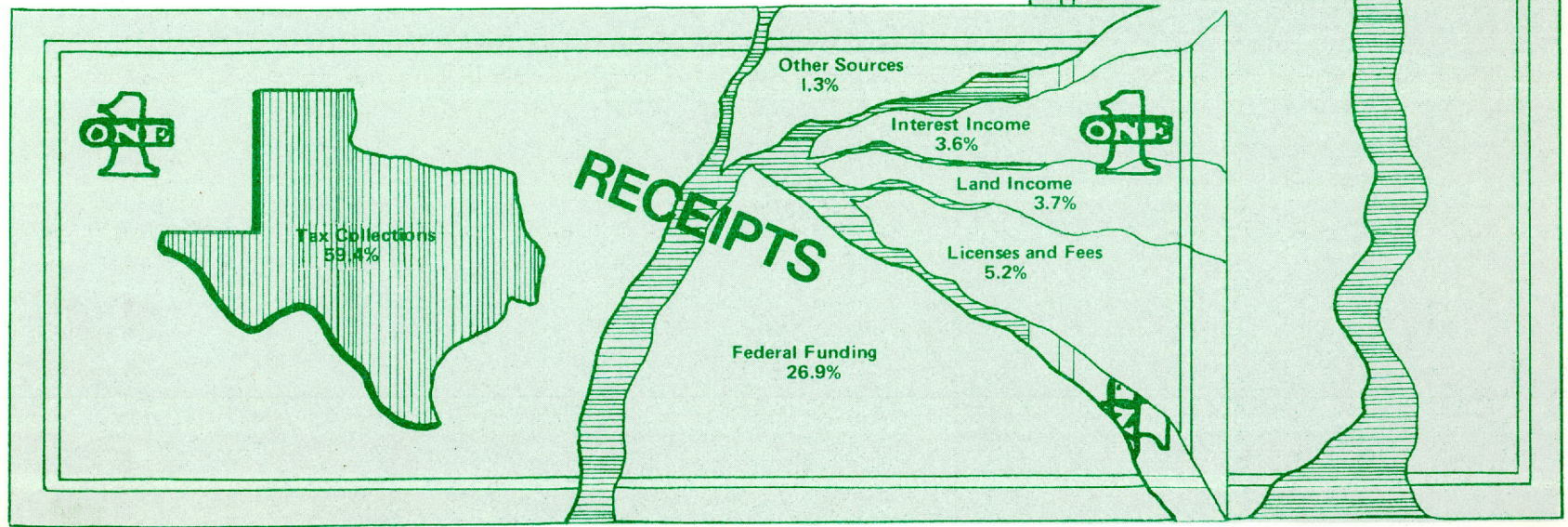


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VOLUME I 1976 ANNUAL FINANCIAL REPORT

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BOB BULLOCK
COMPTROLLER OF PUBLIC ACCOUNTS



1976 ANNUAL FINANCIAL REPORT

of

The State of Texas

Volume I

for the fiscal year ended
August 31, 1976



BOB BULLOCK
Comptroller of Public Accounts



COMPTROLLER OF PUBLIC ACCOUNTS
STATE OF TEXAS
AUSTIN, 78774

November 1, 1976

The Honorable Dolph Briscoe
Governor of Texas
The State Capitol
Austin, Texas 78767

Dear Governor Briscoe:

The state's fiscal year ending August 31, 1976 was, again, a record year for both revenues and expenditures for state government.

Revenues of \$8.05 billion supported expenditures of \$6.4 billion, leaving a net cash balance of \$1.6 billion. This cash balance was also a record figure and, as in 1975, almost \$200 million more than the cash balance at the beginning of the fiscal year.

This favorable position was made possible by record revenues from all major sources, including \$3.9 billion in tax collections, \$1.8 billion in federal funds, \$340 million in licenses and fees, \$234 million in investments of state funds, and \$246 million in income from state owned land.

This report details revenues and expenditures for 1976 as required by Article 4348, R.C.S. of Texas.

Respectfully submitted,

BOB BULLOCK
Comptroller of Public Accounts

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INTRODUCTION

This **1976 Annual Financial Report of the State of Texas** presents information on the revenue and expenditure transactions for which the Comptroller of Public Accounts has accounting responsibility.

The report is presented in two volumes. Volume I offers a summary of the fiscal condition of the state and shows historical trends of revenues, expenditures and fund balances. Volume II gives detailed information on revenues and expenditures for individual funds.

This first volume provides information on state finances in three sections which present increasing details of the overall fiscal operations of the state. The first section of Volume I presents financial information by broad source and disposition within the context of historical changes since 1971. The second section shows 1976 revenues by individual source; expenditures by department; and revenues, expenditures and balances by individual fund--all in comparison to values of these financial categories in 1975. The final section presents details of transactions in the specialized suspense and trust funds, details of fund investments, bonded indebtedness, and intergovernmental fiscal relationships with the federal government and with local governments in Texas.

Summary of Financial Information

THE ECONOMIC ENVIRONMENT FOR STATE FINANCES

Revenues and expenditures for the state are determined not only by the enacting legislation specifying revenue sources and expenditure objectives but also by the economic forces which determine rates of revenue generation and changes in costs for goods and services purchased by the state. The Texas state economy is necessarily responsive to the larger economic environment of the nation, but with some distinctions which are reflected ultimately in state finances.

For example, many goods trade in national markets at common prices, and inflation rates for the state tend to move with those of the nation. Tax collections based on receipts from sales of tangible property and state expenditures for goods and services respond equivalently to inflationary forces. The increased value of the "market basket" in the tax base and the increased value of the "market basket" purchased by the state tend to be offsetting in their effects. A favorable distinction can be made for the Texas economy, however, in respect to tax receipts from sharply increased values of petroleum production which have generated net increases in state financial resources.

As with the specific example of prices, distinctions can be made for the aggregate state economy both in the short-run and long-run. The state is responsive to the national business cycle, but has not experienced economic declines to the same degree as the nation. Prospects for state economic development are defined by, but distinctively not limited to, rates of national economic development.

STATE RESPONSE TO THE BUSINESS CYCLE

The 1976 fiscal year has been a period of substantial recovery from the recession which slowed development in the state economy into the last fiscal year. Without having experienced the same losses in output and growth as the national economy in calendar 1974, the Texas economy is now exhibiting prospects for recovery equal to or greater than those of the nation. Judging from the most recent measurements of state and national personal income, employment, and retail sales, the pace of the state economy in the current cyclical upturn will match or exceed that of the United States economy.

Through the recessionary period of 1974 to the second quarter of 1976, the growth in personal income in Texas exceeded that in the nation by a small margin. For this same period, growth in nonagricultural employment in Texas increased by 7.5 percent and that in the nation by 5.9 percent. From January 1974 through June 1976, retail sales in Texas increased 16.1 percent and increased nationally by 12.6 percent.

The diversity of Texas enterprise which mutes the recessionary effects on the state economy is suggested in the distribution of income sources for the state and national economies shown in the table below:

Labor and Proprietors' Income for 1975 United States and Texas (Percent of Total Income)

	United States	Texas
Farm	3.3	2.5
Manufacturing	24.8	20.1
Durables	15.7	11.2
Nondurables	9.1	9.0
Mining	1.3	4.2
Contract Construction	5.3	7.0
Wholesale and Retail Trade	16.2	19.2
Finance, Insurance and Real Estate	5.2	5.5
Transportation, Communication and Public Utilities	6.9	7.7
Services	15.5	15.5
Other Industries	0.3	0.4
Federal Civilian Government	4.2	4.2
Federal Military	2.1	3.8
State and Local Government	11.2	10.0

Source: U.S. Department of Commerce, Survey of Current Business, April 1976

While Texas has a strong and expanding manufacturing base, there is not the dependence of the state economy on some durables manufacturing which has endured major effects of the national business declines. As shown in the income distribution for 1975, construction and petroleum production (mining) have been significant income sources in the state economy, and have contributed significantly to a broadened economic base.

THE TEXAS BUSINESS ENVIRONMENT

In an independent study prepared in 1975 for the Illinois Manufacturers' Association by the Fantus Company of Chicago, a locational consulting firm which is a subsidiary of Dun and Bradstreet, certain qualities were identified which were judged to be conducive to a favorable state business climate. The purpose of the report was to evaluate the business environment of Illinois in comparison to the environments found in all other states. The rating system was based on such factors as taxes, labor laws, size and cost of government, and distribution of debt. On the basis of an index composed of judgmental combinations of these elements of business environment, Texas ranked first nationally.

The individual elements of the rating scale developed in the Fantus study are shown in three sub-groups below: one for legislative climate, one for population characteristics and one for facilities for living.

TEXAS STATE LEGISLATIVE CLIMATE RANKINGS

	Rank Out of 50 States	Rating
Corporate income tax as a source of state financing.	2.5	Excellent
Per capita property taxes paid.	21	Good
Public assistance outlays per capita.	18	Good
Per capita personal income taxes paid.	3.5	Excellent
Per capita taxes paid.	4	Excellent
Per capita state and local taxes.	9	Excellent
Labor laws favorable to industry.	9	Excellent
Existence of laws regulating strikes, picketing, and boycotts.	1	Excellent
Regulation of labor unions.	1	Excellent
Average unemployment compensation rate.	2	Excellent
Workmen's compensation benefits per employed worker.	36	Fair
Number of governmental units per capita.	23	Good
State and local government payrolls for functions other than education.	13	Good
Per capita debt.	19	Good
Per capita state and local debt.	30	Fair

STATE SUMMARY:	Number	Percent of Total
Excellent Rating	8	
Good Rating	5	
Total Excellent and Good	<u>13</u>	87
Fair Rating	2	
Poor Rating	0	
Total Fair and Poor	<u>2</u>	13

TEXAS FACILITIES FOR LIVING RANKINGS

	Rank Out of 50 States	Rating
Educational expenditures per pupil.	34	Fair
Average student-teacher ratio.	18	Good
Availability of institutions of higher education.	37	Fair
Vocational education expenditures per capita.	28	Fair
Recreational expenditures per capita.	37	Fair
Park acreage per 1,000 persons.	12.5	Good
Hotel and motel availability.	29	Fair
Fishing and hunting license holders.	2	Excellent
Number of physicians per 1,000 persons.	24.5	Good
Hospital beds per 1,000 persons.	30	Fair

STATE SUMMARY:	Number	Percent of Total
Excellent Rating	1	
Good Rating	3	
Total Excellent and Good	<u>4</u>	40
Fair Rating	6	
Poor Rating	0	
Total Fair and Poor	<u>6</u>	60

TEXAS CHARACTERISTICS OF THE POPULATION RANKINGS

	Rank Out of 50 States	Rating
Selective service rejection rate.	30	Fair
Average school years completed.	39	Poor
School attendance as a percent of enrollment.	42	Poor
Percent of those eligible who voted.	45	Poor
Proportion of owner-occupied homes.	35	Fair
Percent of families earning under \$3,000.	36	Fair
Percent of workers belonging to a union.	6	Excellent
Lost time due to work stoppages.	17.5	Good

STATE SUMMARY:	Number	Percent of Total
Excellent Rating	1	
Good Rating	1	
Total Excellent and Good	<u>2</u>	25
Fair Rating	3	
Poor Rating	3	
Total Fair and Poor	<u>6</u>	75

Given that the combination of factors in the Fantus study may identify a favorable business environment, there is evidence that prospects for continuing economic development of Texas exceed those of most other regions in the nation.

LONG-TERM REGIONAL DEVELOPMENT

In a separate study completed by the U.S. Department of Commerce utilizing a 1971 basis of reference, economic projections were made to 1990 which accounted for long-term trends in area economic development in the United States. Measured principally in terms of constant dollar income components, the study shows economic projections by states and other regional divisions. The major categories of these projections for Texas are shown below:

**Texas Population, Employment, and Income by Source
for Selected Years 1969-1990
(1967 Dollars)**

	1969	1971	1980	1990
Population, midyear	11,045,000	11,428,000	12,166,900	13,579,700
Per capita income (1967 \$)	3,074	3,173	4,360	5,675
Per capita income relative (U.S.=1.00)	.89	.90	.91	.92
Total employment	4,347,895		5,179,500	5,811,600
Total personal income (\$1,000)	33,953,255	36,265,621	53,046,800	77,062,500
Total earnings	27,394,705	28,663,401	41,776,900	60,077,500
Agriculture, forestry & fisheries	1,351,702	1,262,035	1,436,200	1,525,500
Agriculture	1,337,669	1,244,213	1,412,400	1,494,300
Mining	928,261	925,166	1,017,900	1,064,100
Crude petro. & natural gas	878,944	877,738	959,300	997,800
Contract construction	1,857,138	1,927,901	2,687,700	3,776,800

Texas Population, Employment, and Income by Source (continued)

	1969	1971	1980	1990
Manufacturing	5,861,274	5,681,726	8,747,200	12,437,900
Food and kindred products	532,266	555,311	672,600	817,300
Textile mill products	36,585	32,800	43,100	51,400
Apparel & other fabric prods	246,348	271,406	411,800	580,600
Lumber products & furniture	214,794	218,318	311,400	429,000
Paper and allied products	127,238	128,608	200,700	283,500
Printing and publishing	276,599	283,667	459,700	674,600
Chemicals and allied products	654,983	682,798	1,119,900	1,800,400
Petroleum refining	482,230	549,842	694,800	883,200
Primary metals	291,234	286,121	413,200	524,900
Fabricated metals & ordnance	485,336	483,386	837,400	1,222,500
Machinery, excl'dg. electrical	586,502	560,324	921,000	1,352,900
Electrical machinery & supp.	461,516	399,049	745,900	1,157,800
Motor vehicles and equipment	118,347	105,041	138,600	183,000
Trans. equip., excl. mtr. vehs.	889,932	625,814	891,400	1,075,200
Other manufacturing	457,367	499,246	885,000	1,400,900
Trans., comm. & public utilities	1,959,754	2,151,555	3,047,100	4,303,200
Railroad transportation	267,233	275,160	267,300	262,400
Trucking and warehousing	457,708	493,169	724,800	1,061,800
Other transportation & servs.	484,724	518,884	729,800	987,400
Communications	366,065	429,380	696,200	1,104,900
Utilities (elec., gas, sanitary)	384,013	434,949	628,700	886,400
Wholesale and retail trade	5,001,026	5,393,114	7,476,700	10,254,300
Finance, insurance & real estate	1,431,289	1,557,417	2,534,900	3,949,800
Services	3,905,139	4,204,783	7,213,200	11,565,500
Business and repair services	722,898	788,906	1,514,900	2,603,100
Professional services	2,268,223	2,503,760	4,600,300	7,642,600
Government	5,099,145	5,559,713	7,615,500	11,199,900
Federal government	1,265,670	1,382,127	1,936,900	2,800,100
State and local government	2,413,890	2,777,405	4,206,500	6,526,400
Federal military	1,419,592	1,400,181	1,472,000	1,873,400

Source: U.S. Department of Commerce, **Area Economic Projections 1990**

The rate of growth in total personal income projected by the Department of Commerce for Texas to 1990 exceeds that for the United States. Of the major components of personal income, the projected rate of growth for the state in the private sector exceeds that for the nation in agriculture; manufacturing; transportation, communication and public utilities; wholesale and retail trade; finance, insurance and real estate; and services.

