654,980.81	53,189,875.72
62,390,000.00		(62,390,000.00)	
52,551,312.62		3,436,145.20	55,987,457.82
1,587,421.43			1,587,421.43
59,646.90	(59,646.90)		
	<u>21,532.67</u>	<u>(13,177,496.50)</u>	<u>(13,155,963.83)</u>
<u>1,805,376,756.26</u>	<u>(38,114.23)</u>	<u>(70,454,755.09)</u>	<u>1,734,883,886.94</u>
<u>(86,689,998.33)</u>	<u>38,114.23</u>	<u>70,454,755.09</u>	<u>(16,197,129.01)</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT II
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

	GOVERNMENTAL FUND TYPES			
	General (Exhibit A-2)	Special Revenue (Exhibit B-2)	Debt Service (Exhibit C-2)	Permanent (Exhibit E-2)
OTHER FINANCING SOURCES (USES)				
Bond and Note Proceeds		159,965,000.00		
Bond Proceeds for Refunding Debt		140,880,000.00		
Payment to Escrow for Refunding Debt		(158,306,481.27)	(10,977,762.12)	
Premium on Sale of Bonds		28,829,005.40		
Discount on Sale of Bonds		(694,052.65)		
Appropriations Lapsed	(3,392,713.83)			
Transfers In (Note 12)	29,263,802.70	35,066,553.89	144,038,096.22	2,551,778.00
Transfers Out (Note 12)	(58,145,739.68)	(159,649,788.13)	(32,686,347.56)	
Legislative Transfers Out (Note 12)	(200,000.00)			
Total Other Financing Sources (Uses)	<u>(32,474,650.81)</u>	<u>46,090,237.24</u>	<u>100,373,986.54</u>	<u>2,551,778.00</u>
Net Change in Fund Balances\Net Position	(55,827,909.86)	90,256,291.45	(5,885,031.50)	1,308,002.55
Fund Financial Statement-Fund Balances				
Fund Balances-September 1, 2018	<u>454,032,968.27</u>	<u>1,392,080,839.93</u>	<u>119,661,867.15</u>	<u>8,700,856.25</u>
FUND BALANCES - August 31, 2019	<u>\$ 398,205,058.41</u>	<u>\$ 1,482,337,131.38</u>	<u>\$ 113,776,835.65</u>	<u>\$ 10,008,858.80</u>
Government-Wide Statement of Net Position				
Net Position/Net Change in Net Position				
Net Position, September 1, 2018				
NET POSITION, August 31, 2019				

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT II
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/
 STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2019

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
159,965,000.00		(159,965,000.00)	
140,880,000.00		(140,880,000.00)	
(169,284,243.39)		169,284,243.39	
28,829,005.40		(28,829,005.40)	
(694,052.65)		694,052.65	
(3,392,713.83)			(3,392,713.83)
210,920,230.81			210,920,230.81
(250,481,875.37)			(250,481,875.37)
(200,000.00)			(200,000.00)
<u>116,541,350.97</u>		<u>(159,695,709.36)</u>	<u>(43,154,358.39)</u>
29,851,352.64	38,114.23	(89,240,954.27)	(59,351,487.40)
<u>1,974,476,531.60</u>			<u>1,974,476,531.60</u>
<u>2,004,327,884.24</u>	<u>38,114.23</u>	<u>(89,240,954.27)</u>	<u>1,915,125,044.20</u>
<u>2,004,327,884.24</u>	<u>38,114.23</u>	<u>(89,240,954.27)</u>	<u>1,915,125,044.20</u>
	<u>58,156.23</u>	<u>(1,205,452,957.49)</u>	<u>(1,205,394,801.26)</u>
<u>\$ 2,004,327,884.24</u>	<u>\$ 96,270.46</u>	<u>\$ (1,294,693,911.76)</u>	<u>\$ 709,730,242.94</u>

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT VI
 COMBINED STATEMENT OF FIDUCIARY NET POSITION
 For the Year Ended August 31, 2019

	Perm Endowment Fund - Baylor College of Medicine Fund (0823) U/F (0823)	Child Support Deds-Suspense Account Fund (0807) U/F (8070)	TOTALS
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current Assets:			
Cash:			
In State Treasury	\$ 386,549.21	\$ 2,525.00	\$ 389,074.21
Receivables From Interest and Dividends	<u>91.95</u>		<u>91.95</u>
Total Current Assets	<u>386,641.16</u>	<u>2,525.00</u>	<u>389,166.16</u>
TOTAL ASSETS	<u>386,641.16</u>	<u>2,525.00</u>	<u>389,166.16</u>
LIABILITIES			
Current Liabilities:			
Payables from			
Accounts - Grants and Loans	386,641.16		386,641.16
Funds Held for Others		<u>2,525.00</u>	<u>2,525.00</u>
Total Current Liabilities	<u>386,641.16</u>	<u>2,525.00</u>	<u>389,166.16</u>
TOTAL LIABILITIES	<u>386,641.16</u>	<u>2,525.00</u>	<u>389,166.16</u>
NET POSITION			
Held in trust for Individuals, Organizations, and Other Government	<u> </u>	<u> </u>	<u> </u>
TOTAL NET POSITION	<u>\$</u>	<u>\$</u>	<u>\$</u>

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT VII

COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended August 31, 2019

	Perm Endowment Fund - Baylor College of Medicine Fund (0823) U/F (0823)
ADDITIONS	
Investment Income:	
From Investing Activities:	
Interest and Investment Income	\$ 1,933.86
Total Investing Income	<u>1,933.86</u>
Net Income from Investing Activities	<u>1,933.86</u>
Other Additions:	
Transfers In (Note 12)	<u>1,543,871.89</u>
Total Other Additions	<u>1,543,871.89</u>
Total Additions	<u>1,545,805.75</u>
DEDUCTIONS	
Intergovernmental Payments	<u>1,545,805.75</u>
Total Deductions	<u>1,545,805.75</u>
NET INCREASE (DECREASE)	
Net Position-September 1, 2018	<u> </u>
NET POSITION-August 31, 2019	<u>\$ </u>

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

**TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Texas Higher Education Coordinating Board (THECB) 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 Texas Legislature created the THECB in 1965 to achieve excellence for college education for the people of Texas. This purpose is to be pursued through the efficient and effective utilization and concentration of all available resources and the elimination of costly duplication in program offerings, faculties, and physical plants. The THECB is responsible for overall statewide planning for the unified development of the Texas system of higher education.

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 will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

B. 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 & Government-wide Adjustment Fund Types

General Fund

The general fund is used to account for all financial resources of the state except those required to be accounted for in another fund. The General Fund also includes the following consolidated funds: B-On-Time Student Loan, License Plate Trust Fund, Physician Ed Loan Repay Fund and Economic Stabilization Fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to use for specified purposes. The funds used by the THECB consists of the following: Texas Opportunity Plan, Student Loan Auxiliary, Student Loan Revenue Bonds Fund, and Suspense Fund.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest. The funds used by the THECB consists of the Texas College Student Loan Bonds Interest and Sinking Fund.

Permanent funds

Permanent funds are used to account for the proceeds of specific revenue sources that are legally restricted to use for specified purposes. The funds used by the THECB consists of the following: Permanent Fund Support Graduate Education, Permanent Fund for Nursing, Allied Health, Baylor COM Permanent Health, and Permanent Fund for Minority Health Research and Education.

Fiduciary Fund Types

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund, or a private purpose trust fund is used.

Agency Funds

Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. The agency funds used by the THECB consists of the Child Support Deductions Suspense Account.

Private-Purpose Trust Funds

Private-purpose trust funds are used to account for all other trust arrangements whose principal and interest benefit individuals, private organizations, or other governments. The trust fund used by the THECB consists of the Baylor College of Medicine Permanent Endowment Fund.

Capital Asset Adjustment Fund Type

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

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Long-Term Liabilities Adjustment Fund Type

The long-term liabilities adjustment fund is used to convert governmental fund type debt and related liabilities from modified accrual to full accrual.

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and 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 that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which 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 sixty 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.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid employee compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments and full accrual revenues and expenses. The activity will be recognized in these fund types.

Proprietary funds, pension trust funds, external investment trust funds and private-purpose trust funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary funds principal ongoing operations. Operating expenses for the enterprise and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

D. 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 sixty days after the end of the fiscal year for which they were appropriated.

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION

ASSETS

Cash and Cash Equivalents

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

Interest Receivable

Interest Receivable consists of interest earned or accrued that is not due to be received until after the balance sheet date. Interest Receivable is derived from interest due from the State Treasury for the interest bearing cash and loans issued from the student loan program and is reported net of allowance for doubtful accounts.

Student Loan Notes Receivable

Federal and state student loans are reported at their outstanding principal balances net of allowance for doubtful accounts. Student loans are recorded at cost when disbursed and are serviced by THECB throughout the life of the loan – school, grace, and repayment.

Allowance for Doubtful Accounts

The allowance for doubtful accounts includes the estimated amount of student loans that will be forgiven or will not be collected due to default. The allowance is calculated based on loan status, loan type, and current collection trends. Guarantees of certain loans are provided by U.S. Department of Education and U.S. Department of Health and Human Services.

Capital Assets

Capital assets, which include furniture and equipment, are reported in the governmental activities column in the government-wide financial statements. THECB generally defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated life greater than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets of THECB are depreciated using the straight-line method over the following estimated useful lives:

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<u>Classification</u>	<u>Useful Life</u>
Furniture and Equipment	1 to 15

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of special revenue fund general obligation and revenue bonds, contractual commitments due to the THECB from the loan of these proceeds, as well as revenues set aside for statutory or contractual requirements. Assets held in reserve for guaranteed student loan defaults are also included.

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 non-current in the Combined Balance Sheet/Statement of Net Position - Governmental Funds.

Capital Lease Obligations

Capital lease obligations represent the liability for future lease payments under capital lease contracts contingent upon the appropriation of funding by the Legislature. Liabilities are reported separately as either current or non-current in the statement of net position.

Unearned Revenues

Unearned revenues consist of revenues that have been received but have not met the criteria for recognition.

Bonds Payable

The unmaturing principle of bonds is accounted for in the Long-Term Liabilities Adjustment column. Payables are reported separately as either current or non-current in the statement of net position.

Serial interest bonds payable are recorded at par. The bond proceeds are accounted for as an "Other Financing Source" in the governmental funds when received, and expenditures for payment of principal and interest are recorded in Debt Service Funds when paid.

Arbitrage Rebate Liability

Arbitrage rebate liability is earned interest revenue on bond proceeds in excess amounts allowed by Federal regulations. The amount represents the estimated payable at year end in the Combined Balance Sheet/Statement of Net Position - Governmental Funds.

FUND BALANCE/NET POSITION

The difference between fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is 'Net Position' on the government-wide and fiduciary fund statements, and the 'Fund Balance' is the difference between fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements.

Fund Balance Components:

Nonspendable

Fund balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted

Fund balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.

Committed

Fund balance can be used only for specific purposes pursuant to constraints imposed 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 are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) 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.

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Unassigned

Fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Invested In Capital Assets, Net Of Related Debt

Invested in capital assets, net of related debt 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.

GASB 54 Note Disclosures:

A. The Special Revenue Fund is comprised of the Texas Opportunity Plan Fund (TOP) and the Student Loan Auxiliary Fund (SLA). These Special Revenue Funds are used to account for the proceeds of bond issues and repayment of student loans in excess of what is required to be deposited in the Debt Service Fund to make loans to students attending Texas colleges and universities. The TOP Fund is used to pay administration costs associated with the agency's loan program and if needed, this fund can issue Hinson-Hazlewood loans. The SLA Fund is for bond activity subsequent to 1992 and is used to make Hinson-Hazlewood loans.