SUMMARY OF FINANCIAL INFORMATION

CASH AND INVESTMENTS OVERVIEW

For the fiscal year ending August 31, 1976, the State of Texas held a closing cash balance of \$1.642 billion, an increase of \$188 million over the cash balance held at the beginning of the year. Opening cash balances averaging approximately \$500 million for the fiscal years 1970 through 1973 took a marked upward turn in 1974 and have increased by an average of 14 percent for each of the last two years. Expenditure increases of approximately 14 percent over last year were offset by revenue increases of 16 percent for fiscal year 1976. For the past two years, the total of all cash, investments and securities held by the state has increased by an average of 12 percent annually.

REVENUE OVERVIEW

Revenues increased from \$5.694 billion in fiscal 1975 to \$6.618 this year, an increase of \$924 million or 16 percent. Revenues into the general state operating and disbursing funds subject to legislative appropriation were \$4.365 billion. This represents an increase of \$632 million or 17 percent over funds available for appropriation last year. Tax collections accounted for \$3.913 billion or 59 percent of state revenues. Federal funding for highways, health, welfare, education, revenue sharing and miscellaneous federal funding provided 27 percent of total revenues. The next three major categories of revenue--licenses and fees, interest income and land income--each provided some 4 to 5 percent of the total.

EXPENDITURE OVERVIEW

Net state expenditures for fiscal 1976 were \$6.204 billion, an increase of \$827 million or 15 percent over last year. Expenditures for support of higher and public education, including contributions for teacher retirement, totaled \$3.099 billion and accounted for half of total state expenditures. Welfare services accounted for 17 percent of total expenditures, highway maintenance and construction for 12 percent, payment of public debt for 8 percent and mental health, state homes and corrections for 5 percent. Other individual expenditure categories each accounted for 2 percent or less of state expenditures.

For the 1976 fiscal year there was a decline in legislative expenditures, a decline in expenditures for highway maintenance and construction, in contributions to teacher retirement and in contributions to employee retirement. Expenditures for health and sanitation increased 36 percent, there was an increase of 31 percent for executive departments, 29 percent for parks and monuments, 26 percent for support of higher and public education, 25 percent for judicial, 23 percent for mental health, state homes and corrections, 22 percent for grants to political subdivisions and 19 percent for business regulatory commissions.

FINANCIAL CONDITION, 1971-1976

The total of all cash, investments and securities of the state has increased each year since 1971. During this period, the closing cash balance has risen from \$473.9 million to \$1.643 billion, an increase of \$1.169 billion. Closing cash balances for fiscal years 1971 through 1976 are shown below:

Year	Closing Cash Balance	Change from Prior Year	
	(Amounts in Millions)	Amount	Percent
1971	473.9	(31.4)	(6.2)
1972	573.9	100.0	21.1
1973	916.4	342.5	59.7
1974	1,262.0	345.6	37.7
1975	1,454.4	192.5	15.3
1976	1,642.5	188.1	12.9

Of the closing cash balance in 1976, general state operating and disbursing funds contained \$1.023 billion or 62 percent of the total cash balances held by the state. Constitutional funds expendable for specific purposes held 22 percent of the total cash balance and cash balances in federal funds accounted for 10 percent of the total closing balance.

Investments in the State Treasury have increased uniformly since 1971 in a range of 10 to 13 percent annually. From a 1971 balance of \$3.749 billion, investments have increased to \$6.653 billion in 1976. Investments for fiscal years 1971 through 1976 were:

Year	Investments in State Treasury	Change from Prior Year	
	(Millions of dollars)	Amount	Percent
1971	3,749.0	356.1	10.5
1972	4,241.3	492.3	13.1
1973	4,698.7	457.4	10.8
1974	5,269.4	570.7	12.1
1975	5,883.9	564.5	11.7
1976	6,652.6	768.7	13.1

STATE REVENUES, 1971-1976

Tax Receipts. During the period 1971-1976, total net revenues increased \$3.966 billion to \$8.046 billion, an increase of 103 percent. This represents a 15 percent average annual rate of increase in tax receipts for this period. Tax collections have consistently accounted for approximately 60 percent of total revenues throughout this period. Continuing through this period, the percentages of total revenues accounted for by licenses and fees and federal funding have shown consistent downward trends. From 32 percent of tax collections in 1971, sales tax collections have increased steadily until they accounted for 38 percent of total tax collections in 1976. The 17 percent increase in collections of sales tax from 1975 is a reflection of increases in consumer spending, inflation and increasing compliance in sales tax reporting.

After declines in relative contribution to 13 percent of total taxes in 1972 and 1973, oil and gas production taxes increased to 20 percent of the total in 1976. Motor fuel taxes, cigarette and tobacco taxes and property taxes have declined steadily in relative importance throughout the 1971-1976 period.

The largest increase in tax revenues from 1975 was the 34 percent increase in motor vehicle sales tax receipts which was caused by the resurgence in automobile sales for the 1976 model year. Increasing utility rates for the past two years have accounted for a major portion of the 33 percent increase in gross receipts taxes on utilities for both 1975 and 1976. With stabilizing petroleum prices, increases in oil and gas production taxes have moderated from the significant 55 percent increase in 1974 to a 20 percent increase of 1976 revenues over those of 1975.

Licenses and Fees. Income from licenses and fees for 1976 was \$340 million, an increase of 8 percent over 1975. The 3 percent increase in 1975 and the 8 percent increase in 1976 of licenses and fees can be attributed to the expanding practice of license renewal in even-numbered years. With licenses and fees set in absolute dollar amounts, the relative contribution of this revenue source will continue to decline as it has done in the 1971-1976 period.

Interest Income. Interest income from securities, deposits and miscellaneous sources contributed \$234 million to state revenues, or 4 percent of the total. Increases in interest income of 28 percent and 29 percent in 1974 and 1975 dropped to a 10 percent increase in 1976 due principally to declining interest rates.

Federal Funds. Revenue of \$1.775 billion from the federal government continued to represent a substantial portion of Texas revenues in 1976. Since 1971 federal funding has represented an average of 28 percent of state revenues. Revenue sharing, a program for which receipts were first recorded in 1973

accounted for 6 percent of federal funding in 1976. Exclusive of revenue sharing, a detailed comparison of the distribution of federal funds to the state for 1971 and 1976 is shown below:

Percent of Total Federal Funds Disbursed to the State (Exclusive of Revenue Sharing)

	1971	1976
Highways	27.5	18.4
Health	1.5	2.4
Welfare	48.0	46.5
Education	15.6	19.6
Other	7.4	13.1

The comparison of relative contributions for 1976 and 1971 shows a clear trend from federal highway funding to funding of education and miscellaneous programs.

Land Income. Income from state-owned lands continued to reflect the impact of higher values of oil and gas production. Since 1971, income from rent, royalties and sales of state land has more than tripled. The principal component of this increase has been from oil, gas and mineral royalties, which increased \$54 million or 42 percent from 1975 to 1976.

Other Revenue Sources. Revenue from other sources, including patient fees, produced \$82 million or 1 percent of total revenues. This level of revenue continued to be up over the previous year, as it was in 1975, as a result of funding changes in Medicaid payments.

STATE EXPENDITURES, 1971-1976

Total net expenditures for 1976 were \$6.204 billion and represented an increase of \$827 million or 15 percent over 1975 levels. While this represented an absolute high in state expenditures, the increase for 1976 was significantly less than for 1975.

Year	Total Expenditures (Amounts in Millions)	Percent of Increase
1971	\$ 3,437	
1972	3,791	10.3
1973	4,019	6.0
1974	4,427	10.1
1975	5,377	21.5
1976	6,200	15.4

The distribution of changes in funding levels among overall categories for 1976 is shown below:

	Amount of Change (Millions of dollars)	Percent of the Total Change
Administrative	\$ 30	3.6
Services	267	32.2
Improvements	-78	-9.4
Education	535	64.7
Other Expenditures	73	8.8
	<hr/>	<hr/>
Total	<u>\$ 827</u>	100.0

Administrative Costs. The costs of state government, including executive departments, regulatory commissions, legislative and judicial costs, rose \$168 million in 1976. From 2.1 percent of total expenditures in 1971, administrative costs increased to 2.7 percent of state expenditures in 1976. The only decline in administrative costs during this period was the \$2.8 million decline in legislative expenses from 1975 to 1976.

Social Services. Expenditures for social services, including welfare, mental health and sanitation, and law enforcement were \$1.581 billion in 1976, or 25 percent of state expenditures. Welfare expenditures have declined from 20 percent of the state budget in 1971 to 17 percent of the total in 1976, but other expenditures for social services have shown slight increases as components of total expenditures this year.

Improvements. The costs for highway maintenance and construction, natural resources, and parks and monuments were \$857 million in 1976, a decline of \$78 million since 1975. Increased expenditures were made for natural resources, and parks and monuments; the decline in expenditures for improvements is attributable to a \$100 million decrease in expenditures for highway maintenance and construction.

Education. Support for education, including contributions to teacher retirement, aid to elementary and secondary education, junior colleges and expenditures for higher education funded through the State Treasury was \$3.1 billion in 1976 or 50 percent of total expenditures. The 1976 level of expenditure was up 21 percent or \$535 million over 1975. In the period 1971-1976, expenditures for education increased by 100 percent, an average annual rate of increase of 15 percent. During this period, total expenditures devoted to education increased from 45 to 50 percent of total state expenditures.

Other Expenditures. Expenditures for other purposes, including grants to political subdivisions, payment of public debt, state contributions to employee retirement and social security were \$498 million in 1976, an increase of \$72 million or 17 percent over 1975 expenditures in this group. The large changes in contributions to employee retirement for 1975 and 1976 can be explained by both changing personnel levels and changing rates of state contributions to retirement. Grants to political subdivisions have multiplied over three and one-half times since 1971 and accounted for most of the increases in expenditures from this residual category "Other Expenditures".

Expenditures by Object. Since 1971, the largest increases in expenditures by object have been for current and recurrent operating expense, which has tripled since 1971. The least relative increase for expenditures by object in this period has been the 18 percent increase in capital outlay.

Percent Increase in Expenditures by Object Since 1971

Personal Services	118
Consumable Supplies and Materials	39
Current and Recurrent Operating Expense	196
Assistance and Pensions	29
Grants	102
Payments of Indebtedness and Interest	115
Capital Outlay	18

INVESTMENTS

During 1976, the book balance of investments of state funds increased from \$5.884 billion to \$6.650 billion, an increase of \$766 million. Investment accounts include the investment holdings of the Teacher Retirement System Fund, the Permanent School Fund, the Permanent University Fund, the State Employee Retirement System Investment Account Fund and numerous smaller funds. The holdings of all funds are distributed among various investments as shown below:

Type of Security	Value at Par (millions of dollars)	Percent of All Fund Investments
Cash and Receivables	\$ 25	0.4
City, County and District Bonds	37	0.6
State Bonds	6	-
U.S. Government Securities	795	12.0
Notes and Other Evidences of Indebtedness	951	14.3
Corporate Obligations	2,834	42.6
Corporate Stock	1,861	28.0
Loans to Political Subdivisions	170	2.6
Discounts and Premiums	(30)	(0.5)
Total, all funds	<u>\$6,650</u>	<u>100.0</u>

Corporate debt and equity holdings accounted for 71 percent of total in 1976 as they had in 1975.

THE APPROPRIATIONS SYSTEM

Texas operates its accounting system on a cash basis. This annual financial report is designed to reflect the results of this system. However, the Comptroller's Office also is charged with the responsibility of keeping the appropriation records for all state agencies. This second dimension of the accounting system is designed to insure that state agencies do not exceed the spending authority provided by the Legislature.

The table below tracks the basic appropriation system for the General Revenue Fund for 1976.

GENERAL REVENUE FUND-APPROPRIATIONS RECORDS, 1976 (in thousands)

Opening Appropriation Balances:

Year of Appropriation:

1971	\$ 15	
1972	17	
1973	2,844	
1974	10,860	
1975	93,663	
1976	<u>\$2,579,578</u>	
Total		\$2,686,977

1976 Changes in Authority:

Decrease in School Aid Estimate	\$ (88,295)	
Other - Net	41,141	
Lapsed Funds	(64,138)	
Appropriated Revenue	7,127	
Total Changes Net		<u>(104,165)</u>

Total Appropriation Authority	2,582,812
Less: Expenditures and Transfers	\$(2,340,026)

Equals: Ending Appropriation Balances (8/31/76)	<u>\$ 242,786</u>
--	-------------------

MILLIONS

\$7000

EXHIBIT 1
STATE REVENUES

6500

6000

5500

5000

4500

4000

3500

3000

2500

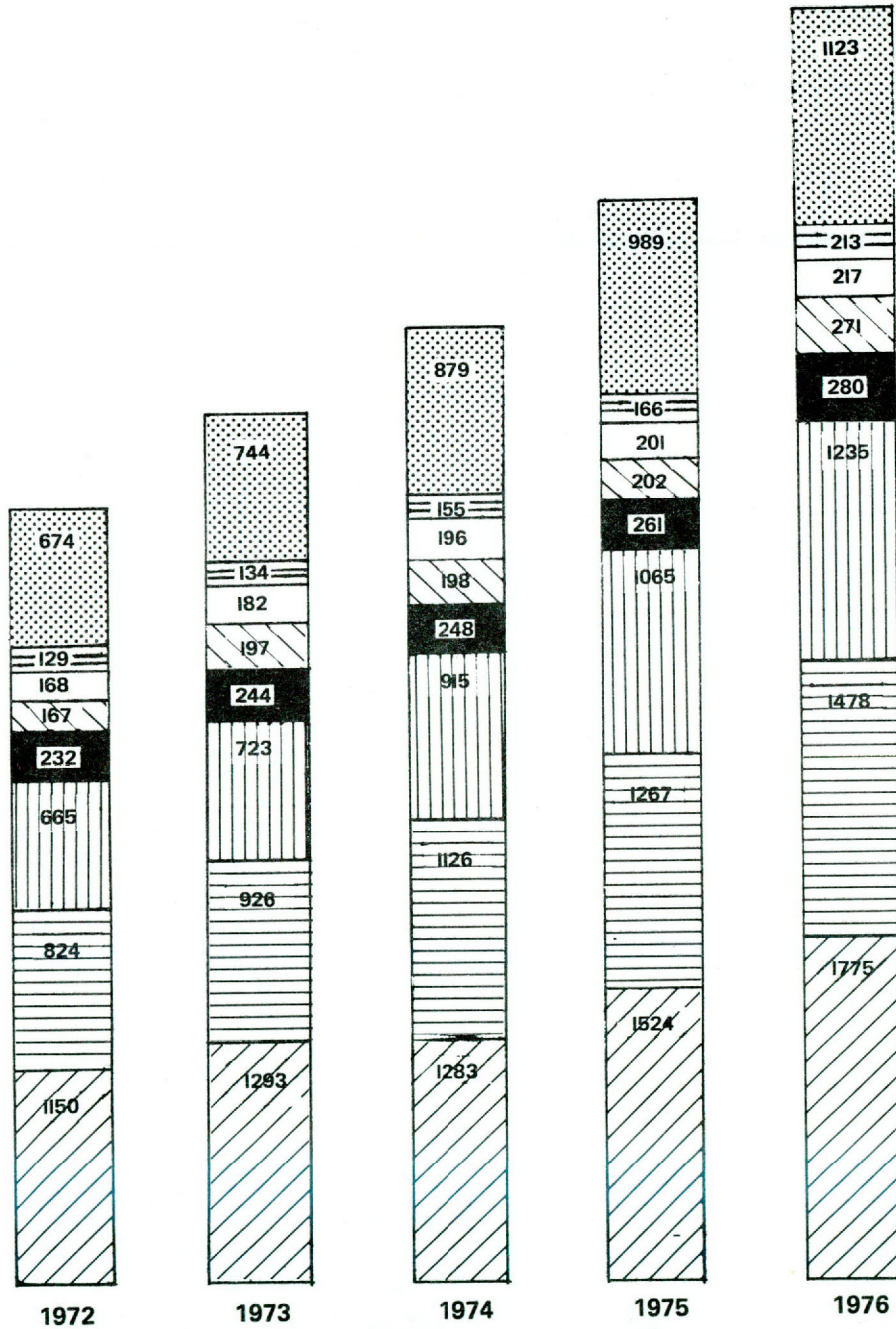
2000

1500

1000

500

0



OTHER

FRANCHISE TAX

MOTOR VEH. LIC. REG. & FEES

MOTOR VEH. - SALES TAX

CIG. & TOBACCO PROD. TAX & LIC.

ENERGY RESOURCES

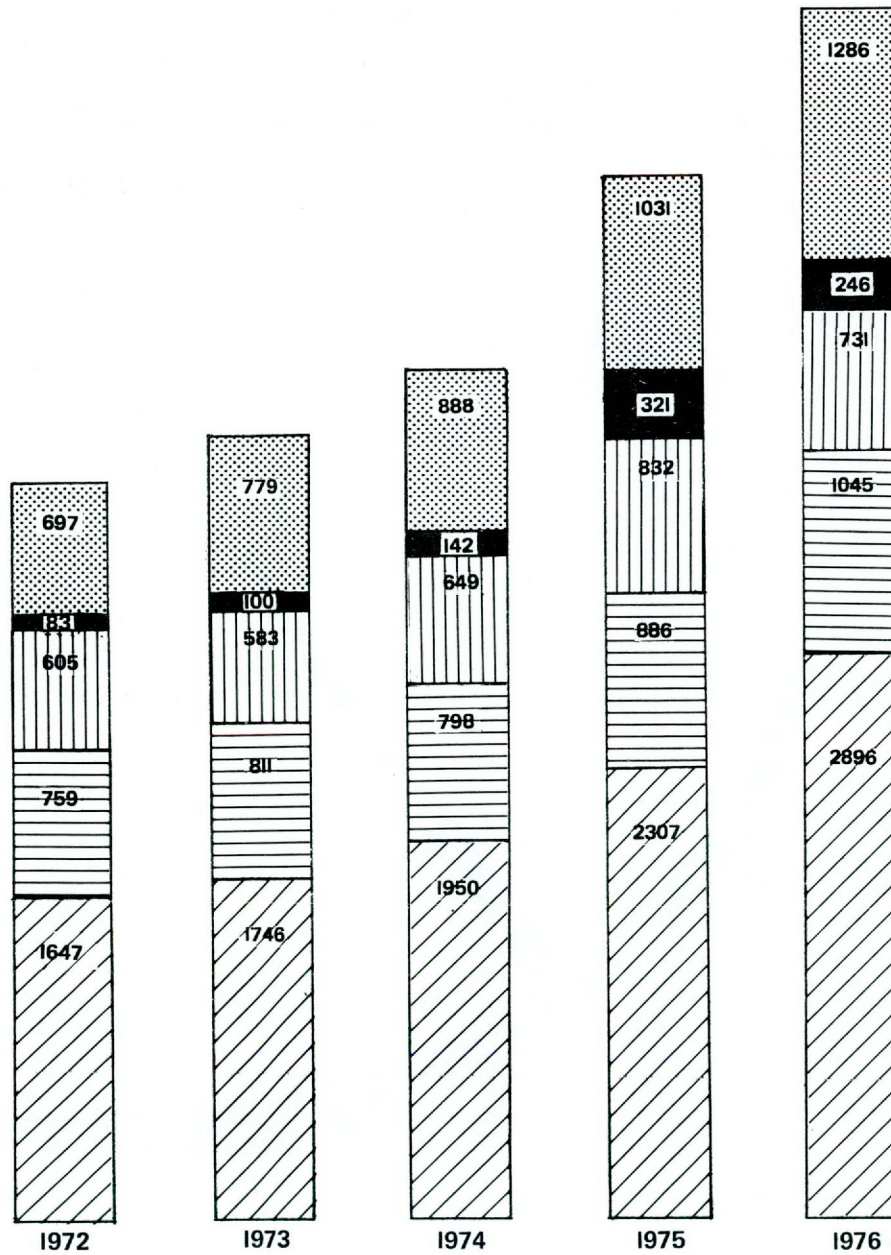
LIMITED SALES & USE TAX

FEDERAL GRANTS

MILLIONS
\$7000

EXHIBIT 2
STATE EXPENDITURES

6500
6000
5500
5000
4500
4000
3500
3000
2500
2000
1500
1000
500
0



OTHER
GRANTS
HIGHWAY MAINTENANCE
& CONSTRUCTION
PUBLIC WELFARE
EDUCATION

EXHIBIT 3
FISCAL YEAR 1976
STATE REVENUES

Percentage By Source

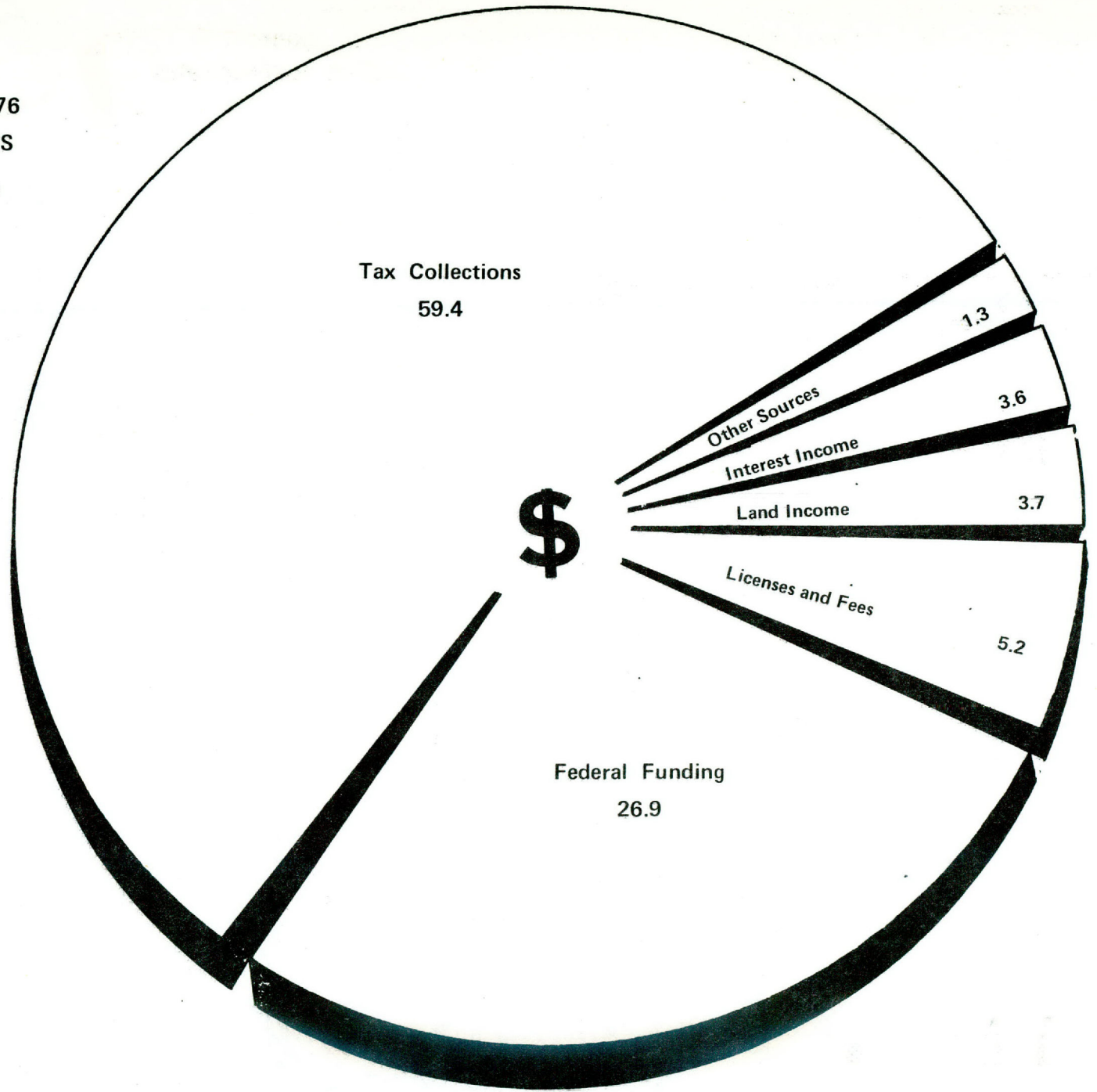


EXHIBIT 4
FISCAL YEAR 1976
EXPENDITURES BY OBJECT

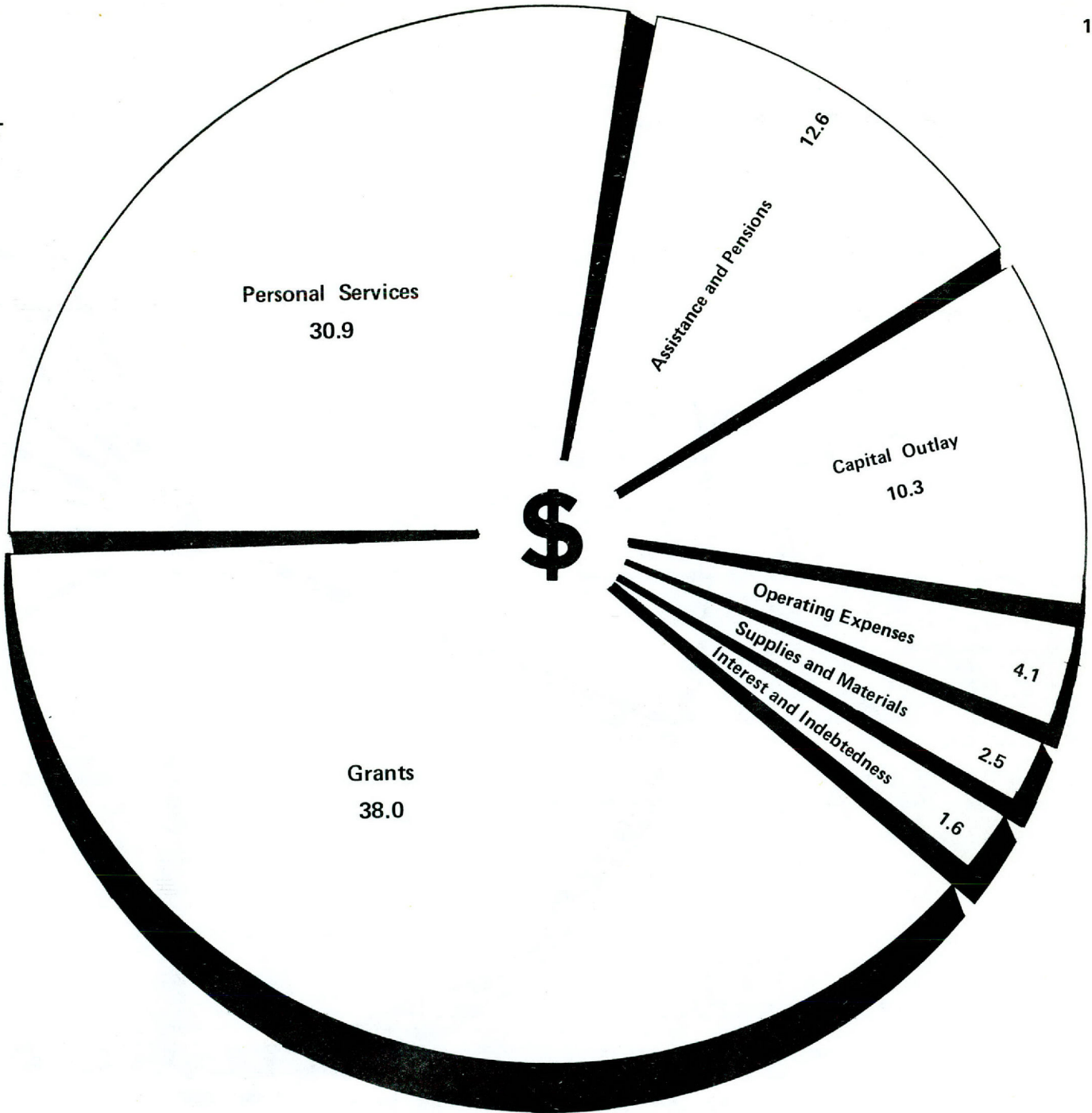


EXHIBIT 5
FY 1976 FEDERAL FUNDS BY
PROGRAM CATEGORY
(Percentage of Total)