B. The State of Texas spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balances.

C. See GASB 54 Fund Balance classification by purpose table (see following pages).

D. There are no stabilization arrangements with THECB.

E. The State of Texas does not have a minimum fund balance policy.

Implementation of GASB Pronouncements in FY19:

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, was issued in March of 2018 and is effective for fiscal years beginning after June 15, 2018. This statement defines debt for purposes of disclosing in the notes to the financial statements and establishes additional note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. Refer to Note 5 for the applicable GASB Statement No. 88 note disclosure for the THECB.

F. INTERFUND ACTIVITIES AND BALANCES

The THECB 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.

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GASB 54 Fund Balance classification by Purpose (as of August 31, 2019)

	Consolidated Funds		
	0001	5103	5144
	General Fund	B-On-Time	Physician Ed Loan Repay
Nonspendable - Prepays			
Hinson-Hazlewood Loan Program	\$ 54,123.23	\$	\$
Nonspendable - LT Contract and Receivables			
Armed Services Scholarships	6,858,083.51		
Student Financial Aid Programs	33,665,246.72		
Teach for Texas Programs	825,906.26		
Restricted:			
Close The Gaps	488.43		
College Readiness and Success	44,661.98		
Debt Service			
Federal Programs	283,500.00		
Strategic Planning and Funding	60,927.53		
Student Loans			
Committed:			
Minority Health Research/Ed			
Nursing & Allied Health			
Physician - LRP			94,534,868.24
Student Financial Aid Programs		219,353,363.23	
Assigned:			
Common Application	977.81		
Conferences	79,258.54		
Unassigned:			
Academic Quality & Workforce	141,943.21		
Advise Texas	170.82		
Armed Services Scholarships	686,593.01		
Autism Program	3,275,127.94		
Baylor College of Medicine	9,239,314.29		
Central Administration	255,751.00		
Certified Ed Aide Program	415,033.14		
Close The Gaps	296,131.88		
College Readiness and Success	56,154.44		
College Readiness Initiatives	592,472.03		
Dental Education - LRP	135,366.70		
Developmental Ed Program	1,928,282.94		
Engineering Recruitment Prog	11,965.81		
ETEP Graduate Medical Education	9.83		
Family Practice Residency	147,345.26		
Fields of Study	238,273.58		
GME Expansion	749,789.71		
GR Nursing Faculty LRP	1,161,690.00		
Hinson-Hazlewood Loan Program	1,814,621.38		
Info Research Tech-Indirect	117,975.05		
Information Resources	106,630.12		
Mental Health Loan Repayment Prog	1,807,199.67		
Operating & Support	250,164.11		
Oversight for Profit	170,257.22		
Preceptorship Programs	450.00		
Prof Nursing Shortage Reduction	1,451,333.74		
Student Financial Aid Programs	13,871,295.64		
Student Grants & Special Prog	69,036.37		
Teach for Texas Programs	3,018,715.26		
Texas Education Opportunity Grant	133,634.20		
Top 10% Scholarships	274,581.25		
Unappropriated	26,343.33		
Grand Total	\$ 84,316,826.94	\$ 219,353,363.23	\$ 94,534,868.24

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

GASB 54 Fund Balance classification by Purpose (as of August 31, 2019)

Special Revenue Funds			Permanent Funds		Debt Service Funds		
0387	0601	1697	0824	0825	0388		
Texas Opportunity Fund	Student Loan Auxiliary Fund	Revenue Bond Student Loan Fund	Nursing Allied Health	Minority Health Research/Edu	GO Bond Fund	Total	
\$	\$	\$	\$	\$	\$	\$	54,123.23
							6,858,083.51
							33,665,246.72
							825,906.26
							488.43
							44,661.98
					113,776,835.65		113,776,835.65
							283,500.00
							60,927.53
164,977,158.63	1,316,874,554.57	485,418.18					1,482,337,131.38
				4,423,109.86			4,423,109.86
			5,585,748.94				5,585,748.94
							94,534,868.24
							219,353,363.23
							977.81
							79,258.54
							141,943.21
							170.82
							686,593.01
							3,275,127.94
							9,239,314.29
							255,751.00
							415,033.14
							296,131.88
							56,154.44
							592,472.03
							135,366.70
							1,928,282.94
							11,965.81
							9.83
							147,345.26
							238,273.58
							749,789.71
							1,161,690.00
							1,814,621.38
							117,975.05
							106,630.12
							1,807,199.67
							250,164.11
							170,257.22
							450.00
							1,451,333.74
							13,871,295.64
							69,036.37
							3,018,715.26
							133,634.20
							274,581.25
							26,343.33
\$	\$	\$	\$	\$	\$	\$	2,004,327,884.24
<u>164,977,158.63</u>	<u>1,316,874,554.57</u>	<u>485,418.18</u>	<u>5,585,748.94</u>	<u>4,423,109.86</u>	<u>113,776,835.65</u>		

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2019, is presented below:

	Balance 9/1/2018	Additions	Deletions	Balance 8/31/2019
GOVERNMENTAL ACTIVITIES				
Depreciable Assets				
Furniture and Equipment	\$ 539,966.23	\$ 59,646.90	\$ (72,472.97)	\$ 527,140.16
Total Depreciable Assets	539,966.23	59,646.90	(72,472.97)	527,140.16
Less Accumulated Depreciation for:				
Furniture and Equipment	(481,810.00)	(21,532.67)	72,472.97	(430,869.70)
Total Accumulated Depreciation	(481,810.00)	(21,532.67)	72,472.97	(430,869.70)
Depreciable Assets, Net	58,156.23	38,114.23	-	96,270.46
Governmental Activities Capital Assets, Net	\$ 58,156.23	\$ 38,114.23	\$ -	\$ 96,270.46

Note 3 - Deposits, Investments and Repurchase Agreements

Not Applicable.

NOTE 4: SHORT-TERM DEBT

Not Applicable.

NOTE 5: SUMMARY OF LONG-TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES

During the year ended August 31, 2019, the following changes occurred in liabilities:

Governmental Activities	Balance 09/01/2018	Additions	Reductions	Other Changes	Balance 08/31/2019	Amounts Due Within One Year
General Obligation Bonds Payable	\$ 1,191,356,954.15	\$ 300,845,000.00	\$ (228,375,000.00)	\$ 14,957,456.25	\$ 1,278,784,410.40	\$ 68,617,327.92
Compensable Leave	1,816,733.57	1,686,005.02	(1,664,389.62)		1,838,348.97	1,144,592.15
Arbitrage Rebate Liability	7,799,484.35	1,654,980.81			9,454,465.16	
Total Governmental Activities	\$ 1,200,973,172.07	\$ 304,185,985.83	\$ (230,039,389.62)	\$ 14,957,456.25	\$ 1,290,077,224.53	\$ 69,761,920.07

EMPLOYEES' COMPENSABLE LEAVE

A 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, provided the employee has had continuous employment with the State for six months. 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. 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.

GENERAL OBLIGATION BONDS PAYABLE & ARBITRAGE REBATE LIABILITY

At this time, the THECB's does not have any direct borrowings or direct placements, as defined by GASB Statement No. 88. The agency's general obligation bonds are sold by competitive bid, which does not meet the condition for treatment as a direct placement. Additionally, the agency has never used direct borrowings, such as a revolving credit facility.

The THECB's Bonds Payables are general obligations of the State of Texas and are secured by the full faith and credit of the State. Historically, the THECB's ongoing student loan programs have provided funds through the repayment of student loans and investment interest in amounts sufficient to meet debt service and reserve requirements and to pay administrative costs of the student loan programs without drawing on the State's General Revenue Fund. The THECB has never defaulted in the payment of its debt. If the THECB either fails to make debt service payments according to their scheduled due dates or default in the performance or observance of any other debt covenant, agreement, or related obligation, bondholders may proceed against the THECB in court for any relief permitted by law for the purpose of protecting and enforcing their rights under the bond covenants.

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Information related to Arbitrage Rebate Liability can be found in Note 15 – Contingent Liabilities. For General Obligation Bonds Payable information, please refer to Note 6 - Bonded Indebtedness. Detailed Bond schedules are located in Schedule 2A-F.

NOTE 6: BONDED INDEBTEDNESS

A. BONDS PAYABLE

Detailed supplementary bond information is disclosed in Schedule 2-A - Miscellaneous Bond Information, Schedule 2-B - Changes in Bonded Indebtedness, Schedule 2-C - Debt Service Requirements, Schedule 2-D - Analysis of Funds Available for Debt Service, and Schedule 2-F - Early Extinguishment and Refunding.

The THECB issues bonds for educational loans to eligible Texas college students. Payments received on the loan contracts are applied to the debt service on the bonds. As of August 31, 2019, bonds payable consisted of thirteen general obligation issues for student loans totaling \$1,187,945,000.00. Bond issue dates for all College Student Bonds range from June 23, 2010 to June 26, 2019.

The Texas Constitution limits the amount of bonds that can be issued by the THECB. As of August 31, 2019, the authorized but unissued bonds totaled \$947,545,153.00 in general obligation bonds.

General Obligation Bonds

All bonds are on a parity basis and are secured by the following pledged collateral:

1. All monies received from loan payments and the interest thereon
2. Bond proceeds, if required, and to the extent permitted by the Act
3. First monies coming into the Treasury of the State of Texas not otherwise appropriated by the Constitution, if necessary

During FY 2019, the THECB sold \$159,965,000.00 State of Texas College Student Loan Bonds, Series 2019. They were issued as General Obligation Bonds, with a delivery date of February 20, 2019. The proceeds of the issue included a Net Original Issue Premium of \$10,310,722.85. Costs of Issuance totaled \$744,069.44 and were paid out of funds on hand. The proceeds from the Series 2019 Bonds will be used to fund an ongoing student loan program which provides low interest loans to eligible Texas college students.

B. EARLY EXTINGUISHMENT

During FY 2019, the THECB sold \$94,915,000.00 State of Texas College Student Loan Refunding Bonds, Series 2018. They were issued as General Obligation Bonds, with a delivery date of November 29th, 2018. The proceeds from the Series 2018 Refunding Bonds were used to refund the 2019-2031 maturities of the State of Texas College Student Loan Bonds, Series 2007A in the aggregate principal amount of \$53,575,000.00, and the 2019-2032 maturities of the State of Texas College Student Loan Bonds, Series 2008A in the aggregate principal amount of \$57,410,000.00. The refunding closed on November 29th, 2018. The proceeds of the issue included a Net Original Issue Premium of \$8,933,966.70. Costs of Issuance totaled \$468,139.77 and were paid out of funds on hand. THECB realized an economic gain of \$17,322,654.03 on this refunding transaction. The change in net cash flows that resulted was an increase of \$2,162,487.91.

During FY 2019, the THECB sold \$45,965,000.00 State of Texas College Student Loan Refunding Bonds, Series 2019. They were issued as General Obligation Bonds, with a delivery date of June 26th, 2019. The proceeds from the Series 2019 Refunding Bonds were used to refund the 2020-2031 maturities of the State of Texas College Student Loan Bonds, Series 2009 in the aggregate principal amount of \$55,000,000.00. The refunding closed on June 26th, 2019. The proceeds of the issue included a Net Original Issue Premium of \$8,890,263.20. Costs of Issuance totaled \$333,142.22 and were paid out of funds on hand. THECB realized an economic gain of \$11,218,319.76 on this refunding transaction. The change in net cash flows that resulted was an increase of \$1,366,421.88.