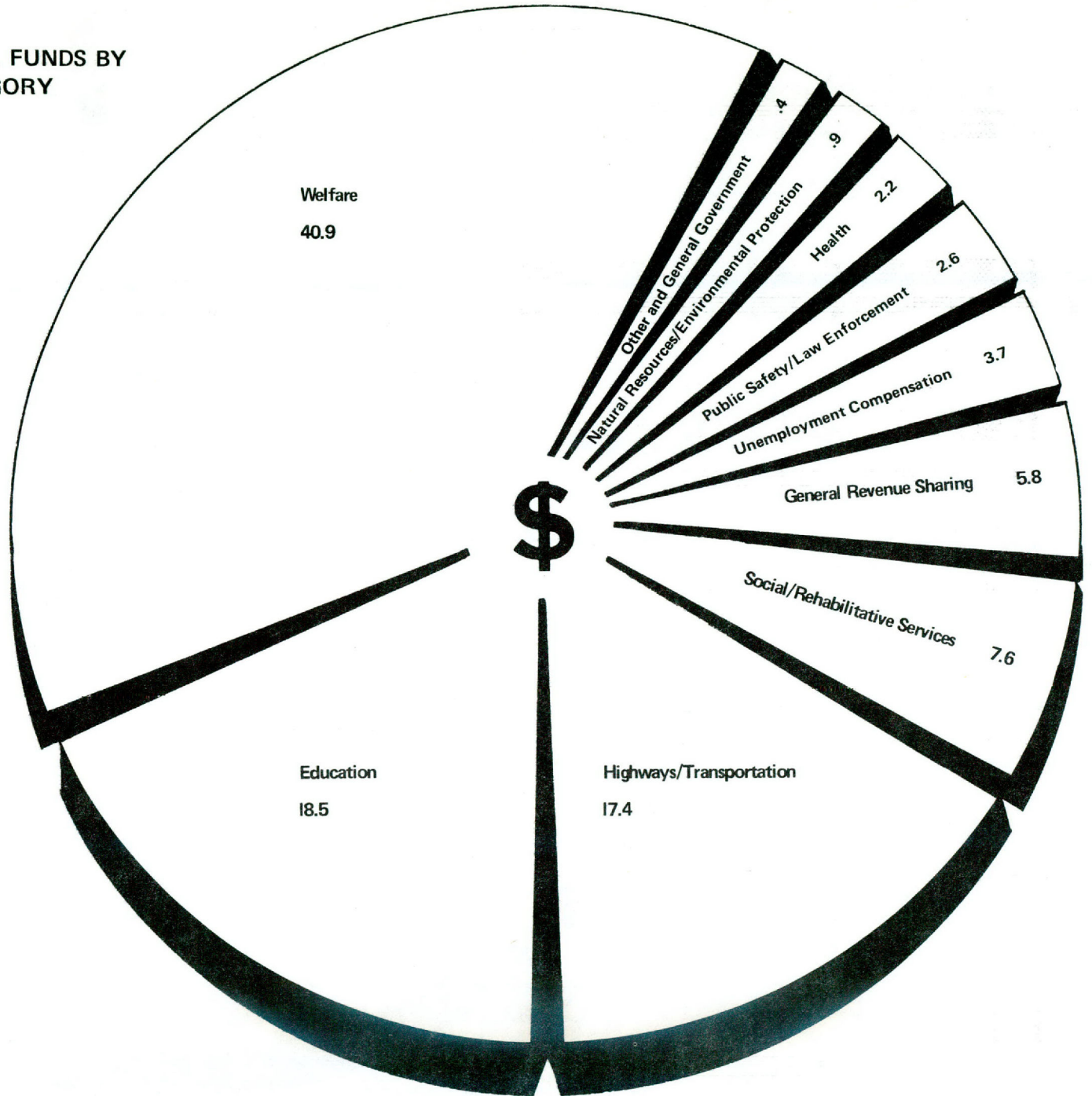


TABLE I
STATEMENT OF CASH CONDITION
Year Ended August 31, 1976

Opening Cash Balance, September 1, 1975		\$ 1,454,446,978.92
RÉCEIPTS		
REVENUES: Gross Collections	\$ 6,618,360,359.25	
Less: Refunds	<u>26,675,552.44</u>	
Net Revenues		6,591,684,806.81
Other Receipts		
Sale of State Bonds	103,000,000.00	
Sale/Redemption of Investments	604,567,258.65	
Repayments of Loans	37,570,693.00	
Departmental Transfers	326,940,690.64	
Operation Fund Transfers	56,304,545.16	
Interfund Transfers	43,415,749.54	
Allocations from Tax Clearance Funds	1,830,886,132.79	
Advance and Re-Payments for S.B. 1	(208,643.77)	
Unexpended Balances	1,168,242.07	
Revenue Refunds Applied	26,675,552.44	
Expenditure Refunds Applied	<u>14,801,280.82</u>	
Total, Other Receipts		<u>3,045,121,501.34</u>
TOTAL RECEIPTS		9,636,806,308.15
Receipts to Petty Cash Accounts (1)		<u>586,991.00</u>
TOTAL RECEIPTS AND CASH BALANCE		<u>\$ 11,091,840,278.07</u>
<hr/> <hr/>		
DISBURSEMENTS		
EXPENDITURES: Gross Expenditures	\$ 6,218,305,396.97	
Less: Refunds	<u>14,801,624.82</u>	
Net Total Expenditures		6,203,503,772.15
Other Disbursements		
Purchases of Securities	841,623,662.21	
Loans (1)	57,587,267.26	
Purchase of Water Rights	4,518,546.91	
Departmental Transfers	322,429,673.16	
Operating Fund Transfers	56,280,614.43	
Miscellaneous Non-governmental Expenditures	36,306,682.44	
Allocations from Tax Clearance Funds	1,830,886,132.79	
Advance for S.B. 1	110,361.44	
Refunds of Revenue	26,675,552.44	
Refund of Expenditures	14,801,280.82	
Land and Merchandise Purchased for Resale	<u>54,560,411.34</u>	
Total, Other Disbursements		<u>3,245,780,185.24</u>
TOTAL DISBURSEMENTS		9,449,283,957.39
Expenditures from Petty Cash to State Treasury		<u>22,945.00</u>
CLOSING CASH BALANCE, August 31, 1976		<u>\$ 1,642,533,375.68</u>

(1) Includes \$220,000.00 of Petty Cash Advances recorded as Expenditure 028 in prior years for Dept. 757.

TABLE II
SUMMARY OF FINANCIAL CONDITION, 1971 - 1976

	1971	1972	1973	1974	1975	1976
Opening Cash Balance	\$ 505,303,257.71	\$ 473,888,569.79	\$ 573,860,597.75	\$ 916,372,981.14	\$ 1,261,952,546.28	\$ 1,454,446,978.92
Net Revenues	3,461,068,121.86	4,008,651,298.22	4,443,453,804.60	4,999,576,253.50	5,674,625,548.92	6,591,684,806.81
Receipts to Petty Cash Accounts	<u>830.00</u>	<u>6,350.00</u>	<u>7,375.00</u>	<u>85,249.00</u>	<u>155,150.00</u>	<u>586,991.00</u>
Total Cash Available	3,966,372,209.57	4,482,546,218.01	5,017,321,777.35	5,916,034,483.64	6,936,733,245.20	8,046,718,776.73
Less:						
Net Expenditures	3,436,834,378.45	3,790,834,697.74	4,019,409,512.24	4,426,663,248.99	5,377,326,615.23	6,203,503,772.15
Net Interfund Transfers and Investment Transactions	55,648,511.33	117,800,672.52	81,539,144.02	227,418,628.32	104,928,891.05	200,658,683.90
Expenditures from Petty Cash Accounts	<u>750.00</u>	<u>50,250.00</u>	<u>139.95</u>	<u>60.05</u>	<u>30,760.00</u>	<u>22,945.00</u>
CLOSING NET CASH BALANCE **	473,888,569.79	573,860,597.75	916,372,981.14	1,261,952,546.28	1,454,446,978.92	1,642,533,375.68
INVESTMENTS IN STATE TREASURY	<u>3,748,994,751.99</u>	<u>4,241,301,591.25</u>	<u>4,698,696,647.71</u>	<u>5,269,447,705.66</u>	<u>5,883,880,278.90</u>	<u>6,650,377,231.72</u>
TOTAL CASH AND INVESTMENTS	4,222,883,321.78	4,815,162,189.00	5,615,069,628.85	6,531,400,251.94	7,338,327,257.82	8,292,910,607.40
SUSPENSE AND TRUST CASH WITH STATE TREASURY	113,970,989.12	163,102,856.60	150,165,645.84	195,676,217.14	204,106,990.63	235,993,074.47
SECURITIES IN TRUST WITH STATE TREASURY*	957,397,842.51	1,116,596,251.58	1,556,387,639.61	2,004,759,923.48	2,252,933,827.69	2,572,095,445.00
ACCOUNT WITH FEDERAL TREASURY	<u>306,278,373.13</u>	<u>293,594,853.49</u>	<u>323,463,783.80</u>	<u>352,063,351.31</u>	<u>262,171,885.14</u>	<u>218,183,037.18</u>
TOTAL ALL CASH, INVESTMENTS AND SECURITIES	<u>\$ 5,600,530,526.54</u>	<u>\$ 6,388,456,150.67</u>	<u>\$ 7,645,086,698.10</u>	<u>\$ 9,083,899,743.87</u>	<u>\$ 10,057,539,961.28</u>	<u>\$ 11,319,182,164.05</u>

*Figures for 1970, 1971, 1972 adjusted for comparison with subsequent years.

**Closing Net Cash Balance for 1976 includes \$68,500 to be recorded on September 1976 Statements.

TABLE III
1976 CASH BALANCES, REVENUES AND EXPENDITURES, BY FUND GROUP

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 1: GENERAL STATE OPERATING AND DISBURSING FUNDS	\$ 944,710,462.66	\$ 4,365,452,269.01	\$ 4,287,060,734.70	\$ 1,023,101,996.97
GROUP 2: CONSTITUTIONAL FUNDS EXPENDABLE FOR SPECIFIC PURPOSES	242,978,801.77	1,912,247,947.94	1,792,742,651.84	362,484,097.87
GROUP 3: FEDERAL FUNDS	186,587,444.07	834,083,196.20	850,862,245.50	169,808,394.77
GROUP 4: TRUST OR PLEDGED FUNDS	2,444,726.55	31,736,914.49	31,919,014.04	2,262,627.00
GROUP 5: CONSTITUTIONAL NON-EXPENDABLE FUNDS	5,094,959.24	424,302,921.41	421,427,655.32	7,970,225.33
GROUP 6: TAX CLEARANCE FUNDS	72,217,035.63	2,068,983,059.10	2,065,271,655.99	75,928,438.74
GROUP 7: PETTY CASH FUNDS	413,549.00	586,991.00	22,945.00	977,595.00
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL CASH, ALL GROUPS	<u>\$ 1,454,446,978.92</u>	<u>\$ 9,637,393,299.15</u>	<u>\$ 9,449,306,902.39</u>	<u>\$ 1,642,533,375.68</u>

*Includes Interfund Transfers and Investment Transactions
* *Includes \$68,500 to be recorded on September 1976 statements.

For detail, see Schedule 5.

TABLE IV
REVENUES* AND OPENING CASH BALANCES, 1971 - 1976
 (Year Ended August 31)

	1971	1972	1973	1974	1975	1976
TAX COLLECTIONS BY MAJOR TAX						
Sales Tax (C)	\$ 632,574,235	\$ 824,024,364	\$ 926,211,008	\$ 1,126,238,969	\$ 1,266,637,463	\$ 1,478,372,157
Oil & Gas Production Taxes	303,633,136	307,367,623	334,797,205	518,229,421	664,333,386	795,902,481
Motor Fuel Taxes (gasoline, diesel, LPG)	333,834,985	355,763,054	385,373,018	389,948,327	395,220,240	427,284,420
Cigarette and Tobacco Taxes	203,977,525	232,284,256	244,215,689	248,474,031	260,937,620	279,728,019
Motor Vehicle Sales Tax (C)	97,569,074	167,120,832	197,391,374	197,836,361	202,637,866	270,531,988
Corporation Franchise Tax	131,208,486	128,781,146	133,812,708	154,479,934	166,634,818	213,581,936
Alcoholic Beverages Taxes	69,879,381	78,617,239	82,736,139	89,281,291	92,388,244	98,508,140
Insurance Occupation Tax	59,698,953	66,517,588	77,163,151	84,347,171	92,028,432	102,517,127
Inheritance Tax	34,921,366	39,307,706	47,109,448	50,202,513	47,867,563	58,372,759
Ad Valorem (property) Taxes	63,836,769	61,588,912	57,191,361	50,810,857	44,900,963	36,667,504
Utility Taxes	22,125,248	23,996,432	28,296,252	32,178,139	42,801,997	56,735,313
Telephone Tax	18,579,311	20,514,943	23,627,463	27,262,964	30,625,764	34,984,105
Other Taxes (B)	22,899,576	38,159,600	45,651,715	56,758,008	62,976,441	59,983,451
Total Tax Collections	1,994,738,545	2,344,043,695	2,583,576,531	3,026,047,986	3,369,990,797	3,913,169,400
REVENUES BY SOURCE						
TAX COLLECTIONS (from above)	1,994,738,545	2,344,043,695	2,583,576,531	3,026,047,986	3,369,990,797	3,913,169,400
LICENSES AND FEES	249,038,675	273,460,165	292,035,105	307,580,053	315,468,409	340,153,790
INTEREST INCOME	99,291,973	114,330,133	132,139,051	169,020,498	213,002,855	234,170,910
FEDERAL FUNDING [TOTAL]	[1,007,019,894]	[1,150,498,120]	[1,293,095,902]	[1,283,321,968]	[1,523,576,068]	[1,775,201,622]
Highways	276,686,862	240,262,282	217,220,198	219,704,962	269,677,845	307,990,940
Health	15,056,022	18,207,544	19,735,622	20,555,749	31,959,499	39,851,713
Welfare	483,550,262	611,491,460	603,761,703	563,327,787	674,945,347	777,575,200
Education	156,727,416	190,655,396	212,685,737	239,090,514	257,991,546	327,874,527
Revenue Sharing	- 0 -	- 0 -	127,708,956	97,041,388	97,972,777	103,016,812
Other	74,999,332	89,881,438	111,983,686	143,601,568	191,029,054	218,892,430
LAND INCOME: RENTS, ROYALTIES, SALES	77,386,998	78,627,273	89,941,307	161,392,171	183,249,891	246,534,396
OTHER REVENUE SOURCES (A)	33,592,037	47,691,912	52,665,909	52,213,578	69,337,529	82,454,689
TOTAL NET REVENUES	3,461,068,122	4,008,651,298	4,443,453,805	4,999,576,254	5,674,625,549	6,591,684,807
Receipts to Petty Cash Accounts	830	6,350	7,375	85,249	155,150	586,991
Opening Net Cash Balances, September 1	[505,303,258]	[473,888,570]	[573,860,598]	[916,372,981]	[1,261,952,546]	[1,454,446,979]
State Treasury	505,062,703	473,647,935	573,663,863	916,169,011	1,261,663,387	1,453,469,384
Petty Cash Funds	240,555	240,635	196,735	203,970	289,159	977,595
Total Net	\$ 3,966,372,210	\$ 4,482,546,218	\$ 5,017,321,778	\$ 5,916,034,484	\$ 6,936,733,245	\$ 8,046,718,777

*Excludes some revenues not cleared through the Comptroller's Office.

- (A) Pay patient collections, grants, donations, and miscellaneous revenues.
 (B) Hotel-Motel and other occupation taxes not separately identified, cement and other gross receipts taxes not separately identified, Sulphur Tax.
 (C) Sales Tax (Limited Sales and Use Tax) and Motor Vehicle Sales Tax shown separately.