NOTE 7: DERIVATIVE INSTRUMENTS

Not Applicable.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: OPERATING LEASES

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating leases obligations:

Fund Type	Amount
General Fund	\$ 1,519,359.40

The future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year are presented in the table below. The current facility lease ends on June 30th, 2020.

Year Ended August 31:	Amount
2020	\$ 1,276,140.50

NOTE 9: PENSION PLANS

Not Applicable.

NOTE 10: DEFERRED COMPENSATION

Not Applicable.

NOTE 11: POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Not Applicable.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 12: INTERFUND BALANCES/ACTIVITIES

As explained in Note 1 on Interfund Activities and Balances there are numerous transactions between funds and agencies. At year-end, amounts to be received or paid are reported as Interfund Receivable or Interfund Payable, Due From/Due To Other Agencies or Funds, Transfers In or Transfers Out or Legislative Transfers In or Legislative Transfers Out. Individual balances and activity at August 31, 2019, were as follows:

<u>Interagency Balances:</u>	<u>Due From Other Agencies</u>	<u>Due To Other Agencies</u>
<u>GOVERNMENTAL FUNDS:</u>		
GENERAL FUND:		
Fund 0001:	\$ 3,502,284.05	\$ 11,700,544.84
Fund 0802:	2,023.96	78.54
PERMANENT FUND:		
Fund 0810:	535,475.81	
Fund 0824:	100,965.86	4,855.28
Fund 0825:		158,874.28
Total Due From/Due To Other Agencies (Exh I)	<u>4,140,749.68</u>	<u>11,864,352.94</u>
<u>Operating Transfers:</u>		
	<u>Transfers In</u>	<u>Transfers Out</u>
<u>GOVERNMENTAL FUNDS:</u>		
GENERAL FUND:		
Fund 0001:	16,173,835.04	58,163,294.73
Fund 0599:	13,100,000.00	
Fund 0802:	(10,032.34)	(17,555.05)
SPECIAL REVENUE FUND:		
Fund 0387:	35,066,553.89	33,577,743.23
Fund 0601:		125,866,639.15
Fund 0697:		205,405.75
DEBT SERVICE FUND:		
Fund 0388:	144,038,096.22	32,686,347.56
PERMANENT FUND:		
Fund 0824:	1,639,896.56	
Fund 0825:	911,881.44	
Total Operating Transfers In/Out (Exh II)	<u>210,920,230.81</u>	<u>250,481,875.37</u>
<u>FIDUCIARY FUNDS:</u>		
PRIVATE PURPOSE TRUST FUND		
Fund 0823:	1,543,871.89	
Total Transfers In/Out (Exh VII)	<u>1,543,871.89</u>	
<u>Legislative Transfers</u>		
GENERAL FUND:		
Fund 0001:		200,000.00
Total Legislative Transfers In/Out (Exh II)	<u>\$</u>	<u>\$ 200,000.00</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

Texas Education Code, Sec. 61.0211. SUNSET PROVISION. The Texas Higher Education Coordinating Board is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this chapter expires September 1, 2025.

NOTE 14: ADJUSTMENTS TO FUND BALANCE AND NET POSITION

Not Applicable.

NOTE 15: CONTINGENT LIABILITIES

Unpaid Claims and Lawsuits:

A number of claims against THECB are pending with respect to various matters arising in the normal course of THECB's operations. Legal counsel and THECB's management are of the opinion that settlement of these claims and pending litigation will not have a material effect on THECB's financial statements.

The THECB has received several grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances, if any, will be immaterial.

Federal and State Financial Assistance Programs:

THECB has received several financial assistance grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances, if any, will be immaterial.

Arbitrage:

Bonds issued after 1986 are subject to arbitrage rebate requirements imposed by section 148 (f) of the Internal Revenue Code of 1986. That provision of the Code requires that any excess earnings from purpose and non-purpose activity, be rebated to the federal government no later than every five years after the date of issue. In effect, any excess amounts, i.e., earnings that represent a yield higher than the yield on the bonds, will be required to be repaid to the United States government.

It is estimated that \$9,454,465.16 in excess earnings may become due to the federal government at some point in the future. This estimate, however, does not take into account predictions of the next year's activity. Therefore, at the time payment is due to the United States government, it is probable that this figure will have changed and cannot be reasonably determined at this time what amount, if any, may be due.

NOTE 16: SUBSEQUENT EVENTS

For the 2020-2021 biennium, the agency has been appropriated \$99 million in new funding for the Child Mental Health Care Consortium. This new grant program will receive \$49.5 million in GAAP fund 0001 general revenues each year during the 2020-2021 biennium to support the program's initiatives.

On October 1, 2019, Dr. Harrison Keller was appointed the position of Commissioner of the THECB.

NOTE 17: RISK MANAGEMENT

THECB is exposed to a variety of potential civil claims and assumes certain risks associated with tort and liability claims resulting from the performance of its duties. It is agency policy to periodically assess the proper combination of commercial insurance and assumption of risk to address potential liability claims. In fiscal year 2019, THECB purchased commercial insurance for properties automobiles.

Workers' compensation claims are paid in accordance with the provisions of the State Office of Risk Management, through an assessment payment in a closed and non-voluntary pool of risks with other agencies. THECB's assessment for fiscal year 2019 was \$17,466.47. For unemployment compensation claims, the State, and THECB by extension, is generally self-insured, and funds such liabilities on a pay-as-you-go basis. THECB's unemployment compensation total payments for fiscal year 2019 were \$9,246.01.

THECB's liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities will be reevaluated periodically taking into account current settlements, frequency of claims, past experience, and economic factors.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

In fiscal year 2019, THECB had Arbitrage Rebate liability under the Claims and Judgment category per the Comptroller's requirements. Below is a table representing a roll-forward schedule of this liability account.

Type	Beginning Balance	Increases	Decreases	Ending Balance
Arbitrage Rebate Liability	\$ 7,799,484.35	\$ 1,654,980.81	\$	\$ 9,454,465.16

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS

The THECB issued one new money bond series in FY 2019 for a total par value of \$159,965,000.00. For details related to this bond series, please refer to Note 6A – Bonded Indebtedness within the Notes to the Financial Statements.

The THECB issued two refunding bond series in FY 2019 for a total par value of \$94,915,000.00 and \$45,965,000.00 respectively. For details related to this bond series, please refer to Note 6B – Bonded Indebtedness within the Notes to the Financial Statements.

NOTE 19: THE FINANCIAL REPORTING ENTITY

Texas Higher Education Foundation (THEF) is a Texas non-profit organization that is organized to support THECB program initiatives. THEF is a legally separate, fiscally independent entity for which the THECB appoints a voting majority of the board, but the THECB is not financially accountable to the foundation nor can it impose its will on THEF. There is no financial benefit or burden relationship between THECB and the foundation, therefore, THEF has been classified as a related organization.

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

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

The agency has the following restrictions/covenants causing GASB 54 fund balances to be classified as follows:

GAAP Fund	Fund	AFR GASB 54 Class	Citation	Comments	Amount
0001	0001	Assigned	85th Leg, GAA, Art III, Rider 9	Common Application funds collected can only be used for the programs specific purpose.	\$ 977.81
0001	0001	Assigned	85th Leg, GAA, Art IX, Sec 8.07	Conference fund proceeds can only be used to reimburse costs for this self-supporting, agency specific program.	79,258.54
0001	0001	Nonspendable - LT Contract and Receivables	85th Leg, GAA, Art III, Rider 28	Non current portion of loan receivables representing future loan repayments.	6,858,083.51
0001	0001	Nonspendable - LT Contract and Receivables	85th Leg, GAA, Art III, Rider 32	Non current portion of loan receivables representing future loan repayments.	825,906.26
0001	0001	Nonspendable - LT Contract and Receivables	85th Leg, GAA, Art III, Rider 35; Texas Education Code 56.0092	Non current portion of loan receivables representing future loan repayments.	33,665,246.72
0001	0001	Nonspendable - Prepays	85th Leg, GAA, Art III, Rider 5	Prepaid postage to support the agency's loan program.	54,123.23
0001	0001	Restricted	85th Leg, GAA, Art IX, Section 8.01 Acceptance of Gifts of Money.	Donor restricts use of funds for program-specific purposes only.	106,077.94
0001	0001	Restricted	Federal CFDA 84.048	Federal funds, restrictions are externally imposed by federal government agencies.	227,000.00
0001	0001	Restricted	Federal CFDA 84.305H	Federal funds, restrictions are externally imposed by federal government agencies.	56,500.00
0824	0824	Committed	85th Leg, GAA, Art III, Rider 13; Tex Educ. Code Ann §63.201	Restrained for use by Education Code.	5,585,748.94
0825	0825	Committed	85th Leg, GAA, Art III, Rider 13; Tex Educ. Code Ann §63.301	Restrained for use by Education Code.	\$ 4,423,109.86

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
 COMBINING BALANCE SHEET
 ALL GENERAL AND CONSOLIDATED FUNDS
 For the Year Ended August 31, 2019

	General (0001) (Note A)	Consolidated Funds Economic Stabilization Fund (0599) U/F (0599)
ASSETS		
Current Assets:		
Cash:		
Shared Funds	\$	\$
On Hand		
In State Treasury		
Legislative Appropriations	52,120,892.96	
Receivable From:		
Accounts Receivable	171,204.88	
Federal	7,719,987.42	
Interest and Dividends (net of Allowance for Doubtful Accounts of \$507,544.53)	99,160.35	
Due From Other Agencies (Note 12)	3,502,284.05	
Prepaid Items	54,123.23	
Loans & Contracts (net of Allowance for Doubtful Accounts of \$2,083,373.14)	4,036,434.70	
Restricted		
Loans & Contracts (net of Allowance for Doubtful Accounts of \$2,464,838.48)		
Total Current Assets	<u>67,704,087.59</u>	
Non-Current Assets:		
Receivable From:		
Interest and Dividends (net of Allowance for Doubtful Accounts of \$2,164,008.00)	991,442.50	
Loans & Contracts (net of Allowance for Doubtful Accounts of \$20,830,349.09)	40,357,793.99	
Restricted:		
Receivable From:		
Interest and Dividends (net of Allowance for Doubtful Accounts of \$2,910,613.30)		
Loans & Contracts (net of Allowance for Doubtful Accounts of \$24,644,383.23)		
Total Non-Current Assets	<u>41,349,236.49</u>	
TOTAL ASSETS	<u>109,053,324.08</u>	
LIABILITIES AND FUND BALANCES		
Current Liabilities:		
Payables from:		
Accounts - Vendors	74,297.23	
Accounts - Grants and Loans	11,096,730.49	
Payroll	1,864,924.58	
Due To Other Agencies (Note 12)	11,700,544.84	
Total Liabilities	<u>24,736,497.14</u>	

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
 COMBINING BALANCE SHEET
 ALL GENERAL AND CONSOLIDATED FUNDS
 For the Year Ended August 31, 2019

Consolidated Funds			
License Plate Trust Fund (0802) U/F (0802)	Texas B-On-Time (5103) U/F (5103)	Physician Ed LRP (5144) U/F (5144)	TOTALS (Exhibit I)
\$	\$	\$	\$
	131,658,214.20	95,015,599.00	226,673,813.20
			52,120,892.96
	10,044.39		181,249.27
			7,719,987.42
78.54	2.66		99,241.55
2,023.96			3,504,308.01
			54,123.23
			4,036,434.70
	7,973,229.06		7,973,229.06
<u>2,102.50</u>	<u>139,641,490.31</u>	<u>95,015,599.00</u>	<u>302,363,279.40</u>
			991,442.50
			40,357,793.99
	26.63		26.63
	79,719,346.29		79,719,346.29
	79,719,372.92		121,068,609.41
<u>2,102.50</u>	<u>219,360,863.23</u>	<u>95,015,599.00</u>	<u>423,431,888.81</u>
			74,297.23
2,023.96	7,500.00	480,730.76	11,586,985.21
			1,864,924.58
78.54			11,700,623.38
<u>2,102.50</u>	<u>7,500.00</u>	<u>480,730.76</u>	<u>25,226,830.40</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
 COMBINING BALANCE SHEET
 ALL GENERAL AND CONSOLIDATED FUNDS
 For the Year Ended August 31, 2019