For revenue detail, see Schedule 1

TABLE VI
ANNUAL PERCENTAGE CHANGE IN REVENUE BY SOURCE, 1972 - 1976

	PERCENTAGE CHANGE FROM PRIOR YEAR				
	1972	1973	1974	1975	1976
TAX COLLECTIONS BY MAJOR TAX					
Sales Tax	30.3%	12.4%	21.6%	12.5%	16.7%
Oil & Gas Production Taxes	1.2	8.9	54.8	28.2	19.8
Motor Fuel Taxes (gasoline, diesel, LPG)	6.6	8.3	1.2	1.4	8.1
Cigarette and Tobacco Taxes	13.9	5.1	1.7	5.0	7.2
Motor Vehicle Sales Tax	71.3	18.1	0.2	2.4	33.5
Corporation Franchise Tax	- 1.9	3.9	15.4	7.9	28.2
Alcoholic Beverages Taxes	12.5	5.2	7.9	3.5	6.6
Insurance Occupation Tax	11.4	16.0	9.3	9.1	11.4
Inheritance Tax	12.6	19.9	6.6	- 4.7	21.9
Ad Valorem (property) Taxes	- 3.5	- 7.1	- 11.2	- 11.6	- 18.3
Utility Taxes	8.5	17.9	13.7	33.0	32.6
Telephone Tax	10.4	15.2	15.4	12.3	14.2
Other Taxes	66.6	19.6	24.3	11.0	- 4.8
Total Tax Collections	17.5	10.2	17.1	11.4	16.1
REVENUES BY SOURCE					
TAX COLLECTIONS (from above)	17.5	10.2	17.1	11.4	16.1
LICENSES AND FEES	9.8	6.8	5.3	2.6	7.8
INTEREST INCOME	15.2	15.6	27.9	26.0	9.9
FEDERAL FUNDING [TOTAL]	[14.2]	[12.4]	[- 0.8]	[18.7]	[16.5]
Highways	- 13.2	- 9.6	1.1	22.8	14.2
Health	20.9	8.4	4.2	55.5	24.7
Welfare	26.5	- 1.3	- 6.7	19.8	15.2
Education	21.7	11.6	12.4	7.9	27.1
Revenue Sharing	- 0	- 0	- 24.0	1.0	5.1
Other	19.8	24.6	28.2	33.0	14.6
LAND INCOME: RENTS, ROYALTIES, SALES	1.6	14.4	79.4	13.5	34.5
OTHER REVENUE SOURCES	42.0	10.4	- 0.9	32.8	18.9
TOTAL NET REVENUES	15.8	10.9	12.5	13.5	16.2

TABLE VII
EXPENDITURES* AND CLOSING CASH BALANCES, 1971 – 1976
 (Year Ended August 31)

	1971	1972	1973	1974	1975	1976
Administrative						
Executive Departments	\$ 36 791 176	\$ 46 585 103	\$ 50 601 092	\$ 61 410 277	\$ 75 667 588	\$ 99 164 493
Business Regulatory Commissions	17 921 526	21 243 787	24 159 110	27 093 614	30 230 176	36 044 571
Legislative	10 296 793	8 921 043	13 640 526	17 472 403	19 498 974	16 703 699
Judicial	8 542 224	10 293 281	10 549 860	12 325 052	13 140 568	16 379 726
Services						
Welfare	695 204 626	758 501 753	811 285 596	797 784 376	885 772 343	1 044 634 016
Mental Health, State Homes and Corrections	150 428 121	178 901 374	192 379 163	225 979 432	266 937 602	327 500 959
Health and Sanitation	40 456 955	52 021 601	61 394 182	77 960 345	98 750 001	134 197 085
Law Enforcement	40 180 453	44 949 757	48 401 261	57 007 936	62 283 476	74 654 360
Improvements						
Highway Maintenance & Construction	667 096 891	605 038 264	583 386 605	649 319 419	831 750 976	731 239 352
Natural Resources	31 242 481	36 059 732	41 425 913	48 187 822	55 096 020	63 506 741
Parks and Monuments	19 186 396	25 892 193	34 434 762	38 651 210	47 957 498	61 815 570
Education						
Support for Higher & Public Education	1 474 992 597	1 646 757 665	1 746 309 953	1 950 030 142	2 307 419 353	2 895 459 544
Contribution to Teacher Retirement	77 846 328	160 966 058	150 965 170	143 147 250	253 250 723	204 512 810
Other Expenditures						
Grants to Political Subdivisions and Others	68 482 427	83 111 712	99 463 986	141 967 490	201 255 140	246 114 538
Payment of Public Debt	47 082 077	48 189 656	72 747 042	79 109 643	88 185 114	98 480 622
Contributions to Employee Social Security	30 276 538	34 900 517	43 615 147	54 489 757	66 744 571	77 439 197
Contributions to Employee Retirement	19 707 411	26 737 241	31 517 535	39 654 964	67 497 223	64 775 610
Miscellaneous	1 099 359	1 763 961	3 132 609	5 072 117	5 889 269	11 100 882
NET EXPENDITURES	\$ 3 436 834 379	\$ 3 790 834 698	\$ 4 019 409 512	\$ 4 426 663 249	\$ 5 377 326 615	\$ 6 203 723 772
Net Interfund Transfers and Investment Transactions	55 648 511	117 800 672	81 539 145	227 418 629	104 928 891	200 339 679
Expenditures from Petty Cash to State Treasury	750	50 250	140	60	30 760	22 945
Closing Net Cash Balances, August 31	[473 888 570]	[573 860 598]	[916 372 981]	[1 261 952 546]	[1 454 446 979]	[1 642 533 376]
State Treasury	473 647 935	573 663 863	916 169 011	1 261 663 387	1 454 033 430	1 641 555 781
Petty Cash	240 635	196 735	203 970	289 159	413 549	**977 595
Total Net	\$ 3 966 372 210	\$ 4 482 546 218	\$ 5 017 321 778	\$ 5 916 034 484	\$ 6 936 733 245	\$ 6 392 723 722

*Excludes some revenues not cleared through State Comptroller's Office.

**Includes \$220,000 of Petty Cash Advances recorded as Expenditure 028 in prior year for Dept. 757, as well as \$68,500 which is to be recorded on September 1976 Statement.

For expenditure detail, see Schedule 2

TABLE IX
ANNUAL PERCENTAGE CHANGE IN EXPENDITURES BY FUNCTION, 1971 - 1976

EXPENDITURES	PERCENTAGE CHANGE FROM PRIOR YEAR				
	1972	1973	1974	1975	1976
<u>Administrative</u>					
Executive Departments	26.6%	8.6%	21.4%	23.2%	31.1%
Business Regulatory Commissions	18.5	13.7	12.2	11.6	19.2
Legislative	- 13.4	52.9	28.1	11.6	-14.3
Judicial	20.5	2.5	16.8	6.6	24.7
<u>Services</u>					
Welfare	9.1	7.0	- 1.7	11.0	17.9
Mental Health, State Homes and Corrections	18.9	7.5	17.5	18.1	22.7
Health and Sanitation	28.6	18.0	27.0	26.7	35.9
Law Enforcement	11.9	7.7	17.8	9.3	19.9
<u>Improvements</u>					
Highway Maintenance & Construction	- 9.3	- 3.6	11.3	28.1	-12.1
Natural Resources	15.4	14.9	16.3	14.3	15.3
Parks and Monuments	35.0	33.0	12.2	24.1	28.9
<u>Education</u>					
Support for Higher & Public Education	11.7	6.1	11.7	18.3	25.5
Contribution to Teacher Retirement	106.8	- 6.2	- 5.2	79.7	-20.2
<u>Other Expenditures</u>					
Grants to Political Subdivisions and Others	21.4	19.7	42.7	38.9	22.3
Payment of Public Debt	2.4	51.0	8.7	11.5	11.7
Contributions to Employee Social Security	15.3	25.0	24.9	22.5	16.0
Contributions to Employee Retirement	35.7	17.9	25.8	70.2	- 4.0
Miscellaneous	60.5	77.6	61.9	16.1	88.5
Total Net Expenditures	10.3	6.0	10.1	21.5	15.4

TABLE X
TOTAL EXPENDITURES BY OBJECT, 1971 - 1976
 Year Ended August 31

	1971	1972	1973	1974	1975	1976
Personal Services	\$ 881,709,445	\$ 1,071,617,093	\$ 1,176,090,762	\$ 1,355,726,398	\$ 1,717,914,722	\$ 1,918,402,743
Consumable Supplies and Materials	111,645,632	115,642,779	118,907,702	142,078,213	181,322,301	155,199,421
Current and Recurring Operating Expense	85,669,808	115,730,400	135,321,388	179,262,496	256,347,496	253,317,558
Assistance and Pensions	603,787,765	647,687,106	666,567,050	600,848,081	596,697,461	779,628,431
Grants	1,166,815,961	1,289,903,067	1,382,664,788	1,542,561,740	1,857,357,135	2,358,770,090
Payments of Indebtedness and Interest	47,294,608	48,263,859	72,949,867	79,274,809	88,314,869	101,630,906
Capital Outlay	539,911,400	501,972,786	466,907,955	526,911,511	679,372,631	636,774,623
GRAND TOTAL	\$ 3,436,834,619	\$ 3,790,817,090	\$ 4,019,409,512	\$ 4,426,663,248	\$ 5,377,326,615	\$ 6,203,723,772

Percent of Total

Personal Services	25.6%	28.3%	29.3%	30.6%	32.0%	30.9%
Consumable Supplies and Materials	3.2	3.0	3.0	3.2	3.4	2.5
Current and Recurring Operating Expense	2.5	3.1	3.4	4.1	4.8	4.1
Assistance and Pensions	17.6	17.1	16.5	13.6	11.1	12.6
Grants	34.0	34.0	34.4	34.8	34.5	38.0
Payments of Indebtedness and Interest	1.4	1.3	1.8	1.8	1.6	1.6
Capital Outlay	15.7	13.2	11.6	11.9	12.6	10.3
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

Percentage Change from Prior Year

Personal Services		21.5%	9.7%	15.3%	26.7%	11.7%
Consumable Supplies and Materials		3.6	2.8	19.5	27.6	- 14.4
Current and Recurring Operating Expense		35.1	16.9	32.5	43.0	- 1.2
Assistance and Pensions		7.3	2.9	- 9.9	- 0.7	30.7
Grants		10.5	7.2	11.6	20.4	27.0
Payments of Indebtedness and Interest		2.1	51.2	8.7	11.4	15.1
Capital Outlay		- 7.0	- 7.0	12.9	28.9	- 6.3
Grand Total		10.3	6.0	10.1	21.5	15.4

The difference between 1970, 1971, & 1972 object totals and the total net expenditures for the same years in Table VII is due to past Annual Report adjustments and Function Code overstatements.

For detail, see Schedule 3

FEDERAL FUND REVENUES

The following schedules provide data on the receipt of federal funds by state government. In fiscal year 1976, federal revenues represented over \$1.7 billion dollars (26.9 %) of all state revenues, or second only to tax collections as the major source of revenue for the state. As Table VI indicates, federal fund receipts in FY 1976 experienced a 16.5 percent increase over the amount received in FY 1975.

Table XI presents a breakdown of federal revenues by eleven program categories. The categories reflect major areas of state spending and were compiled by aggregating the federal receipts of those agencies and/or state programs whose primary responsibility falls under a particular categorical heading. Some categories contain the federal funds of only one agency (i.e., Welfare, Health) while some contain revenues from several agencies and state funds (e.g., the Social and Rehabilitative Services category contains federal funds received by the Department of Community Affairs, Commission on Alcoholism, the Governor's Office - Older Americans Fund and others). General revenue sharing, which can be spent in a variety of ways, was separated as a distinct category since it constitutes a significant proportion of federal revenues. The Other category contains all those funds which could not be grouped in any of the listed categories.

Of the thirteen categories listed, all except Public Safety/Law Enforcement, Natural Resources/Environmental Protection, and General Government experienced increases from FY 1975 figures.

TABLE XI

FEDERAL FUNDS BY PROGRAM CATEGORY

PROGRAM CATEGORY	1971	1972	1973	1974	1975	1976
Welfare	\$ 448,611,370.79	\$ 574,776,332.74	\$ 565,938,931.18	\$ 513,558,824.71	\$ 617,593,323.51	\$ 726,009,873.36
Highways/Transportation	276,686,861.78	240,262,281.70	217,220,197.50	219,745,095.88	269,860,034.94	308,049,097.56
Education	156,763,181.27	190,658,578.97	212,685,737.06	239,110,514.37	258,011,201.90	327,994,308.13
Health	14,540,666.57	16,839,673.89	18,335,319.69	18,139,371.40	31,959,498.61	39,851,713.06
Social/Rehabilitative Services	43,873,150.07	53,022,834.57	55,554,366.98	81,606,972.96	120,744,613.10	135,405,493.98
Public Safety/Law Enforcement	21,851,602.60	24,630,180.31	36,769,191.75	45,684,781.67	47,675,014.25	45,767,378.24
Natural Resources/Environmental Protection	4,381,841.20	7,025,861.58	11,810,695.57	13,140,842.13	16,783,769.55	16,047,905.14
General Government	1,325,330.46	1,573,920.64	1,804,610.88	2,493,528.83	3,328,779.23	2,491,423.94
Unemployment Compensation	37,023,398.94	38,881,686.00	42,974,103.80	50,734,382.81	54,533,831.00	64,879,134.63
General Revenue Sharing			127,708,956.00	97,041,388.00	97,972,777.00	103,016,812.00
Other	1,962,490.58	2,956,309.74	2,293,791.72	2,066,264.87	5,113,225.22	5,688,482.75
TOTAL	\$1,007,019,894.26	\$1,150,627,660.14	\$1,293,095,902.13	\$ 1,283,321,967.63	\$ 1,523,576,068.31	\$ 1,775,201,622.79

A schematic representation of the proportion of federal funds represented by each program category is presented in Exhibit V.

The Welfare category receives the greatest proportion of federal revenues (40.9%) and when combined with the Education and Highways/Transportation categories (each approximately 18%), the three categories constitute over three-fourths of all federal revenues received.

Table XII provides a breakdown by agency of federal fund revenues. The schedule reveals that the top three agencies, the Department of Public Welfare, Texas Education Agency, State Department of Highways and Public Transportation, receive over 1.3 billion dollars or 76.58 percent of all federal revenues. Each agency has also received a significant increase over the FY 1975 amount of federal revenues. In total, fourteen agencies on the table experienced an increase in federal revenues between FY 1975 and FY 1976, and eleven experienced a decrease.

TABLE XII

FEDERAL FUND REVENUES BY AGENCY

STATE AGENCY	1971	1972	1973	1974	1975	1976
Department of Public Welfare	\$ 448,611,370.79	\$ 574,776,332.74	\$ 565,938,921.18	\$ 513,558,824.71	\$ 617,593,323.51	\$ 726,009,873.36
Education Agency	155,887,300.74	189,852,384.10	211,477,161.51	236,741,203.89	254,832,066.74	324,656,411.73
Highway Department	276,686,861.78	240,262,281.70	217,200,197.50	219,704,962.33	269,778,733.23	308,859,630.55
Miscellaneous*	----	----	127,708,956.00	97,041,388.00	97,972,777.00	103,016,812.00
Employment Commission	37,023,398.94	38,881,686.00	42,974,103.80	50,734,382.81	54,533,831.00	64,879,134.63
Department of Community Affairs	436,711.24	5,932,571.15	6,597,629.92	13,235,748.66	35,408,779.79	56,662,132.67
Governor's Office	16,542,421.25	22,415,611.94	35,815,327.84	50,687,727.16	58,080,134.98	56,022,441.61
Rehabilitation Commission	34,938,891.31	36,715,127.03	37,822,772.00	49,768,961.69	57,352,023.06	51,565,327.27
Department of Health Resources	14,540,666.57	16,839,673.89	18,335,319.69	18,139,371.40	31,959,498.61	39,851,713.06
Commission for the Blind	6,252,674.00	8,424,581.08	7,629,025.00	9,470,855.00	12,408,712.22	11,776,793.04
Parks and Wildlife Department	3,543,461.06	5,375,198.89	10,061,939.29	9,194,922.17	11,836,310.97	11,195,559.10
Library and Historical Commission	1,883,000.00	2,622,531.72	1,566,838.95	1,133,913.66	3,906,769.00	3,843,408.00
Coordinating Board	760,511.23	702,945.66	1,042,950.59	2,183,745.53	3,000,654.49	3,135,663.05
Commission on Alcoholism	----	530,712.81	1,213,946.57	2,339,386.57	4,156,312.00	3,116,591.61
Department of Public Safety	7,181,644.64	4,560,644.13	3,788,065.35	3,356,155.25	3,171,023.22	2,477,874.95
Air Control Board	----	----	169,302.66	1,575,819.00	2,315,561.00	1,719,388.00
Water Quality Board	515,356.21	1,235,308.23	1,023,048.85	1,884,459.68	2,059,333.14	1,641,449.57
General Land Office	----	----	----	41,501.90	343,157.33	1,094,739.15
Animal Health Commission	----	132,561.89	377,253.92	531,917.45	695,395.17	751,554.38
Adjutant General	----	----	31,810.03	278,779.48	428,362.97	515,905.90
Rio Grande State Center MHMR	387,440.60	411,328.09	527,957.65	599,503.00	501,955.00	493,192.00
Arts and Humanities Commission	----	----	----	----	76,732.99	457,585.13
Water Development Board	322,968.50	415,409.89	556,404.77	280,271.47	218,465.23	396,769.32
Historical Commission	13,584.78	108,444.18	86,388.44	80,953.22	144,250.13	343,025.56
Industrial Commission	----	16,000.00	155,204.30	239,390.55	208,874.45	178,184.55
Office of State-Federal Relations	----	----	----	----	45,000.00	123,792.19
Subtotal	1,005,528,263.64	1,150,212,335.03	1,292,100,525.81	1,282,804,144.58	1,523,028,036.33	1,774,784,952.38
Percent of All Federal Revenues	99.85%	99.96%	99.92%	99.96%	99.96%	99.98%
All other State agencies	1,491,630.62	415,325.11	995,376.32	517,823.05	548,031.98	416,670.41
TOTAL	\$1,007,019,894.26	\$1,150,627,660.14	\$1,293,095,902.13	\$1,283,321,967.63	\$1,523,576,068.31	\$1,775,201,622.79

*General Revenue Sharing Funds

STATE AID TO LOCAL GOVERNMENTS

In fiscal year (FY) 1976 the State of Texas granted slightly more than \$2 billion to local governments. School districts received 96.4 percent or \$1.9 billion of these funds. Counties were the recipients of \$40 million or 2.0 percent, and cities were granted nearly \$32 million or 1.6 percent.