	General (0001) (Note A)	Consolidated Funds Economic Stabilization Fund (0599) U/F (0599)
FUND FINANCIAL STATEMENT-FUND BALANCES		
Fund Balances (Deficits):		
Nonspendable-Prepaid Items	54,123.23	
Nonspendable-LT Contract and Receivables	41,349,236.49	
Restricted	389,577.94	
Committed		
Assigned	80,236.35	
Unassigned	42,443,652.93	
Total Fund Balances	84,316,826.94	
TOTAL LIABILITIES AND FUND BALANCES	\$ 109,053,324.08	\$

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

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
 COMBINING BALANCE SHEET
 ALL GENERAL AND CONSOLIDATED FUNDS
 For the Year Ended August 31, 2019

License Plate Trust Fund (0802) U/F (0802)	Consolidated Funds		TOTALS (Exhibit I)
	Texas B-On-Time (5103) U/F (5103)	Physician Ed LRP (5144) U/F (5144)	
			54,123.23
			41,349,236.49
			389,577.94
	219,353,363.23	94,534,868.24	313,888,231.47
			80,236.35
			42,443,652.93
	219,353,363.23	94,534,868.24	398,205,058.41
\$ 2,102.50	\$ 219,360,863.23	\$ 95,015,599.00	\$ 423,431,888.81

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES
 IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED FUNDS
 For the Year Ended August 31, 2019

	General (0001) (Note A)	Consolidated Funds Economic Stabilization Fund (0599) U/F (0599)
REVENUES		
Legislative Appropriations:		
Original Legislative Appropriation Revenue	\$ 1,583,320,552.76	\$
Additional Legislative Appropriation Revenue	2,661,088.76	
Federal Revenues	1,884,682.90	
Federal Grant Pass-Through Revenues	30,453,230.04	
Licenses, Fees and Permits	600,986.28	
Interest and Investment Income	1,129,963.91	
Other Revenues	1,437,593.54	
Total Revenues	<u>1,621,488,098.19</u>	
EXPENDITURES		
Salaries & Wages	17,550,966.17	
Payroll Related Costs	5,114,007.32	
Professional Fees & Services	5,775,998.72	
Travel	163,788.76	
Materials & Supplies	887,611.21	
Communication & Utilities	436,553.62	
Repairs & Maintenance	24,734.09	
Rentals & Leases	1,661,316.17	
Printing & Reproduction	22,261.15	
Federal Grant Pass-Through Expenditures	3,370,443.22	
State Grant Pass-Through Expenditures	472,296,514.66	
Intergovernmental Payments	1,067,972,932.61	13,100,000.00
Public Assistance Payments	20,384,273.58	
Other Expenditures	9,442,694.98	
Capital Outlays	59,646.90	
Total Expenditures	<u>1,605,163,743.16</u>	<u>13,100,000.00</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>16,324,355.03</u>	<u>(13,100,000.00)</u>

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 IN FUND BALANCES-ALL GENERAL AND CONSOLIDATEI
 For the Year Ended August 31, 2019

License Plate Trust Fund (0802) U/F (0802)	Consolidated Funds		TOTALS (Exhibit II)
	Texas B-On-Time (5103) U/F (5103)	Physician Ed LRP (5144) U/F (5144)	
\$	\$	\$	\$
			1,583,320,552.76
			2,661,088.76
			1,884,682.90
			30,453,230.04
147,116.70	736,519.25		1,484,622.23
896.39	925,217.20		2,056,077.50
			1,437,593.54
148,013.09	1,661,736.45		1,623,297,847.73
			17,550,966.17
			5,114,007.32
	456,585.00		6,232,583.72
			163,788.76
	843,714.00		1,731,325.21
			436,553.62
			24,734.09
			1,661,316.17
			22,261.15
			3,370,443.22
			472,296,514.66
120,328.02			1,081,193,260.63
35,207.78		13,785,992.52	34,205,473.88
	13,145,536.30		22,588,231.28
			59,646.90
155,535.80	14,445,835.30	13,785,992.52	1,646,651,106.78
(7,522.71)	(12,784,098.85)	(13,785,992.52)	(23,353,259.05)

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES
IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2019

	General (0001) (Note A)	Consolidated Funds Economic Stabilization Fund (0599) U/F (0599)
OTHER FINANCING SOURCES (USES)		
Appropriations Lapsed	(3,392,713.83)	
Transfers In (Note 12)	16,173,835.04	13,100,000.00
Transfers Out (Note 12)	(58,163,294.73)	
Legislative Transfers Out (Note 12)	(200,000.00)	
Total Other Financing Sources (Uses)	(45,582,173.52)	13,100,000.00
Net Change in Fund Balances\Net Assets	(29,257,818.49)	
Fund Financial Statement-Fund Balances		
Fund Balances-September 1, 2018	113,574,645.43	
FUND BALANCES - August 31, 2019	\$ 84,316,826.94	\$

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED
 For the Year Ended August 31, 2019

License Plate Trust Fund (0802) U/F (0802)	Consolidated Funds		TOTALS (Exhibit II)
	Texas B-On-Time (5103) U/F (5103)	Physician Ed LRP (5144) U/F (5144)	
			(3,392,713.83)
(10,032.34)			29,263,802.70
17,555.05			(58,145,739.68)
			(200,000.00)
7,522.71			(32,474,650.81)
	(12,784,098.85)	(13,785,992.52)	(55,827,909.86)
	232,137,462.08	108,320,860.76	454,032,968.27
\$	\$ 219,353,363.23	\$ 94,534,868.24	\$ 398,205,058.41

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT B-1
 COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
 For the Year Ended August 31, 2019

Revenue Bond Student Loan Fund (0697) U/F (1697)	Suspense Fund Fund (0900) U/F (1900)	TOTALS (Exhibit I)
\$	\$ 596,251.38	\$ 596,251.38
		217,628,441.58
		70,897.00
5,847.27		10,205,119.71
38,288.17		104,786,058.16
44,135.44	596,251.38	333,286,767.83
58,463.21		102,034,629.39
382,819.53		1,047,690,464.18
441,282.74		1,149,725,093.57
485,418.18	596,251.38	1,483,011,861.40
	596,251.38	674,730.02
	596,251.38	674,730.02
485,418.18		1,482,337,131.38
485,418.18		1,482,337,131.38
\$ 485,418.18	\$ 596,251.38	\$ 1,483,011,861.40

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT B-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
 For the Year Ended August 31, 2019

	Texas Opportunity Plan Fund (0387) (Note A)	Student Loan Auxiliary Fund (0601) (Note B)
	<hr/>	<hr/>
REVENUES		
Federal Revenues	\$ 7,172.31	\$ 14,658.27
Licenses, Fees & Permits	421,908.17	2,040,303.22
Interest and Investment Income	9,380,841.52	62,681,525.84
	<hr/>	<hr/>
Total Revenues	9,809,922.00	64,736,487.33
EXPENDITURES		
State Grant Pass-Through Expenditures	10,000.00	
Intergovernmental Payments	5,000.00	
Other Expenditures	4,515,291.39	24,312,080.09
Debt Service Principal		2,000.00
Debt Service Interest		16,576.00
Other Financing Fees	682,299.48	905,121.95
	<hr/>	<hr/>
Total Expenditures	5,212,590.87	25,235,778.04
Excess (Deficiency) of Revenues Over Expenditures	<hr/> 4,597,331.13	<hr/> 39,500,709.29
OTHER FINANCING SOURCES (USES)		
Bond and Note Proceeds		159,965,000.00
Bond and Note Proceeds for Refunding		140,880,000.00
Payment to Escrow for Refunding Debt		(158,306,481.27)
Premium on Sale of Bonds		28,829,005.40
Discount on Sale of Bonds		(694,052.65)
Transfers In (Note 12)	35,066,553.89	
Transfers Out (Note 12)	(33,577,743.23)	(125,866,639.15)
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	1,488,810.66	44,806,832.33
Net Change in Fund Balances\Net Assets	6,086,141.79	84,307,541.62
Fund Financial Statement-Fund Balances		
Fund Balances-September 1, 2018	158,891,016.84	1,232,567,012.95
	<hr/>	<hr/>
FUND BALANCES - August 31, 2019	\$ 164,977,158.63	\$ 1,316,874,554.57

Note A: Includes USAS fund numbers 0300, 0387, 0900, 1387, 2387, and 3387.

Note B: Includes USAS fund numbers 0601, 1601, 2601, 3601, 4601, 5601, 6010, 6011, 6012, 6013, 6017, 6018, 6019, 6020, 6021, 6022, 6023, 6024, 6025, 6026, 6027, 6028, 6029, 6030, 6031, 6032, 6033, 6034, 6035, 6601, & 7601.

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT B-2
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
 For the Year Ended August 31, 2019

Revenue Bond Student Loan Fund (0697) U/F (1697)	Suspense Fund Fund (0900) U/F (1900)	TOTALS (Exhibit II)
\$ 129.58	\$	\$ 21,960.16
10,278.31		2,472,489.70
<u>176,898.05</u>		<u>72,239,265.41</u>
<u>187,305.94</u>		<u>74,733,715.27</u>
		10,000.00
		5,000.00
119,292.15		28,946,663.63
		2,000.00
		16,576.00
		<u>1,587,421.43</u>
<u>119,292.15</u>		<u>30,567,661.06</u>
68,013.79		44,166,054.21
		159,965,000.00
		140,880,000.00
		(158,306,481.27)
		28,829,005.40
		(694,052.65)
(205,405.75)		35,066,553.89
		<u>(159,649,788.13)</u>
<u>(205,405.75)</u>		<u>46,090,237.24</u>
(137,391.96)		90,256,291.45
<u>622,810.14</u>		<u>1,392,080,839.93</u>
<u>\$ 485,418.18</u>	<u>\$</u>	<u>\$ 1,482,337,131.38</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT C-1

COMBINING BALANCE SHEET - DEBT SERVICE FUNDS

For the Year Ended August 31, 2019

	GO Bond Fund (0388) <u>(Note A)</u>
ASSETS	
Current Assets:	
Cash:	
In State Treasury	\$ 112,840,794.93
Receivables from:	
Accounts Receivable	240,568.18
Interest and Dividends	<u>695,472.54</u>
Total Current Assets	<u>113,776,835.65</u>
TOTAL ASSETS	<u><u>113,776,835.65</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Current Liabilities:	
Payables from:	
Accounts - Grants and Loans	<u> </u>
Total Liabilities	<u> </u>
FUND FINANCIAL STATEMENT-FUND BALANCES	
FUND BALANCES (DEFICITS):	
Restricted	<u>113,776,835.65</u>
Total Fund Balances	<u><u>113,776,835.65</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 113,776,835.65</u></u>

Note A: Includes USAS fund numbers 0388, 1388, 2388, 3388, 3800, 3801, 3804, 3806, 3808, 3811, 3813, 3814, 3815, 3816, 3817, 3818, 3819, 3820, 3880, 3881, 3882, 3883, 3884, 3885, 3886, 3887, 3888, 3889, 4388, 5388, 6388, and 7388.

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT C-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS

For the Year Ended August 31, 2019

	GO Bond Fund (0388) (Note A)
REVENUES	
Federal Revenues	\$ 8,987.90
Interest and Investment Income	<u>8,654,730.68</u>
Total Revenues	<u>8,663,718.58</u>
EXPENDITURES	
Debt Service:	
Principal	62,388,000.00
Interest	<u>52,534,736.62</u>
Total Expenditures	<u>114,922,736.62</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(106,259,018.04)</u>
OTHER FINANCING SOURCES (USES)	
Payment to Escrow for Refunding Debt	(10,977,762.12)
Transfers In (Note 12)	144,038,096.22
Transfers Out (Note 12)	<u>(32,686,347.56)</u>
Total Other Financing Sources (Uses)	<u>100,373,986.54</u>
Net Change in Fund Balances\Net Assets	(5,885,031.50)
FUND BALANCES (DEFICITS):	
Fund Balances-September 1, 2018	<u>119,661,867.15</u>
FUND BALANCES - August 31, 2019	<u>\$ 113,776,835.65</u>

Note A: Includes USAS fund numbers 0388, 1388, 2388, 3388, 3800, 3801, 3804, 3806, 3808, 3811, 3813, 3814, 3815, 3816, 3817, 3818, 3819, 3820, 3880, 3881, 3882, 3883, 3884, 3885, 3886, 3887, 3888, 3889, 4388, 5388, 6388, and 7388.

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT E-1

COMBINING BALANCE SHEET - PERMANENT FUNDS

For the Year Ended August 31, 2019

	Perm Fund Support Graduate Edu Fund Fund (0179) U/F (0179)	Baylor COM Perm Health Fund Fund (0810) U/F (0810)
	<u> </u>	<u> </u>
ASSETS		
Current Assets:		
Cash:		
In State Treasury	\$	\$
Receivable From:		
Interest & Dividends	617.62	58.05
Due From Other Agencies (Note 12)		535,475.81
	<u> </u>	<u> </u>
Total Current Assets	<u>617.62</u>	<u>535,533.86</u>
Total Assets	<u><u>617.62</u></u>	<u><u>535,533.86</u></u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Current Liabilities:		
Payables from:		
Accounts - Grants and Loans	617.62	535,533.86
Due To Other Agencies (Note 12)		
	<u> </u>	<u> </u>
Total Current Liabilities	<u>617.62</u>	<u>535,533.86</u>
Total Liabilities	<u><u>617.62</u></u>	<u><u>535,533.86</u></u>
FUND FINANCIAL STATEMENT-FUND BALANCES		
FUND BALANCES (DEFICITS):		
Committed		
	<u> </u>	<u> </u>
Total Fund Balances	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 617.62</u></u>	<u><u>\$ 535,533.86</u></u>

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

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT E-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUNDS

For the Year Ended August 31, 2019

Perm Fd Hi Ed Nursing/Allied/ Other Health Fund (0824) U/F (0824)	Perm Fd Minority Health Research/ Education Fund (0825) U/F (0825)	TOTALS (Exhibit II)
\$ 121,995.92	\$ 107,043.77	\$ 11,991,476.35
<u>121,995.92</u>	<u>107,043.77</u>	<u>11,991,476.35</u>
135,107.60	881,922.93	1,017,030.53
406,407.56	49,377.05	2,598,858.27
		<u>9,619,363.00</u>
<u>541,515.16</u>	<u>931,299.98</u>	<u>13,235,251.80</u>
<u>(419,519.24)</u>	<u>(824,256.21)</u>	<u>(1,243,775.45)</u>
<u>1,639,896.56</u>	<u>911,881.44</u>	<u>2,551,778.00</u>
<u>1,639,896.56</u>	<u>911,881.44</u>	<u>2,551,778.00</u>
1,220,377.32	87,625.23	1,308,002.55
<u>4,365,371.62</u>	<u>4,335,484.63</u>	<u>8,700,856.25</u>
<u>\$ 5,585,748.94</u>	<u>\$ 4,423,109.86</u>	<u>\$ 10,008,858.80</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT J-1
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 For the Year Ended August 31, 2019

UNAPPROPRIATED RECEIPTS	Balance			Ending
<u>Child Support Deds-Suspense</u>	September 1,			Balance
<u>Fund (0807) (U/F 8070)</u>	2018	Additions	Deductions	August 31,
				2019
ASSETS				
Current Assets:				
Cash in State Treasury	\$ 2,088.00	\$ 31,904.00	\$ 31,467.00	\$ 2,525.00
TOTAL ASSETS	<u>2,088.00</u>	<u>31,904.00</u>	<u>31,467.00</u>	<u>2,525.00</u>
LIABILITIES				
Current Liabilities:				
Funds Held for Others	<u>2,088.00</u>	<u>31,904.00</u>	<u>31,467.00</u>	<u>2,525.00</u>
TOTAL LIABILITIES	<u>\$ 2,088.00</u>	<u>\$ 31,904.00</u>	<u>\$ 31,467.00</u>	<u>\$ 2,525.00</u>

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

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended August 31, 2019

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Agy/ Univ #	Pass-Through From	
			Agencies or Univ Amount	Non-State Entities Amount
Non-clustered Programs			\$	\$
U.S. Dept. of Education				
Direct Programs:				
Improving Teacher Quality State Grants	84.367			
State Agency Administration				
Pass-Through To:				
University of Houston				
Univ of Texas-Permian Basin				
Univ of Texas Rio Grande Valley				
Univ of Texas - Tyler				
University of North Texas				
Texas State University				
Other Non-State Entities				
Vocational Education-Basic Grants	84.048	701	30,453,230.04	
State Agency Administration				
Pass-Through To:				
Tx State Tech College System				
Lamar State College – Orange				
Lamar State College-Port Arthur				
Lamar Univ Institute of Tech				
Other Non-State Entities				
RAND - IES Administration	84.305H			219,449.65
State Agency Administration				
Total U.S. Dept. of Education			<u>30,453,230.04</u>	<u>219,449.65</u>
Student Financial Assistance Cluster				
U.S. Dept. of Health and Human Services				
Direct Programs:				
Health Education Assistance Loans	93.108			
Beginning Balance on Student Loans				
Total U.S. Dept. of Health and Human Services			<u>0.00</u>	<u>0.00</u>
Student Financial Assistance Cluster				
U.S. Dept. of Education				
Direct Programs:				
Federal Family Education Loans	84.032L			
Beginning Balance on Student Loans				
Interest Subsidy on Student Loans				
Allowance on Student Loans				
Total Student Financial Assistance Cluster			<u>0.00</u>	<u>0.00</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 30,453,230.04</u>	<u>\$ 219,449.65</u>

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2019

Direct Program Amount	Total PT From & Direct Program	Pass-Through To		Expenditures Amount	Total PT To & Expenditures
		Agy/ Univ #	State Agy or Univ Amount		
\$	\$	\$	\$	\$	\$
(102,862.84)	(102,862.84)			8,316.07	0.00 8,316.07
		730	(1,328.56)		(1,328.56)
		742	(269,606.23)		(269,606.23)
		746	(892.02)		(892.02)
		750	(4,369.14)		(4,369.14)
		752	165,019.04		165,019.04
		754	(2.00)		(2.00)
				0.00	0.00
1,795,912.21	32,249,142.25			685,930.70	685,930.70
		719	2,656,809.13		2,656,809.13
		787	236,827.00		236,827.00
		788	241,909.00		241,909.00
		789	346,077.00		346,077.00
				28,081,589.42	28,081,589.42
(27,816.12)	191,633.53			120,000.00	120,000.00
1,665,233.25	32,337,912.94		3,370,443.22	28,201,589.42	71,633.53 32,337,912.94
1,534,008.01	1,534,008.01			1,534,008.01	1,534,008.01
1,534,008.01	1,534,008.01		0.00	0.00	1,534,008.01
4,167,781.71	4,167,781.71			4,136,833.65	4,136,833.65
				22,060.01	22,060.01
				8,888.05	8,888.05
4,167,781.71	4,167,781.71		0.00	0.00	4,167,781.71
\$ 7,367,022.97	\$ 38,039,702.66	\$ 3,370,443.22	\$ 28,201,589.42	\$ 6,467,670.02	\$ 38,039,702.66

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended August 31, 2019

Note 1: Non-Monetary Assistance

Not Applicable

Note 2: Reconciliation

Below is a reconciliation of the total of federal grant pass-through and federal expenditures as reported on the Schedule of Federal Financial Assistance to the total federal revenues and federal grant pass-through revenues as reported in the general-purpose financial statements. Generally, federal funds are not earned until expended; therefore, federal revenues equal federal expenditures for the reporting period.

Per Combined Statement of Revenues, Expenditures & Changes
in Fund Balance/Statement of Activities - All Governmental Fund Types (Exh. II):

Federal Revenues (Exh. II)	\$	1,915,630.96
Federal Grant Pass-Through Revenues (Exh. II)		<u>30,453,230.04</u>
Subtotal		32,368,861.00
<u>RECONCILING ITEMS:</u>		
U.S. Dept. of Health and Human Services:		
Health Education Assistance Loans - CFDA # 93.108		1,534,008.01
U.S. Dept. of Education:		
Federal Family Education Loans - CFDA # 84.032L		<u>4,136,833.65</u>
Total Pass-Through & Expenditures per Schedule 1-A	\$	<u>38,039,702.66</u>

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended August 31, 2019

Note 3: Student Loans Processed and Administrative Costs Recovered

Federal Grantor / CFDA Number Program Name	Beginning Balance of Outstanding Loan	New Loans Processed	Administrative Costs Recovered	Total Loans Processed & Admin. Costs Recovered	Loans Outstanding at Year End
U.S. Department of Education / 84.032L Federal Family Education Loans	\$ 4,136,833.65	\$ -	\$ 30,948.06	\$ 30,948.06	\$ 3,411,173.68
Dept. of Health and Human Services / 93.108 Health Education Assistance Loans	\$ 1,534,008.01	\$ -	\$ -	\$ -	\$ 1,139,795.47

Note 5: Unemployment Insurance

Not Applicable

Note 6: Rebates from the Special Supplemental Food Program for Women, Infants, and Children (WIC)

Not Applicable

Note 7: Federal Unearned Revenue

Not Applicable

Note 8: Supplemental Nutrition Assistance Program (SNAP)