State aid to local governments has been separated into six program categories in Tables XIII and XIV: General Government, Highways/Transportation, Social Services, Natural Resources/Environmental Protection, Public Safety/Law Enforcement, and Education.

These categories are defined as:

General Government - Programs and services of general governmental administration, finance, judiciary, etc.

Highways/Transportation - Programs and services supporting highways, streets, roads, airports, etc.

Social Services - Programs and services for the poor, elderly, youth, alcoholics, etc.

Natural Resources/Environmental Protection - Parks, recreation, and pollution control programs.

Public Safety/Law Enforcement - Law enforcement, traffic safety, and civil defense - disaster relief programs.

Education - Support for education at the elementary and secondary level.

TABLE XIII
SUMMARY OF STATE AID TO LOCAL GOVERNMENTS

Program Category	1976 Expenditures	Percent
General Government	\$ 19,014,945.71	.9%
Highways/Transportation	15,261,180.30	.8
Social Services	3,347,672.26	.2
Natural Resources/Environmental Protection	5,243,708.22	.3
Public Safety/Law Enforcement	29,195,606.63	1.5
Education	<u>1,936,275,072.96</u>	<u>96.4</u>
TOTAL	<u>2,008,338,186.08</u>	100.0
Type of Receiving Government		
Counties	40,339,555.54	2.0
Cities	31,680,132.83	1.6
School Districts	1,936,275,072.96	96.4
Other Political Subdivisions	<u>43,424.75</u>	<u>*</u>
TOTAL	<u>2,008,338,186.08</u>	100.0
Source of Grants		
State Funds	1,808,905,618.69	90.1
Federal Funds	<u>199,432,567.39</u>	<u>9.9</u>
TOTAL	<u>\$ 2,008,338,186.08</u>	100.0

* less than .1 percent

ANALYSIS OF STATE AID TO LOCAL GOVERNMENT

Texas cities, counties, and other political subdivisions received \$19 million in the General Government category in FY 1976. The State shared \$5.9 million in Mixed Beverage Tax revenues with counties and \$5.5 million with cities. These shared revenues are unrestricted and may be used by cities and counties for any legal purpose. Also, in this category, cities received over \$4 million from the Texas Library and Historical Commission.

Over \$15 million was granted to cities and counties for Highways/Transportation in FY 1976. Most of this money (\$14.6 million) flowed to counties from the County Road and District Fund. Other monies included in this category are grants to cities and counties from the Texas Aeronautics Commission.

Grants to cities and counties for Social Services totaled \$3.3 million. The Department of Community Affairs, Commission on Alcoholism, Governor's Office, and Texas Youth Council were the primary grantors.

Cities and counties received \$5.2 million for Natural Resources/Environmental Protection. The Parks and Wildlife Department granted most of this money, of which cities received \$3.9 million. It should be noted, that a dollar figure for the Texas Water Development Board's bonding program is not included in this category.

Twenty-nine million dollars were granted in cities, counties, and other political subdivisions for Public Safety/Law Enforcement. Nearly \$26 million of this came from the Texas Criminal Justice Council. All of the money in this category was originally federal money.

Texas school districts received \$1.9 billion in education aid. The Foundation school Program provided \$1.6 billion of this total. In addition to this large program, the Texas Education Agency dispensed federal education money (\$32 million) and federal school lunch funds (\$126 million).

Ninety percent of the aid to local governments comes from state funds. However, 98 percent of this money is for school aid. Fifty-seven percent or \$41 million of the \$72 million going to cities, counties, and other political subdivisions comes from the federal government through the State.

In addition to the grants that the State makes to local governments, it grants money to community action agencies, regional councils of government, and non-profit agencies. The State granted \$99 million to these entities in FY 1976. The largest grantors were the Department of Community Affairs (\$48.5 million), Department of Mental Health/Mental Retardation (\$26.6 million), Governor's Office - Older Americans Fund (\$8.7 million), and the Criminal Justice Council (\$8.3 million).

Also in FY 1976, the 855 cities which elected to impose the one cent local-option sales tax received almost \$284 million from this source of revenue. The Comptroller, by law, collects the local sales tax and disburses those revenues to cities, therefore this tax is defined as a "piggyback tax" rather than a shared revenue or some other form of state aid.

STATE AID TO LOCAL GOVERNMENTS BY PROGRAM CATEGORY

Program Category	1976 Expenditures	Source	
		State	Federal
General Government			
Counties	\$ 8,917,498.25	\$ 8,422,895.73	\$ 494,602.52
Cities	10,090,044.13	6,797,679.73	3,292,364.40
Other Political Subdivisions	<u>7,403.33</u>	<u>7,403.33</u>	
TOTAL	19,014,945.71	15,227,978.79	3,786,966.92
Highways/Transportation			
Counties	14,752,394.74	14,643,709.33	108,685.41
Cities	<u>508,785.56</u>	<u>258,543.62</u>	<u>250,241.94</u>
TOTAL	15,261,180.03	14,902,252.95	358,927.35
Social Services			
Counties	795,678.10	263,933.33	531,744.77
Cities	<u>2,551,994.16</u>	<u>262,786.95</u>	<u>2,289,207.21</u>
TOTAL	3,347,672.26	526,720.28	2,820,951.98
Natural Resources/Environmental Protection			
Counties	1,265,982.09	35,549.10	1,230,432.99
Cities	<u>3,977,726.13</u>	<u>23,640.70</u>	<u>3,954,085.43</u>
TOTAL	5,243,708.22	59,189.80	5,184,518.42
Public Safety/Law Enforcement			
Counties	14,608,002.36		14,608,002.36
Cities	14,551,582.85		14,551,582.85
Other Political Subdivisions	<u>36,021.42</u>		<u>36,021.42</u>
TOTAL	29,195,606.63		29,195,606.63
Education			
School Districts	<u>1,936,275,072.96</u>	<u>1,778,189,476.87</u>	<u>158,085,596.09</u>
TOTAL – All Categories	\$ <u>2,008,338,186.08</u>	\$ <u>1,808,906,618.69</u>	\$ <u>199,432,567.39</u>

Revenue & Expenditure Detail

SCHEDULE 1
REVENUES BY SOURCE AND CLASS
Year Ended August 31

28

SOURCE/Class			1975 Revenues	1976 Revenues	Percent Change
01	001	AD VALOREM TAX	\$ 44,900,963.19	\$ 36,667,504.15	- 18.3%
02	005	INHERITANCE TAX	47,867,563.27	58,372,758.81	+ 21.9
03	PRODUCTION & REGULATION – CRUDE OIL				
	020	Oil Production Tax	402,553,158.48	429,104,573.37	+ 6.6
	026	Oil and Gas Regulation Tax	<u>2,210,686.61</u>	<u>2,210,010.84</u>	- 0.1
	TOTAL, PRODUCTION & REGULATION – CRUDE OIL		404,763,845.09	431,314,584.21	+ 6.6
04	022	NATURAL & CASINGHEAD GAS TAX	259,569,541.19*	364,587,897.12	+ 40.5
05	024	SULPHUR TAX	4,786,896.12	4,789,660.39	+ 0.1
06	100	GAS UTILITY ADMINISTRATION TAX	7,315,370.00	11,420,329.41	+ 56.1
07	040	CEMENT TAX	3,260,179.90	3,622,861.73	+ 11.1
08	042	UTILITIES TAX	35,486,626.20*	45,314,983.61	+ 27.7
09	044	TELEPHONE COMPANIES TAX	30,625,764.27*	34,984,104.92	+ 14.2
10	OTHER – PRODUCTION & GROSS RECEIPTS TAXES				
	046	Oil & Gas Well Servicing Tax	2,025,708.65	2,717,993.09	+ 34.2
	050	Express Companies Tax	(71,915.61)	- 0 -	
	052	Carline Companies Tax	28,495.61	39,106.31	+ 37.2
	077	Mixed Drinks Gross Receipts Tax	33,869,410.59	40,427,559.45	+ 19.4
	087	Telegraph Tax	49,011.21	71,016.71	+ 44.9
	153	Stock Share Transfer Tax	(104.21)	(1,416.04)	
	178	Other Miscellaneous Taxes	- 0 -	- 0 -	
	180	Miscellaneous Occupation Taxes	<u>78,572.46</u>	<u>59,107.20</u>	- 24.8
	TOTAL, OTHER – PRODUCTION & GROSS RECEIPTS TAXES		35,979,178.70	43,313,366.73	+ 20.4

(Deduction)

*A 1974 journal entry error was discovered in 1975 and corrected in 1975 as follows:

	1974	1975
Revenue 022	- 2,244,900.49	+ 2,244,900.49
Revenue 042	+ 2,772,015.52	- 2,772,015.52
Revenue 044	- 527,115.03	+ 527,115.03

Totals shown here for 1974 and 1975 have been adjusted by these amounts in order to reflect normal growth patterns for each year.

SCHEDULE 1 (continued)
REVENUES BY SOURCE AND CLASS
Year Ended August 31

SOURCE/Class	1975 Revenues	1976 Revenues	Percent Change
11 MOTOR VEHICLE SALES TAX			
095 Motor Vehicle Rental Tax	\$ 4,954,327.65	\$ 5,756,175.08	+ 16.2%
096 Motor Vehicle Tax	<u>197,683,538.09</u>	<u>264,775,813.28</u>	+ 33.9
TOTAL, MOTOR VEHICLE SALES TAX	202,637,865.74	270,531,988.36	+ 33.5
12 HOTEL, MOTEL & MISCELLANEOUS EXCISE TAX			
072 Hotel and Motel Tax	12,236,239.24	14,378,094.02	+ 17.5
102 Other Selective Sales Taxes	<u>68,305.06</u>	<u>64,167.52</u>	- 6.1
TOTAL, HOTEL, MOTEL & MISCELLANEOUS EXCISE TAX	12,304,544.30	14,442,261.54	+ 17.4
13 CIGARETTE & TOBACCO PRODUCTS TAXES & LICENSES			
074 Cigarette Tax	251,194,040.21	269,832,070.76	+ 7.4
076 Tobacco Products Tax	9,220,366.38	9,396,065.66	+ 1.9
207 Cigarette & Tobacco Tax Permit Fees	<u>523,213.44</u>	<u>499,882.09</u>	- 4.5
TOTAL, CIGARETTE & TOBACCO PRODUCTS TAXES & LICENSES	260,937,620.03	279,728,018.51	+ 7.2
14 ALCOHOLIC BEVERAGES TAXES & LICENSES			
080 Liquor Tax	35,125,190.59	35,804,293.24	+ 1.9
082 Wine Tax	2,622,241.17	3,005,396.46	+ 14.6
084 Ale Tax (Malt Liquor)	946,085.87	1,098,992.87	+ 16.2
090 Beer Tax	46,514,075.65	50,620,367.64	+ 8.8
208 Private Club Service Fee	88,325.12	126,030.20	+ 42.7
210 Liquor Permit Fees	6,029,252.03	6,742,778.43	+ 11.8
211 Wine and Beer Permit Fees	<u>1,063,073.35</u>	<u>1,110,280.77</u>	+ 4.4
TOTAL, ALCOHOLIC BEVERAGE TAXES & LICENSES	92,388,243.78	98,508,139.61	+ 6.6
15 094 SPECIAL MOTOR FUELS TAX	45,124,730.77	51,012,347.41	+ 13.0
16 110 MOTOR FUEL GASOLINE TAX	350,095,509.16	376,272,072.48	+ 7.5
17 150 FRANCHISE TAX	166,634,817.69	213,581,935.66	+ 28.2
18 INSURANCE COMPANIES OCCUPATION TAXES			
155 Insurance Companies Occupation Tax	90,795,082.77	101,045,299.53	+ 11.3
160 Insurance Companies Workmen's Compensation Tax	<u>1,233,349.15</u>	<u>1,471,827.89</u>	+ 19.3
TOTAL, INSURANCE COMPANIES OCCUPATION TAXES	92,028,431.92	102,517,127.42	+ 11.4

SCHEDULE 1 (continued)
REVENUES BY SOURCE AND CLASS
Year Ended August 31

SOURCE/Class		1975 Revenues	1976 Revenues	Percent Change
20	OTHER OCCUPATION TAXES			
056	Admissions Tax	\$ 5,407,781.76	\$ (7,490,338.47)	Note
172	Coin-Operated Amusement Machine Tax	<u>1,237,860.32</u>	<u>1,305,639.27</u>	+ 5.5%
	TOTAL, OTHER OCCUPATION TAXES	6,645,642.08	(6,184,698.20)	
22	STORE LICENSES & EXEMPTIONS			
200	Store and Exemption License Fees	23,792.63	15.03	- 99.9
300	Store and Exemption License Service Fees	3,025.57	- 0 -	
301	Store and Exemption License Filing Fees	<u>10,658.00</u>	<u>2.00</u>	- 99.9
	TOTAL, STORE LICENSES & EXEMPTIONS	37,476.20	17.03	- 99.9
23	LIMITED SALES, EXCISE & USE TAX			
062	Limited Sales Tax	1,259,534,768.89	1,468,066,053.37	+ 16.6
063	Motor Fuel Lubricants Sales Tax	4,929,456.00	7,539,642.00	+ 52.9
066	Limited Sales & Use Tax (Collected by State Agencies)	<u>2,173,238.39</u>	<u>2,766,461.61</u>	+ 27.3
	TOTAL, LIMITED SALES, EXCISE & USE TAX	1,266,637,463.28	1,478,372,156.98	+ 16.7
24	OTHER LICENSES & FEES			
157	Insurance Companies Maintenance Tax	5,254,052.14	8,929,839.63	+ 70.0
176	Bedding Tax	82,572.03	80,772.57	- 2.2
201	Coin-Operated Business License Fee	(4,525.10)	572,298.25	
206	Gross Receipts Permit Fees	236.00	249.00	+ 5.5
209	Controlled Substance Manufacture, Distribution & Dispensing Registration Fee	97,960.00	130,205.00	+ 32.9
212	Operators and Chauffeurs License Fees	18,247,429.48	19,315,306.74	+ 5.9
213	Agriculture Department License Fees	534,951.69	590,017.17	+ 10.3
214	Health Department License Fees	203,631.00	337,539.11	+ 65.8
215	Bedding Permit Fees	37,682.87	37,456.00	- 0.6
220	Securities Act License Registration Fees	1,082,735.51	1,366,439.84	+ 26.2
221	Insurance Department License & Registration Fees	1,300,141.50	1,258,669.86	- 3.2
222	Motor Bus Permit and License Fees	104,960.22	102,251.64	- 2.6
223	Motor Carrier Permit License Fees & Fines	1,603,189.27	1,627,883.67	+ 1.5
224	Professional Examination & Registration Fees	2,616,937.86	4,565,531.75	+ 74.5
225	Higher Education Registration Fees	26,360,956.50	24,755,012.78	- 6.1
226	Other Licenses, Permits & Registration Fees	5,360,171.59	7,359,060.76	+ 37.3
250	Certificate of Title Fees	1,498,137.60	1,818,270.75	+ 21.4
251	Motor Vehicle Inspection & Certification Fees	4,064,239.00	4,237,471.00	+ 4.3
252	Agriculture Department Inspection & Certification Fees	964,545.62	1,158,318.64	+ 20.1

(Deduction)

Note: Admission Tax Refunds Due to Court Decision.