Not Applicable

Note 9 - Economic Adjustment Assistance

Not Applicable

Note 10 - 10 Percent de Minimis Indirect Cost Rate

Not Applicable

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES

For the Year Ended August 31, 2019

<u>State Pass-Through Grants to:</u>	
Advise Texas	
711 - TEXAS A&M UNIVERSITY	\$ 989,829.18
721 - UNIVERSITY OF TEXAS AT AUSTIN	335,000.00
Advise Texas Total	1,324,829.18
Autism - BCBA Training	
711 - TEXAS A&M UNIVERSITY	118,750.00
733 - TEXAS TECH UNIVERSITY	254,084.16
753 - SAM HOUSTON STATE UNIVERSITY	68,248.34
759 - UNIVERSITY OF HOUSTON - CLEAR LAKE	43,325.00
Autism - BCBA Training Total	484,407.50
Autism - Parent Direct Treatment	
711 - TEXAS A&M UNIVERSITY	301,893.50
721 - UNIVERSITY OF TEXAS AT AUSTIN	229,030.50
733 - TEXAS TECH UNIVERSITY	38,366.19
738 - UNIVERSITY OF TEXAS AT DALLAS	76,282.50
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	67,779.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	170,060.39
752 - UNIVERSITY OF NORTH TEXAS	107,435.91
754 - TEXAS STATE UNIVERSITY	83,323.63
759 - UNIVERSITY OF HOUSTON - CLEAR LAKE	321,810.50
Autism - Parent Direct Treatment Total	1,395,982.12
Autism - Research, Dev. & Eval	
738 - UNIVERSITY OF TEXAS AT DALLAS	220,565.25
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	312,765.75
Autism - Research, Dev. & Eval Total	533,331.00
Bilingual Education Program	
714 - UNIVERSITY OF TEXAS AT ARLINGTON	85,807.96
731 - TEXAS WOMAN'S UNIVERSITY	99,746.00
733 - TEXAS TECH UNIVERSITY	116,118.36
738 - UNIVERSITY OF TEXAS AT DALLAS	107,142.00
751 - TEXAS A&M UNIVERSITY - COMMERCE	100,267.49
752 - UNIVERSITY OF NORTH TEXAS	107,142.00
773 - UNIVERSITY OF NORTH TEXAS-DALLAS	101,107.00
Bilingual Education Program Total	717,330.81
College Readiness Initiative	
717 - TEXAS SOUTHERN UNIVERSITY	(113,886.06)
721 - UNIVERSITY OF TEXAS AT AUSTIN	220,000.00
730 - UNIVERSITY OF HOUSTON	(37,781.11)
733 - TEXAS TECH UNIVERSITY	1,525.54
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	11,401.32
753 - SAM HOUSTON STATE UNIVERSITY	16,495.00
College Readiness Initiative Total	97,754.69
College Work Study Program	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	17,677.00
711 - TEXAS A&M UNIVERSITY	221,985.00
713 - TARLETON STATE UNIVERSITY	(51,074.33)
714 - UNIVERSITY OF TEXAS AT ARLINGTON	175,827.00
715 - PRAIRIE VIEW A&M UNIVERSITY	75,971.00

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE I-B
 SCHEDULE OF STATE GRANT PASS-THROUGHS
 FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2019

717 - TEXAS SOUTHERN UNIVERSITY	75,711.00
718 - TEXAS A&M UNIVERSITY AT GALVESTON	8,582.00
719 - TEXAS STATE TECHNICAL COLLEGE SYSTEM	80,506.00
721 - UNIVERSITY OF TEXAS AT AUSTIN	188,937.00
723 - UT MEDICAL BRANCH AT GALVESTON	6,651.47
724 - UNIVERSITY OF TEXAS AT EL PASO	176,191.00
730 - UNIVERSITY OF HOUSTON	243,504.00
731 - TEXAS WOMAN'S UNIVERSITY	89,921.00
732 - TEXAS A&M UNIVERSITY-KINGSVILLE	53,799.00
733 - TEXAS TECH UNIVERSITY	166,393.00
734 - LAMAR UNIVERSITY	90,369.00
735 - MIDWESTERN STATE UNIVERSITY	35,540.47
737 - ANGELO STATE UNIVERSITY	29,230.83
738 - UNIVERSITY OF TEXAS AT DALLAS	95,283.00
742 - UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	26,451.00
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	188,040.00
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	24,530.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	214,043.00
749 - TEXAS A&M UNIVERSITY-SAN ANTONIO	41,758.00
750 - UNIVERSITY OF TEXAS AT TYLER	48,389.00
751 - TEXAS A&M UNIVERSITY - COMMERCE	79,691.24
752 - UNIVERSITY OF NORTH TEXAS	93,119.00
753 - SAM HOUSTON STATE UNIVERSITY	129,374.00
754 - TEXAS STATE UNIVERSITY	231,735.38
755 - STEPHEN F AUSTIN STATE UNIVERSITY	75,229.00
756 - SUL ROSS STATE UNIVERSITY	21,327.00
757 - WEST TEXAS A&M UNIVERSITY	25,393.00
759 - UNIVERSITY OF HOUSTON - CLEAR LAKE	40,862.00
760 - TEXAS A&M UNIVERSITY - CORPUS CHRISTI	74,806.00
761 - TEXAS A&M INTERNATIONAL UNIVERSITY	59,947.00
765 - UNIVERSITY OF HOUSTON-VICTORIA	22,018.55
770 - TEXAS A&M UNIVERSITY-CENTRAL TEXAS	(17,433.00)
784 - UNIVERSITY OF HOUSTON DOWNTOWN	91,394.00
787 - LAMAR STATE COLLEGE - ORANGE	9,863.00
788 - LAMAR STATE COLLEGE - PORT ARTHUR	11,592.00
789 - LAMAR INSTITUTE OF TECHNOLOGY	4,700.00
College Work Study Program Total	3,277,833.61
Developmental Education Program	
719 - TEXAS STATE TECHNICAL COLLEGE SYSTEM	(10,005.13)
732 - TEXAS A&M UNIVERSITY-KINGSVILLE	58,325.68
734 - LAMAR UNIVERSITY	9,775.00
751 - TEXAS A&M UNIVERSITY - COMMERCE	37,788.38
754 - TEXAS STATE UNIVERSITY	54,771.68
755 - STEPHEN F AUSTIN STATE UNIVERSITY	26,307.03
784 - UNIVERSITY OF HOUSTON DOWNTOWN	15,300.00
Developmental Education Program Total	192,262.64
Educational Aide Program	
717 - TEXAS SOUTHERN UNIVERSITY	10,805.00
732 - TEXAS A&M UNIVERSITY-KINGSVILLE	2,412.00
737 - ANGELO STATE UNIVERSITY	10,870.00

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES

For the Year Ended August 31, 2019

738 - UNIVERSITY OF TEXAS AT DALLAS	10,508.00
742 - UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	7,560.00
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	10,870.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	10,870.00
752 - UNIVERSITY OF NORTH TEXAS	10,870.00
753 - SAM HOUSTON STATE UNIVERSITY	10,870.00
759 - UNIVERSITY OF HOUSTON - CLEAR LAKE	10,870.00
760 - TEXAS A&M UNIVERSITY - CORPUS CHRISTI	10,870.00
761 - TEXAS A&M INTERNATIONAL UNIVERSITY	10,870.00
765 - UNIVERSITY OF HOUSTON-VICTORIA	10,638.00
773 - UNIVERSITY OF NORTH TEXAS-DALLAS	10,870.00
788 - LAMAR STATE COLLEGE - PORT ARTHUR	10,058.00
Educational Aide Program Total	149,811.00
Emergency and Trauma Care	
721 - UNIVERSITY OF TEXAS AT AUSTIN	247,936.00
723 - UT MEDICAL BRANCH AT GALVESTON	(281.34)
729 - UT SOUTHWESTERN MEDICAL CENTER	247,224.26
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	746,270.21
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	189,140.04
774 - TX TECH UNIV HEALTH SCIENCE CNTR EL PASO	165,000.00
Emergency and Trauma Care Total	1,595,289.17
Engineering Recruitment Program	
714 - UNIVERSITY OF TEXAS AT ARLINGTON	(11,727.00)
715 - PRAIRIE VIEW A&M UNIVERSITY	508.12
Engineering Recruitment Program Total	(11,218.88)
Family Practice Residency Program	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	215,725.00
721 - UNIVERSITY OF TEXAS AT AUSTIN	(45,783.32)
723 - UT MEDICAL BRANCH AT GALVESTON	194,125.32
729 - UT SOUTHWESTERN MEDICAL CENTER	269,966.00
739 - TX TECH UNIVERSITY HEALTH SCIENCES CNTR	740,274.07
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	242,969.00
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	289,968.70
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	115,883.00
763 - UNIV OF NORTH TX HEALTH SCI CTR FT WORTH	274,414.50
774 - TX TECH UNIV HEALTH SCIENCE CNTR EL PASO	129,736.78
785 - UT HEALTH CENTER AT TYLER	171,027.64
Family Practice Residency Program Total	2,598,306.69
GME Expansion SB 18	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	75,000.00
721 - UNIVERSITY OF TEXAS AT AUSTIN	2,925,000.00
723 - UT MEDICAL BRANCH AT GALVESTON	750,000.00
729 - UT SOUTHWESTERN MEDICAL CENTER	1,125,000.00
739 - TX TECH UNIVERSITY HEALTH SCIENCES CNTR	3,828,636.60
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	3,078,581.71
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	1,649,670.94
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	2,625,000.00
763 - UNIV OF NORTH TX HEALTH SCI CTR FT WORTH	75,000.00
774 - TX TECH UNIV HEALTH SCIENCE CNTR EL PASO	1,720,334.96

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2019

785 - UT HEALTH CENTER AT TYLER	2,826,927.13
GME Expansion SB 18 Total	20,679,151.34
GME New/Expanded Programs	
729 - UT SOUTHWESTERN MEDICAL CENTER	1,200,000.00
739 - TX TECH UNIVERSITY HEALTH SCIENCES CENTR	450,000.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	1,125,000.00
GME New/Expanded Programs Total	2,775,000.00
GME Planning Grants	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	(76,432.17)
739 - TX TECH UNIVERSITY HEALTH SCIENCES CENTR	(162,750.65)
GME Planning Grants Total	(239,182.82)
GME Unfilled Positions	
723 - UT MEDICAL BRANCH AT GALVESTON	225,000.00
729 - UT SOUTHWESTERN MEDICAL CENTER	600,000.00
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	3,825,000.00
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	(4,142.32)
763 - UNIV OF NORTH TX HEALTH SCI CTR FT WORTH	300,000.00
GME Unfilled Positions Total	4,945,857.68
Ken Ashworth Scholarship Fund	
721 - UNIVERSITY OF TEXAS AT AUSTIN	5,000.00
724 - UNIVERSITY OF TEXAS AT EL PASO	5,000.00
Ken Ashworth Scholarship Fund Total	10,000.00
Minority Health Research and Education	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	88,926.21
721 - UNIVERSITY OF TEXAS AT AUSTIN	51,753.40
723 - UT MEDICAL BRANCH AT GALVESTON	222,599.88
724 - UNIVERSITY OF TEXAS AT EL PASO	161,407.26
729 - UT SOUTHWESTERN MEDICAL CENTER	32,299.46
731 - TEXAS WOMAN'S UNIVERSITY	85,732.62
752 - UNIVERSITY OF NORTH TEXAS	239,204.10
Minority Health Research and Education Total	881,922.93
Nursing and Allied Health	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	23,976.03
714 - UNIVERSITY OF TEXAS AT ARLINGTON	(124,894.95)
721 - UNIVERSITY OF TEXAS AT AUSTIN	7,476.59
724 - UNIVERSITY OF TEXAS AT EL PASO	9,430.00
730 - UNIVERSITY OF HOUSTON	34,240.43
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	54,953.05
753 - SAM HOUSTON STATE UNIVERSITY	(13,936.56)
757 - WEST TEXAS A&M UNIVERSITY	124,468.51
760 - TEXAS A&M UNIVERSITY - CORPUS CHRISTI	19,394.50
Nursing and Allied Health Total	135,107.60
Professional Nursing Shortage Reduction Program	
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	282,252.46
713 - TARLETON STATE UNIVERSITY	290,000.00
714 - UNIVERSITY OF TEXAS AT ARLINGTON	2,059,462.96
715 - PRAIRIE VIEW A&M UNIVERSITY	2,174.26
719 - TEXAS STATE TECHNICAL COLLEGE SYSTEM	337,670.00
723 - UT MEDICAL BRANCH AT GALVESTON	92,253.84

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
 SCHEDULE OF STATE GRANT PASS-THROUGHS
 FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2019

724 - UNIVERSITY OF TEXAS AT EL PASO	426,834.09
730 - UNIVERSITY OF HOUSTON	38,758.83
731 - TEXAS WOMAN'S UNIVERSITY	255,911.57
735 - MIDWESTERN STATE UNIVERSITY	46,141.46
737 - ANGELO STATE UNIVERSITY	250,420.76
739 - TX TECH UNIVERSITY HEALTH SCIENCES CENTR	324,765.27
742 - UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	43,286.00
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	319,298.95
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	(9.99)
750 - UNIVERSITY OF TEXAS AT TYLER	215,019.24
751 - TEXAS A&M UNIVERSITY - COMMERCE	63,780.80
753 - SAM HOUSTON STATE UNIVERSITY	224,859.09
754 - TEXAS STATE UNIVERSITY	201,255.80
755 - STEPHEN F AUSTIN STATE UNIVERSITY	127,438.43
760 - TEXAS A&M UNIVERSITY - CORPUS CHRISTI	360,677.54
774 - TX TECH UNIV HEALTH SCIENCE CNTR EL PASO	109,422.97
788 - LAMAR STATE COLLEGE - PORT ARTHUR	50,000.00
Professional Nursing Shortage Reduction Program Total	6,121,674.33
Regional Pathways Project Grant	
714 - UNIVERSITY OF TEXAS AT ARLINGTON	15,000.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	2,770.30
Regional Pathways Project Grant Total	17,770.30
Strategic Planning and Funding	
724 - UNIVERSITY OF TEXAS AT EL PASO	48,000.00
742 - UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	5,000.00
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	5,000.00
752 - UNIVERSITY OF NORTH TEXAS	15,000.00
755 - STEPHEN F AUSTIN STATE UNIVERSITY	2,510.70
770 - TEXAS A&M UNIVERSITY-CENTRAL TEXAS	5,000.00
Strategic Planning and Funding Total	80,510.70
TEOG Public State/Tech Colleges	
719 - TEXAS STATE TECHNICAL COLLEGE SYSTEM	2,723,339.00
787 - LAMAR STATE COLLEGE - ORANGE	324,385.00
788 - LAMAR STATE COLLEGE - PORT ARTHUR	408,130.00
789 - LAMAR INSTITUTE OF TECHNOLOGY	300,171.00
TEOG Public State/Tech Colleges Total	3,756,025.00
TEXAS Grant Program	
506 - UT MD ANDERSON CANCER CENTER	96,049.00
709 - TX A&M UNIV SYSTEM HEALTH SCIENCE CENTER	66,065.00
711 - TEXAS A&M UNIVERSITY	31,038,879.00
713 - TARLETON STATE UNIVERSITY	8,411,431.00
714 - UNIVERSITY OF TEXAS AT ARLINGTON	15,686,595.00
715 - PRAIRIE VIEW A&M UNIVERSITY	11,946,708.00
717 - TEXAS SOUTHERN UNIVERSITY	7,901,722.00
718 - TEXAS A&M UNIVERSITY AT GALVESTON	722,390.00
721 - UNIVERSITY OF TEXAS AT AUSTIN	28,647,133.00
723 - UT MEDICAL BRANCH AT GALVESTON	72,500.00
724 - UNIVERSITY OF TEXAS AT EL PASO	23,405,002.00
730 - UNIVERSITY OF HOUSTON	23,826,744.00

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE I-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2019

731 - TEXAS WOMAN'S UNIVERSITY	7,682,246.00
732 - TEXAS A&M UNIVERSITY-KINGSVILLE	7,100,841.00
733 - TEXAS TECH UNIVERSITY	12,282,353.00
734 - LAMAR UNIVERSITY	7,031,068.00
735 - MIDWESTERN STATE UNIVERSITY	4,122,372.00
737 - ANGELO STATE UNIVERSITY	6,656,110.00
738 - UNIVERSITY OF TEXAS AT DALLAS	11,618,030.00
739 - TX TECH UNIVERSITY HEALTH SCIENCES CENTR	95,000.00
742 - UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	2,297,456.00
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	24,411,528.00
744 - UT HEALTH SCIENCE CENTER AT HOUSTON	202,385.00
745 - UT HEALTH SCIENCE CENTER AT SAN ANTONIO	146,515.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	36,684,259.00
749 - TEXAS A&M UNIVERSITY-SAN ANTONIO	2,192,184.00
750 - UNIVERSITY OF TEXAS AT TYLER	3,071,597.00
751 - TEXAS A&M UNIVERSITY - COMMERCE	6,533,828.00
752 - UNIVERSITY OF NORTH TEXAS	22,677,777.00
753 - SAM HOUSTON STATE UNIVERSITY	15,694,619.00
754 - TEXAS STATE UNIVERSITY	25,525,169.00
755 - STEPHEN F AUSTIN STATE UNIVERSITY	9,833,086.00
756 - SUL ROSS STATE UNIVERSITY	1,921,045.00
757 - WEST TEXAS A&M UNIVERSITY	5,702,014.00
759 - UNIVERSITY OF HOUSTON - CLEAR LAKE	2,421,812.00
760 - TEXAS A&M UNIVERSITY - CORPUS CHRISTI	10,252,551.00
761 - TEXAS A&M INTERNATIONAL UNIVERSITY	10,586,047.00
764 - TEXAS A&M UNIVERSITY - TEXARKANA	1,077,908.00
765 - UNIVERSITY OF HOUSTON-VICTORIA	2,316,638.00
770 - TEXAS A&M UNIVERSITY-CENTRAL TEXAS	453,880.00
773 - UNIVERSITY OF NORTH TEXAS-DALLAS	2,430,515.00
784 - UNIVERSITY OF HOUSTON DOWNTOWN	7,784,744.00
TEXAS Grant Program Total	402,626,795.00
Texas Research Incentive Program - HB51	
714 - UNIVERSITY OF TEXAS AT ARLINGTON	513,500.00
730 - UNIVERSITY OF HOUSTON	1,970,650.00
733 - TEXAS TECH UNIVERSITY	8,481,612.00
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	1,116,623.00
752 - UNIVERSITY OF NORTH TEXAS	135,000.00
754 - TEXAS STATE UNIVERSITY	5,282,615.00
Texas Research Incentive Program - HB51 Total	17,500,000.00
Top 10% Scholarships	
724 - UNIVERSITY OF TEXAS AT EL PASO	(4,000.00)
Top 10% Scholarships Total	(4,000.00)
UVA Texting Campaign Prog	
753 - SAM HOUSTON STATE UNIVERSITY	50,000.00
UVA Texting Campaign Prog Total	50,000.00
Work Study Mentorship Program	
713 - TARLETON STATE UNIVERSITY	59,688.00
714 - UNIVERSITY OF TEXAS AT ARLINGTON	147,819.62
717 - TEXAS SOUTHERN UNIVERSITY	39,166.27

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE I-B
 SCHEDULE OF STATE GRANT PASS-THROUGHS
 FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2019

719 - TEXAS STATE TECHNICAL COLLEGE SYSTEM	148,609.70
724 - UNIVERSITY OF TEXAS AT EL PASO	106,455.68
730 - UNIVERSITY OF HOUSTON	72,910.63
731 - TEXAS WOMAN'S UNIVERSITY	66,334.63
732 - TEXAS A&M UNIVERSITY-KINGSVILLE	87,843.51
738 - UNIVERSITY OF TEXAS AT DALLAS	76,557.91
742 - UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	17,735.00
743 - UNIVERSITY OF TEXAS AT SAN ANTONIO	128,525.00
746 - UNIVERSITY OF TEXAS RIO GRANDE VALLEY	62,551.13
750 - UNIVERSITY OF TEXAS AT TYLER	35,132.00
751 - TEXAS A&M UNIVERSITY - COMMERCE	45,259.50
752 - UNIVERSITY OF NORTH TEXAS	133,114.61
753 - SAM HOUSTON STATE UNIVERSITY	68,302.50
754 - TEXAS STATE UNIVERSITY	43,916.98
755 - STEPHEN F AUSTIN STATE UNIVERSITY	48,617.61
757 - WEST TEXAS A&M UNIVERSITY	59,985.00
760 - TEXAS A&M UNIVERSITY - CORPUS CHRISTI	96,040.88
761 - TEXAS A&M INTERNATIONAL UNIVERSITY	35,919.00
773 - UNIVERSITY OF NORTH TEXAS-DALLAS	14,805.00
784 - UNIVERSITY OF HOUSTON DOWNTOWN	35,703.44
Work Study Mentorship Program Total	1,630,993.60
Total State Pass-Through Grants To Other Agencies (Exh. II)	\$ 473,323,545.19

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-A
MISCELLANEOUS BOND INFORMATION
For the Year Ended August 31, 2019

Description of Issue	Bonds Issued To Date	Range of Interest Rates	Scheduled Maturities		First Call Date	
			First Year	Last Year		
General Obligation Bonds:						
COL STUD LOAN BDS SER'07A	\$ 72,805,000.00	5.00%	5.25%	2011	2031	08/01/2017 (A,B)
COL STUD LOAN BDS SER'08A	74,115,000.00	5.00%	5.50%	2012	2032	08/01/2018 (A,B)
COL STUD LOAN BDS SER'09	71,730,000.00	4.00%	5.00%	2013	2033	08/01/2019 (A,B)
COL STUD LOAN BDS SER'10	113,580,000.00	3.00%	5.00%	2014	2034	08/01/2020 (A,B)
COL STUD LOAN BDS SER'11A	118,650,000.00	5.00%	5.00%	2015	2036	(A,B)
COL STUD LOAN RFD BDS SER'11C	6,570,000.00	5.00%	5.00%	2019	2022	N/A
COL STUD LOAN BDS SER'12	85,615,000.00	3.00%	5.50%	2016	2035	08/01/2022 (A)
COL STUD LOAN RFD BDS SER'13A	98,550,000.00	2.00%	5.00%	2014	2023	N/A
COL STUD LOAN BDS SER'13B	113,740,000.00	4.00%	5.50%	2019	2030	08/01/2023 (A)
COL STUD LOAN BDS SER'14	68,130,000.00	4.00%	6.00%	2019	2030	08/01/2024 (A)
COL STUD LOAN BDS SER'15	150,000,000.00	4.00%	5.00%	2020	2034	08/01/2025 (A)
COL STUD LOAN BDS SER'16	158,065,000.00	5.00%	6.00%	2021	2040	08/01/2026 (A)
COL STUD LOAN BDS SER'17	155,720,000.00	3.00%	5.00%	2022	2041	02/01/2028 (A)
COL STUD LOAN RFD BDS SER'18	94,915,000.00	3.00%	5.00%	2019	2026	N/A
COL STUD LOAN BDS SER'19	159,965,000.00	3.25%	5.00%	2023	2042	02/01/2029 (A)
COL STUD LOAN RFD BDS SER'19	45,965,000.00	4.00%	5.00%	2020	2033	N/A
Total General Obligation Bonds	\$ 1,588,115,000.00					

NOTE A: Bonds having stated maturities after this date are subject to optional redemption on this date, or on any payment date thereafter.