SCHEDULE 1 (continued)
REVENUES BY SOURCE AND CLASS
 Year Ended August 31

SOURCE/Class		1975 Revenues	1976 Revenues	Percent Change
24	OTHER LICENSES & FEES (continued)			
253	Boiler Inspection Fees	\$ 222,635.53	\$ 214,399.05	- 3.7%
254	Health Department Inspection Fees	148,937.34	156,710.70	+ 5.2
255	Other Inspection and Certification Fees	669,805.30	697,849.17	+ 4.2
304	Higher Education Student Fees	4,379,246.42	3,373,638.05	- 23.0
306	Examination and Audit Fees	2,071,672.41	3,205,682.88	+ 54.7
307	City Sales Tax Service Fee	5,781,339.30	5,677,799.07	- 1.2
310	Other Filing, Office and Service Fees	19,494,842.11	20,641,942.18	+ 5.6
	TOTAL, OTHER LICENSES & FEES	102,178,483.19	112,210,615.26	+ 9.8
25	218 GAME AND FISH LICENSE FEES	12,500,045.87	11,324,426.90	- 9.4
26	MOTOR VEHICLE LICENSES, REGISTRATION & FEES			
204	Motor Vehicle Registration Fees	197,951,391.75	213,667,148.69	+ 7.9
205	Personalized License Plates Fees	733,135.00	773,915.00	+ 5.6
216	Truck and Automobile Permit Fees	2,067,876.82	2,177,666.97	+ 5.3
	TOTAL, MOTOR VEHICLE LICENSES, REGISTRATION & FEES	200,752,403.57	216,618,730.66	+ 7.9
27	400 PRINCIPAL ON LAND SALES	278,428.63	399,529.82	+ 43.5
28	OIL, GAS & MINERAL ROYALTIES			
402	Oil and Gas Royalties	128,838,779.32	175,548,206.54	+ 36.3
403	Other Royalties	208,246.10	7,170,316.81	+ 3,343.2
	TOTAL, OIL, GAS & MINERAL ROYALTIES	129,047,025.42	182,718,523.35	+ 41.6
29	404 SAND, SHELL AND GRAVEL SALES	1,724,236.27	796,646.06	- 53.8
30	REAL ESTATE, EQUIPMENT & COMMODITIES SALES			
405	Building Sales	150,060.19	137,849.00	- 8.1
420	Machinery and Equipment Sales	2,134,051.81	1,873,912.72	- 12.2
421	Farm, Dairy and Garden Product Sales	1,222,138.02	1,070,521.92	- 12.4
422	Processed Products Sales	3,031,961.84	3,848,839.92	+ 26.9
423	Publication and Advertising Sales	1,980,281.90	2,440,174.96	+ 23.2
424	Operating Supplies Sales	103,121.17	155,027.56	+ 50.3
425	Dormitory, Cafeteria & Merchandise Sales	3,338,511.57	3,682,637.28	+ 10.3
426	Other Sales	2,272,192.24	5,102,334.46	+ 124.6
	TOTAL, REAL ESTATE, EQUIPMENT & COMMODITIES SALES	14,232,318.74	18,311,297.82	+ 28.7
31	440 MINERAL LEASE, BONUS & PROSPECT RENTALS	35,843,173.84	42,109,999.66	+ 17.5

SCHEDULE 1 (continued)
REVENUES BY SOURCE AND CLASS
Year Ended August 31

SOURCE/Class		1975 Revenues	1976 Revenues	Percent Change	
32	SURFACE RENTALS, LEASES & EASEMENTS				
441	Rental Lands and Buildings	\$ 237,266.54	\$ 245,791.99	+	3.6%
442	Rental Equipment	2,873.69	3,741.82	+	30.2
443	Other Rentals, Leases and Easements	<u>1,884,567.49</u>	<u>1,948,865.29</u>	+	3.4
	TOTAL, SURFACE RENTALS, LEASES & EASEMENTS	2,124,707.72	2,198,399.10	+	3.5
33	INTEREST ON DEPOSITS				
500	Interest on State Deposits	74,149,823.16	80,098,549.25	+	8.0
501	Interest on County Deposits	238.54	70.36	-	70.5
502	Interest on Local Deposits	<u>1,417,961.06</u>	<u>918,842.16</u>	-	35.2
	TOTAL, INTEREST ON DEPOSITS	75,568,022.76	81,017,461.77	+	7.2
34	INTEREST ON SECURITIES OWNED				
510	Interest on Investments	83,808,034.85	91,321,547.57	+	9.0
511	Dividends on Corporate Stock	34,666,819.84	40,103,936.56	+	15.7
516	Accrued Interest and Premiums on Sale of State Bonds Issued	<u>420,446.38</u>	<u>601,684.27</u>	+	43.1
	TOTAL, INTEREST ON SECURITIES OWNED	118,895,301.07	132,027,168.40	+	11.0
35	515 INTEREST ON LAND SALES	11,361,030.41	12,485,574.60	+	9.9
36	MISCELLANEOUS INTEREST				
517	Other Interest	293,441.54	1,740,254.47	+	493.0
518	Interest on Loans to College Students	<u>6,885,059.29</u>	<u>6,900,450.43</u>	+	0.2
	TOTAL, MISCELLANEOUS INTEREST	7,178,500.83	8,640,704.90	+	20.4
37	303 SUPPORT & MAINTENANCE OF PATIENTS FEES	17,556,459.21	18,795,832.90	+	7.1
38	OTHER MISCELLANEOUS REVENUE				
550	Court Cost	7,340,129.26	7,936,043.64	+	8.1
551	Other Penalties	1,876,942.28	2,039,928.13	+	8.7
555	Confiscations	40,187.61	48,327.50	+	20.3
560	Judgments	1,120,818.15	574,262.14	-	48.8
561	Interest on Judgments	4,985.12	2,492.89	-	50.0
562	Escheated Estates	992,881.73	4,569,207.42	+	360.2
563	Forfeitures	2,467.47	1,931.89	-	21.7
564	Insurance and Damages	1,151,139.40	1,195,646.72	+	3.9
565	Warrants Voided by Statute of Limitation	465,931.89	611,612.46	+	31.3
566	Judges' Retirement Contributions	372,152.95	593,566.93	+	59.5
567	Cost Reimbursement (Abandoned Motor Vehicles)	1,275.95	876.65	-	31.3
568	Unclaimed Sales Abandoned Motor Vehicles	2,117.68	1,237.33	-	41.6

SCHEDULE 1 (continued)
REVENUES BY SOURCE AND CLASS
Year Ended August 31

SOURCE/Class	1975 Revenues	1976 Revenues	Percent Change
38 OTHER MISCELLANEOUS REVENUE (continued)			
569 Unemployment Benefit Repaid	\$ 448,590.80	\$ 813,231.42	+ 81.3%
570 Other Miscellaneous Governmental Revenue	21,601,508.80	12,479,558.27	- 42.2
571 Departmental Transfer Tex-An Telecommunications Service	<u>516,943.90</u>	<u>791,424.70</u>	+ 53.1
TOTAL, OTHER MISCELLANEOUS REVENUE	35,938,072.99	31,659,348.08	- 11.9
39 530 FEDERAL GRANTS (HIGHWAYS)	269,677,845.23	307,990,939.62	+ 14.2
40 530 FEDERAL GRANTS (PUBLIC HEALTH)	31,959,498.61	39,851,713.06	+ 24.7
41 530 FEDERAL GRANTS (PUBLIC WELFARE)	674,945,346.57	777,575,200.63	+ 15.2
42 530 FEDERAL GRANTS (PUBLIC EDUCATION)	257,991,546.90	327,874,527.09	+ 27.1
43 530 FEDERAL GRANTS (OTHER)	191,029,054.00	218,892,430.39	+ 14.6
44 GRANTS & DONATIONS - OTHER			
531 County and City Grants	7,664,050.77	23,786,137.53	+ 210.4
532 Other Political Sub-Divisions Grants	589,564.99	672,892.12	+ 14.1
540 Other Donations and Grants	<u>7,589,381.45</u>	<u>7,540,278.21</u>	- 0.6
TOTAL, GRANTS & DONATIONS - OTHER	15,842,997.21	31,999,307.86	+ 102.0
45 530 FEDERAL GRANTS (FEDERAL REVENUE SHARING)	97,972,777.00	103,016,812.00	+ 5.1
46 410 Land Reclamation Fees	<u>- 0 -</u>	<u>200.00</u>	
TOTAL NET REVENUES	\$ 5,674,625,548.92	\$ 6,591,684,806.81	+ 16.2
99 INTERFUND TRANSFERS			
199 Revenue Refunds Applied	19,284,808.16	26,675,552.44	+ 38.3
600 Sale of State Bonds Issued	36,000,000.00	103,000,000.00	+ 186.1
601 Sale/Redemption of Investments; City, County & District Bonds	4,220,245.90	3,842,000.00	- 9.0
602 Sale/Redemption of Investments; State Bonds	30,000.00	80,000.00	+ 166.7
603 Sale/Redemption of Investments; Corporate Securities	98,610,138.00	161,020,695.01	+ 63.3
606 Sale of Corporate Stock	14,128,873.06	22,953,875.07	+ 62.5
607 Sale/Redemption of Investments; U.S. Government Securities	635,006,000.00	402,164,000.00	- 36.7
608 Sale/Redemption of Investments; Notes & Others	8,261,599.37	6,280,560.52	- 24.0
610 Repayment of Loans to Political Sub-Divisions	2,360,000.00	4,234,000.00	+ 79.4
612 Repayment of Water Storage Contracts	1,530,486.25	660,206.37	- 56.9

SCHEDULE 1 (continued)
REVENUES BY SOURCE AND CLASS
Year Ended August 31

SOURCE/Class	1975 Revenues	1976 Revenues	Percent Change
99 INTERFUND TRANSFERS (continued)			
615 Petty Cash Advance Repayments	\$ 30,760.00	\$ 17,455.00	- 43.3%
617 Repayment of Principal-Veterans Land Notes	15,276,415.76	19,681,842.43	+ 28.8
618 Repayment of Principal College Student Loans	9,849,287.26	12,186,149.94	+ 23.7
620 Unexpended Balances	825,087.31	1,168,242.07	+ 41.6
621 Service Charge	- 0 -	13,855.74	
622 Repayment of Travel Advances	- 0 -	5,490.00	
624 Departmental Transfer-Centrex Telephone Service	1,729,771.70	2,430,296.70	+ 40.5
625 Departmental Transfer-Sales of Supplies & Services	86,738,598.59	142,826,822.26	+ 64.7
626 Departmental Transfer-Appropriation & Fund Transfers	11,785,734.10	175,963,484.68	+ 1,393.0
627 Amortization Premium & Discount-Purchased	15,908,463.56	8,226,128.05	- 48.3
629 Departmental Transfer - Tex-An Telecommunications Service	3,644,909.42	4,894,102.36	+ 34.3
630 Operation Fund Transfers	84,071,621.76	56,304,545.16	- 33.0
640 Interfund Transfers	25,831,714.54	43,415,749.54	+ 68.1
642 Department Transfer-Unemployment Benefit	248,107.39	812,123.90	+ 227.3
643 Central Supply Store Receipts	523,672.50	785,549.26	+ 50.0
650 Unappropriated from Fund 120	1,095,130,396.56	1,238,746,965.54	+ 13.1
651 Crude Oil Enforcement from Fund 120	2,012,442.42	2,128,208.13	+ 5.8
652 Natural Gas Enforcement from Fund 120	1,289,511.96	1,657,188.31	+ 28.5
654 Excess Priority Allocation from Fund 120	114,773,478.05	162,103,983.38	+ 41.2
655 Unappropriated from Fund 060	391,598,270.22	421,621,540.98	+ 7.7
656 Refund Filing Fees from Fund 060	25,526.00	24,099.00	- 5.6
660 Coin Machine Allocation from Fund 120	25,000.00	25,000.00	
661 Cigarette Tax Enforcement from Fund 120	1,017,978.07	1,081,940.86	+ 6.3
662 Unclaimed Aircraft Fuel Refunds	691,104.10	751,888.30	+ 8.8
663 Unclaimed Motorboat Fuel Refunds	2,636,881.99	2,745,318.29	+ 4.1
664 Cash Advance for S.B. 1	11,430,474.37	110,361.44	- 99.0
665 Repay S.B. 1 Advance	- 0 -	(319,005.21)	
999 Expenditure Refunds Applied	55,119,983.48	14,801,280.82	- 73.6
TOTAL, INTERFUND TRANSFERS	\$ 2,752,647,341.85	\$ 3,045,121,501.34	+ 10.6%
TOTAL REVENUE AND INTERFUND TRANSFERS	\$ 8,427,272,890.77	\$ 9,636,806,308.15	