NOTE B: Additionally, the term bonds maturing on the following dates, are subject to mandatory redemption prior to maturity beginning on August 1 of each of the years listed below and continuing each subsequent year until scheduled maturity:

Description of Issue	Scheduled Maturity Date	First Redemption Date
	August 1,	
General Obligation Bonds:		
COL STUD LOAN BDS SER'07A	2023	2022
COL STUD LOAN BDS SER'07A	2025	2024
COL STUD LOAN BDS SER'07A	2028	2026
COL STUD LOAN BDS SER'07A	2031	2029
COL STUD LOAN BDS SER'08A	2026	2025
COL STUD LOAN BDS SER'08A	2028	2027
COL STUD LOAN BDS SER'08A	2032	2029
COL STUD LOAN BDS SER'09	2033	2031
COL STUD LOAN BDS SER'10	2034	2031
COL STUD LOAN BDS SER'11A	2031	2027
COL STUD LOAN BDS SER'11A	2036	2032

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-B

CHANGES IN BONDED INDEBTEDNESS

For the Year Ended August 31, 2019

Governmental Activities

Description of Issue	Bonds Outstanding 9/1/2018	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/2019	Unamortized Premium/Discount	Net Bonds Outstanding 8/31/2019	Amounts Due Within One Year
General Obligation Bonds:								
COL STUD LOAN BDS SER'07A	\$ 53,575,000.00	\$	\$	\$ 53,575,000.00	\$	\$	\$	\$
COL STUD LOAN BDS SER'08A	57,410,000.00			57,410,000.00				
COL STUD LOAN BDS SER'09	57,700,000.00		2,700,000.00	55,000,000.00				
COL STUD LOAN BDS SER'10	95,585,000.00		4,080,000.00		91,505,000.00	6,986,292.13	98,491,292.13	4,705,752.81
COL STUD LOAN BDS SER'11A	105,370,000.00		3,745,000.00		101,625,000.00	1,697,217.92	103,322,217.92	4,261,088.99
COL STUD LOAN RFD BDS SER'11C	6,570,000.00		1,590,000.00		4,980,000.00	132,176.66	5,112,176.66	1,693,929.19
COL STUD LOAN BDS SER'12	69,695,000.00		18,805,000.00		50,890,000.00	1,509,103.17	52,399,103.17	13,970,680.15
COL STUD LOAN RFD BDS SER'13A	23,915,000.00		20,015,000.00		3,900,000.00	276,633.31	4,176,633.31	1,006,402.60
COL STUD LOAN BDS SER'13B	113,740,000.00		5,000,000.00		108,740,000.00	5,088,332.26	113,828,332.26	9,426,372.16
COL STUD LOAN BDS SER'14	68,130,000.00		1,905,000.00		66,225,000.00	6,514,377.19	72,739,377.19	3,697,708.72
COL STUD LOAN BDS SER'15	150,000,000.00				150,000,000.00	12,326,258.13	162,326,258.13	9,211,258.54
COL STUD LOAN BDS SER'16	158,065,000.00				158,065,000.00	17,687,186.18	175,752,186.18	1,650,540.49
COL STUD LOAN BDS SER'17	155,720,000.00				155,720,000.00	12,620,937.93	168,340,937.93	1,373,908.89
COL STUD LOAN RFD BDS SER'18		94,915,000.00	4,550,000.00		90,365,000.00	7,574,105.00	97,939,105.00	13,349,017.29
COL STUD LOAN BDS SER'19		159,965,000.00			159,965,000.00	9,722,427.96	169,687,427.96	1,115,330.50
COL STUD LOAN RFD BDS SER'19		45,965,000.00			45,965,000.00	8,704,362.56	54,669,362.56	3,155,337.59
Total General Obligation Bonds	\$ 1,115,475,000.00	\$ 300,845,000.00	\$ 62,390,000.00	\$ 165,985,000.00	\$ 1,187,945,000.00	\$ 90,839,410.40	\$ 1,278,784,410.40	\$ 68,617,327.92

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-C
DEBT SERVICE REQUIREMENTS

For the Year Ended August 31, 2019

Description of Issue	Year	Principal	Interest
<u>General Obligation Bonds:</u>			
COL STUD LOAN BDS SER'10	2020	\$ 4,240,000.00	\$ 4,575,250.00
	2021	4,455,000.00	4,363,250.00
	2022	4,675,000.00	4,140,500.00
	2023	4,910,000.00	3,906,750.00
	2024	5,155,000.00	3,661,250.00
	2025-2029	29,905,000.00	14,173,000.00
	2030-2034	38,165,000.00	5,910,750.00
		<u>\$ 91,505,000.00</u>	<u>\$ 40,730,750.00</u>
COL STUD LOAN BDS SER'11A	2020	\$ 3,935,000.00	\$ 5,081,250.00
	2021	4,130,000.00	4,884,500.00
	2022	4,335,000.00	4,678,000.00
	2023	4,555,000.00	4,461,250.00
	2024	4,780,000.00	4,233,500.00
	2025-2029	27,735,000.00	17,334,000.00
	2030-2034	35,395,000.00	9,671,750.00
	2035-2039	16,760,000.00	1,267,250.00
		<u>\$ 101,625,000.00</u>	<u>\$ 51,611,500.00</u>
COL STUD LOAN RFD BDS SER'11C	2020	\$ 1,625,000.00	\$ 249,000.00
	2021	1,660,000.00	167,750.00
	2022	1,695,000.00	84,750.00
		<u>\$ 4,980,000.00</u>	<u>\$ 501,500.00</u>
COL STUD LOAN BDS SER'12	2020	\$ 13,185,000.00	\$ 2,338,381.26
	2021	7,295,000.00	1,613,206.26
	2022	1,065,000.00	1,211,981.26
	2023	2,890,000.00	1,158,731.26
	2024	4,290,000.00	1,014,231.26
	2025-2029	8,865,000.00	3,260,737.54
	2030-2034	10,895,000.00	1,595,256.28
	2035-2039	2,405,000.00	87,181.26
		<u>\$ 50,890,000.00</u>	<u>\$ 12,279,706.38</u>
COL STUD LOAN RFD BDS SER'13A	2020	\$ 895,000.00	\$ 195,000.00
	2021	945,000.00	150,250.00
	2022	1,000,000.00	103,000.00
	2023	1,060,000.00	53,000.00
		<u>\$ 3,900,000.00</u>	<u>\$ 501,250.00</u>
COL STUD LOAN BDS SER'13B	2020	\$ 8,000,000.00	\$ 5,133,950.00
	2021	10,000,000.00	4,733,950.00
	2022	10,655,000.00	4,208,950.00
	2023	11,210,000.00	3,649,562.50
	2024	11,690,000.00	3,033,012.50
	2025-2029	49,575,000.00	6,805,362.50
	2030-2034	7,610,000.00	313,912.50
		<u>\$ 108,740,000.00</u>	<u>\$ 27,878,700.00</u>
COL STUD LOAN BDS SER'14	2020	\$ 2,320,000.00	\$ 3,422,500.00
	2021	6,635,000.00	3,283,300.00
	2022	6,900,000.00	2,885,200.00
	2023	5,180,000.00	2,471,200.00
	2024	5,490,000.00	2,160,400.00
	2025-2029	32,350,000.00	5,911,500.00
	2030-2034	7,350,000.00	294,000.00
		<u>\$ 66,225,000.00</u>	<u>\$ 20,428,100.00</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-C
DEBT SERVICE REQUIREMENTS

For the Year Ended August 31, 2019

Description of Issue	Year	Principal	Interest	
COL STUD LOAN BDS SER'15	2020	\$ 7,200,000.00	\$ 6,666,500.00	
	2021	7,415,000.00	6,306,500.00	
	2022	7,715,000.00	5,935,750.00	
	2023	8,020,000.00	5,550,000.00	
	2024	8,420,000.00	5,149,000.00	
	2025-2029	48,865,000.00	19,093,850.00	
	2030-2034	62,365,000.00	7,727,200.00	
		<u>\$ 150,000,000.00</u>	<u>\$ 56,428,800.00</u>	
	COL STUD LOAN BDS SER'16	2020	\$ 0.00	\$ 8,459,325.00
		2021	4,510,000.00	8,459,325.00
2022		4,780,000.00	8,188,725.00	
2023		5,065,000.00	7,901,925.00	
2024		5,345,000.00	7,623,350.00	
2025-2029		31,470,000.00	33,369,975.00	
2030-2034		41,125,000.00	23,710,600.00	
2035-2039		53,420,000.00	11,413,650.00	
2040-2044		12,350,000.00	617,500.00	
		<u>\$ 158,065,000.00</u>	<u>\$ 109,744,375.00</u>	
COL STUD LOAN BDS SER'17	2020	\$ 0.00	\$ 6,283,700.00	
	2021	0.00	6,283,700.00	
	2022	4,980,000.00	6,283,700.00	
	2023	5,230,000.00	6,034,700.00	
	2024	5,490,000.00	5,773,200.00	
	2025-2029	31,860,000.00	24,463,000.00	
	2030-2034	39,485,000.00	17,135,800.00	
	2035-2039	47,245,000.00	9,389,450.00	
	2040-2044	21,430,000.00	1,294,200.00	
		<u>\$ 155,720,000.00</u>	<u>\$ 82,941,450.00</u>	
COL STUD LOAN RFD BDS SER'18	2020	\$ 11,590,000.00	\$ 4,280,650.00	
	2021	12,170,000.00	3,817,050.00	
	2022	12,780,000.00	3,330,250.00	
	2023	13,420,000.00	2,691,250.00	
	2024	14,085,000.00	2,020,250.00	
	2025-2029	26,320,000.00	1,891,250.00	
		<u>\$ 90,365,000.00</u>	<u>\$ 18,030,700.00</u>	
COL STUD LOAN BDS SER'19	2020	\$ 0.00	\$ 6,425,112.50	
	2021	0.00	6,425,112.50	
	2022	0.00	6,425,112.50	
	2023	5,100,000.00	6,425,112.50	
	2024	5,355,000.00	6,221,112.50	
	2025-2029	31,070,000.00	27,079,312.50	
	2030-2034	39,170,000.00	18,789,762.50	
	2035-2039	46,915,000.00	11,080,125.04	
	2040-2044	32,355,000.00	2,445,356.26	
		<u>\$ 159,965,000.00</u>	<u>\$ 91,316,118.80</u>	
COL STUD LOAN RFD BDS SER'19	2020	\$ 2,145,000.00	\$ 2,289,628.00	
	2021	2,475,000.00	1,979,500.00	
	2022	2,595,000.00	1,855,750.00	
	2023	2,725,000.00	1,751,950.00	
	2024	2,865,000.00	1,642,950.00	
	2025-2029	16,625,000.00	6,376,950.00	
	2030-2034	16,535,000.00	2,117,750.00	
		<u>\$ 45,965,000.00</u>	<u>\$ 18,014,478.00</u>	

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-D

ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE

For the Year Ended August 31, 2019

Governmental Activities

<u>Description of Issue</u>	<u>Application of Funds</u>	
	<u>Principal</u>	<u>Interest</u>
<u>General Obligation Bonds</u>		
COL STUD LOAN BDS	<u>\$ 62,390,000.00</u>	<u>\$ 52,551,312.62</u>

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

**SCHEDULE 2-F
EARLY EXTINGUISHMENT AND REFUNDING**

For the Year Ended August 31, 2019

<u>Governmental Activities</u>		Amount Extinguished or Refunded	For Refunding Only		
Description of Issue	Category		Refunding Issue Par Value	Cash Flow Increase (Decrease)	Economic Gain/ (Loss)
<u>General Obligation Bonds</u>					
COL STUD LOAN BDS SER'07A	Current Refunding	\$ 53,575,000.00	\$ 45,900,000.00	\$ 1,035,153.92	\$ 7,894,746.59
COL STUD LOAN BDS SER'08A	Current Refunding	57,410,000.00	49,015,000.00	1,127,333.99	9,427,907.44
COL STUD LOAN BDS SER'09	Current Refunding	55,000,000.00	45,965,000.00	1,366,421.88	11,218,319.76
Total Governmental Activities		<u>\$ 165,985,000.00</u>	<u>\$ 140,880,000.00</u>	<u>\$ 3,528,909.79</u>	<u>\$ 28,540,973.79</u>