SCHEDULE 2
EXPENDITURES BY FUNCTION AND DEPARTMENT
 Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
01 LEGISLATIVE			
101 Senate	\$ 4,797,483.52	\$ 3,858,189.46	- 19.6%
102 House of Representatives	9,898,975.39	7,841,831.63	- 20.8
103 Legislative Council	1,242,321.16	1,350,908.46	8.7
104 Legislative Budget Board	670,038.51	894,954.64	33.6
105 Legislative Reference Library	145,080.67	162,431.20	12.0
107 Commission on Uniform State Laws	14,389.95	21,162.37	32.0
111 Legislative Property Tax Committee-	456,034.59	- 0 -	- 100.0
112 Texas Constitutional Revision Commission	- 0 -	- 0 -	
115 Texas Constitution Convention	128,480.43	55,232.00	- 57.0
308 Auditor	<u>2,146,169.52</u>	<u>2,518,989.41</u>	17.4
TOTAL, LEGISLATIVE	19,498,973.74	16,703,699.71	- 14.3
02 JUDICIAL			
201 Supreme Court	709,758.90	817,881.17	15.2
211 Court of Criminal Appeals	851,376.78	936,567.83	10.0
212 Civil Judicial Council	192,228.55	255,068.78	32.7
213 State Attorney Before Court of Criminal Appeals	37,331.68	69,370.61	85.8
221 Court of Civil Appeals-First District	181,025.09	210,280.38	16.2
222 Court of Civil Appeals-Second District	161,828.39	178,064.71	10.0
223 Court of Civil Appeals-Third District	170,128.54	211,384.12	24.2
224 Court of Civil Appeals-Fourth District	172,749.53	207,647.08	20.2
225 Court of Civil Appeals-Fifth District	177,270.20	206,957.64	16.8
226 Court of Civil Appeals-Sixth District	161,732.42	185,640.56	14.8
227 Court of Civil Appeals-Seventh District	179,734.15	200,331.05	11.5
228 Court of Civil Appeals-Eighth District	164,808.31	183,126.85	11.1
229 Court of Civil Appeals-Ninth District	163,419.25	184,834.92	13.1
230 Court of Civil Appeals-Tenth District	152,299.17	167,791.66	10.2
231 Court of Civil Appeals-Eleventh District	155,326.60	172,992.28	11.4
232 Court of Civil Appeals-Twelfth District	170,567.43	205,000.05	20.2
233 Court of Civil Appeals-Thirteenth District	176,926.04	211,709.53	19.7
234 Court of Civil Appeals-Fourteenth District	180,199.56	210,982.99	17.1
241 District Courts (Comptroller's Judiciary Section)	8,796,686.44	11,329,435.83	28.8
242 Judicial Qualifications Commission	46,087.34	89,658.21	94.5
243 Law Library	<u>139,083.74</u>	<u>144,999.28</u>	4.3
TOTAL, JUDICIAL	13,140,568.11	16,379,725.53	24.7
03 EXECUTIVE & ADMINISTRATIVE			
301 Governor-Executive	13,784,475.03	11,103,672.13	- 19.5
302 Attorney General	4,806,875.35	6,905,712.58	43.7
303 Board of Control	10,056,764.89	17,269,254.42	71.7
304 Comptroller of Public Accounts	18,785,425.67	29,596,637.06	57.6
305 General Land Office	3,426,120.55	5,380,786.18	57.1
306 Library and Historical Commission	1,790,533.71	2,543,246.53	42.0

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
03 EXECUTIVE & ADMINISTRATIVE (continued)			
307 Secretary of State	\$ 1,603,466.32	\$ 5,836,947.66	264.0%
309 Building Commission	7,454,308.94	5,720,975.70	-
310 Treasurer	1,342,327.75	1,495,367.72	11.0
312 Securities Board	860,907.85	971,590.27	12.9
316 Board of County & District Road Indebtedness	124,739.51	322.56	-
318 Commission for the Blind	1,920,697.33	2,032,303.06	5.8
319 Governor's Coordinating Off/Vis Handicapped	- 0 -	22,049.39	
326 Good Neighbor Commission	99,601.92	114,119.21	1.5
327 Employees' Retirement System	1,994,783.46	2,617,961.40	31.2
328 Veterans' Land Board	408,115.08	72,654.68	-
331 Mass Transportation Commission	142,885.86	- 0 -	-
332 Community Affairs	6,434,706.44	6,002,438.19	-
333 Office of State-Federal Relations	285,379.43	518,940.41	81.8
334 Advisory Commission on Intergovernmental Relations	316,204.10	465,529.28	47.2
335 Commission for the Deaf	29,268.10	58,085.39	98.5
601 Dept. of Highways and Public Transportation	- 0 -	435,899.48	
TOTAL, EXECUTIVE & ADMINISTRATIVE	75,667,587.29	99,164,493.30	31.1
04 PROTECTION OF PERSONS & PROPERTY			
401 Adjutant General	2,506,661.22	3,006,339.44	19.9
403 Veterans' Affairs Commission	744,259.24	947,816.43	27.4
405 Department of Public Safety	57,610,849.38	68,627,869.15	19.1
406 National Guard Armory Board	728,191.02	729,057.87	.01
407 Law Enforcement Officer Standards & Education	634,877.72	1,269,485.77	100.0
408 Fire Protection Personnel Standards & Education	58,637.32	65,799.97	12.2
409 Commission on Jail Standards	- 0 -	7,990.99	
TOTAL, PROTECTION OF PERSONS & PROPERTY	62,283,475.90	74,654,359.62	19.9
05 REGULATION OF BUSINESS & INDUSTRY			
329 Real Estate Commission	729,804.60	955,083.09	30.9
451 Banking-Finance Commission	35,678.38	43,390.00	21.6
452 Bureau of Labor and Standards	1,422,400.32	1,600,764.46	12.5
453 Industrial Accident Board	2,218,858.77	2,717,163.03	22.5
454 Board of Insurance	8,375,172.03	9,531,344.29	13.8
455 Railroad Commission	7,004,386.18	8,585,301.83	22.6
458 Alcoholic Beverage Commission	7,132,123.61	8,435,231.93	18.3
459 Board of Architectural Examiners	92,948.77	119,599.23	28.7
460 Board of Registration for Professional Engineers	297,906.93	402,141.78	35.0
461 Aeronautics Commission	551,686.10	605,585.86	9.8
463 Board of Registration for Public Surveyors	30,182.82	36,095.32	19.6
465 Industrial Commission	1,200,270.45	1,145,820.61	-
467 Board of Private Investigators & Private Security Agents	372,495.58	415,089.06	11.4
468 Board of Landscape Architects	36,919.87	46,466.85	25.9
470 Motor Vehicle Commission	102,986.37	121,026.12	17.5

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
05 REGULATION OF BUSINESS & INDUSTRY (continued)			
471 Texas Amusement Machine Commission	\$ 462,677.11	\$ 409,182.42	- 11.6%
472 Texas Structural Pest Control Board	163,678.42	185,449.92	13.3
473 Public Utilities Commission	<u>- 0 -</u>	<u>689,834.86</u>	
TOTAL, REGULATION OF BUSINESS & INDUSTRY	30,230,176.31	36,044,570.66	19.2
06 CONSERVATION OF HEALTH & SANITATION			
501 Department of Health Resources	61,159,420.39	77,409,967.44	26.6
502 Board of Barber Examiners	240,133.41	282,758.08	17.8
503 Board of Medical Examiners	238,097.68	313,740.07	31.8
504 Board of Dental Examiners	236,074.35	283,647.81	20.2
505 Cosmetology Commission	818,733.23	922,506.37	12.7
506 University of Texas System Cancer Center	20,556,034.23	38,512,141.99	87.4
508 Board of Chiropractic Examiners	31,747.49	32,072.47	10.2
509 Board of Examiners for Hearing Aids	35,846.06	33,384.08	- 6.9
510 Board of Examiners in Basic Sciences	62,142.77	69,179.54	11.3
511 Board of Vocational Nurse Examiners	205,607.52	214,376.83	4.3
514 Optometry Board	49,256.04	53,831.51	9.3
517 Commission on Alcoholism	1,357,674.02	1,517,650.87	11.8
518 Water Quality Board	6,536,904.78	7,134,129.31	9.1
519 Air Control Board	6,912,015.08	6,667,349.46	- 3.5
520 Board of Examiners of Psychologists	55,755.55	62,002.07	11.2
521 Governor's Commission on Physical Fitness	63,332.45	62,140.59	- 1.9
522 Board of Physical Therapy Examiners	27,997.39	25,576.29	8.7
523 Board of Athletic Trainers	3,118.71	- 0 -	- 100.0
524 Board of Nursing Home Administrators	84,439.47	71,884.25	- 14.9
525 Health Facilities Commission	<u>75,669.99</u>	<u>528,745.71</u>	598.8
TOTAL, CONSERVATION OF HEALTH & SANITATION	98,750,000.61	134,197,084.74	35.9
07 DEVELOPMENT & CONSERVATION OF NATURAL RESOURCES			
550 Governors Energy Advisory Council	- 0 -	603,128.88	
551 Department of Agriculture	11,161,875.62	10,589,529.81	5.1
552 Water Rights Commission	2,519,775.61	2,808,113.02	1.1
554 Texas Animal Health Commission	3,847,517.55	4,779,758.75	24.2
555 Agricultural Extension Service	10,700,563.96	14,052,338.18	31.3
556 Agricultural Experiment Station	12,013,843.48	13,964,907.17	16.2
557 Veterinary Medical Diagnostic Laboratory	1,199,739.69	925,771.19	- 22.8
576 Forest Service	2,966,127.93	3,412,767.00	15.1
577 Rodent & Predatory Animal Control Service	941,052.02	1,070,877.11	13.8
578 Board of Veterinary Medical Examiners	68,532.54	80,241.78	17.1
579 Rio Grande Compact Commission	53,880.67	58,804.79	9.1
580 Water Development Board	<u>7,419,768.79</u>	<u>8,635,383.17</u>	16.4

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
07 DEVELOPMENT & CONSERVATION OF NATURAL RESOURCES (continued)			
581 Water Well Drillers Board	\$ 6,380.97	\$ 7,897.44	23.8%
583 Sabine River Compact Administration	10,533.24	11,237.17	6.7
584 Texas Offshore Terminal Commission	142,999.38	1,786.49	- 98.8
585 Texas Coastal and Marine Council	150,966.31	247,641.95	64.0
592 Soil & Water Conservation Board	897,515.97	1,126,417.11	25.5
596 Interstate Compact Commissioner (Red River)	13,800.83	14,562.07	5.5
598 Canadian River Commission	7,228.11	8,752.34	21.1
599 Pecos River Commission	60,257.31	68,924.72	14.4
904 Natural Fibers & Food Protein Committee	<u>913,660.45</u>	<u>1,037,900.72</u>	13.6
TOTAL, DEVELOPMENT & CONSERVATION OF NATURAL RESOURCES	55,096,020.43	63,506,740.86	15.3
08 HIGHWAY MAINTENANCE & CONSTRUCTION			
601 Department of Highways and Public Transportation	<u>831,750,976.23</u>	<u>731,239,352.02</u>	- 12.1
TOTAL, HIGHWAY MAINTENANCE & CONSTRUCTION	831,750,976.23	731,239,352.02	- 12.1
10 MENTAL HEALTH-MENTAL RETARDATION & CORRECTIONAL			
651 Corsicana State Home	1,518,461.08	1,617,711.86	6.5
652 Waco State Home	1,436,352.24	1,314,364.70	- 8.5
654 Brownwood State School for Girls	2,201,579.50	2,692,842.11	22.3
655 Department of Mental Health & Mental Retardation	21,125,825.06	25,170,762.93	19.2
656 Vernon Center	6,065,856.63	7,420,192.27	22.3
657 Amarillo State Center for Human Development	769,990.28	1,165,348.33	51.3
658 Beaumont State Center for Human Development	1,358,120.86	2,139,495.43	57.5
659 Rio Grande State Center MHMR	2,779,373.56	3,652,394.26	31.4
660 Denton State School	9,582,173.95	12,283,043.28	28.2
661 El Paso State Center for Human Development	760,744.21	1,288,381.11	69.4
662 Dallas State Mental Health Clinic	(18.73)	- 0 -	
663 Commission for Indian Affairs	541,477.47	450,076.49	- 16.9
664 Fort Worth State Mental Health Clinic	19,513.58	- 0 -	
666 East Texas Chest Hospital	4,249,354.08	6,600,935.16	55.3
667 Fort Worth State School	1,519,737.88	4,651,233.80	206.1
668 Richmond State School	6,914,171.44	8,102,546.77	17.2
669 Lufkin State School	5,168,616.20	6,074,239.95	17.5
670 Corpus Christi State School	4,781,059.06	5,279,852.90	10.4
671 San Angelo Center	4,976,855.11	5,927,880.62	19.1
672 Mexia State School	10,958,576.96	13,393,195.15	22.2
673 San Antonio State Chest Hospital	4,523,493.62	4,770,511.35	5.5
674 Kerrville State Hospital	5,254,039.38	6,667,751.15	26.9
675 Travis State School	9,063,200.15	11,773,425.56	29.9

(Deduction)

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
10 MENTAL HEALTH-MENTAL RETARDATION & CORRECTIONAL (continued)			
676 Abilene State School	\$ 10,290,249.11	\$ 12,860,219.17	25.0%
677 Austin State Hospital	12,469,164.94	14,105,910.29	13.1
678 Austin State School	10,616,558.58	13,388,607.69	26.1
679 Rusk State Hospital	9,173,358.59	11,336,959.64	23.6
681 San Antonio State Hospital	10,551,580.00	11,877,325.50	12.6
682 Terrell State Hospital	10,521,540.68	13,384,671.81	27.2
683 Wichita Falls State Hospital	7,855,841.68	8,836,759.62	12.5
684 Harlingen State Chest Hospital	1,894,132.27	2,059,329.76	8.7
685 Research Institute of Mental Sciences	5,319,404.58	6,574,353.39	23.6
686 Big Spring State Hospital	5,936,052.48	7,160,875.42	20.6
687 Lubbock State School	4,803,333.27	5,608,551.14	16.8
688 Brenham State School	3,049,853.88	4,038,943.00	32.4
689 Giddings State School for Boys	2,022,853.02	2,551,230.57	26.1
690 West Texas Children's Home	1,322,745.61	1,470,953.11	11.2
691 Gatesville State School for Boys	4,715,024.94	4,005,682.94	-
692 Gainesville State School for Girls	1,785,906.77	2,227,180.72	24.7
693 Crockett State School for Girls	662,874.44	1,123,338.86	69.5
694 Youth Council	4,502,203.55	6,452,189.56	43.3
695 Mountain View School for Boys	914,323.68	11,603.85	-
696 Department of Corrections	50,122,716.58	61,821,673.78	23.3
697 Board of Pardons & Paroles	<u>2,839,329.86</u>	<u>4,168,414.39</u>	46.8
TOTAL, MENTAL HEALTH-MENTAL RETARDATION & CORRECTIONAL	266,937,602.08	327,500,959.39	22.7
11 EDUCATIONAL			
301 Governor-Executive	794,900.66	1,192,075.36	50.0
318 Commission for the Blind	6,844,520.88	6,585,324.19	-
332 Department of Community Affairs	- 0 -	96,533.33	-
405 Department of Public Safety	3,502.00	65,365.00	1,766.5
514 Texas Optometry Board	- 0 -	20,700.00	-
517 Commission on Alcoholism	131,493.00	119,607.06	-
601 Department of Highways and Public Transportation	- 0 -	137,476.10	9.0
663 Commission for Indian Affairs	- 0 -	710.90	-
701 Texas Education Agency	1,615,145,599.09	2,074,112,672.98	28.4
710 A & M University System Administration	667,584.14	8,314,401.04	1,145.5
711 A & M University Main University	54,995,809.32	57,744,728.07	5.0
712 Engineering Experiment Station	2,668,559.17	3,207,337.55	20.2
713 Tarleton State University	4,458,592.39	4,600,616.82	3.2
714 University of Texas at Arlington	17,723,852.84	21,071,050.74	18.9
715 Prairie View A & M University	8,369,632.14	8,983,319.05	7.3
716 Engineering Extension Service	1,011,999.91	1,066,778.98	5.4
717 Texas Southern University	9,699,753.73	11,946,119.67	23.2
718 Texas Maritime Academy	1,351,911.53	1,618,044.27	19.7
719 Texas State Technical Institute	12,125,004.36	13,597,187.63	12.1

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
11 EDUCATIONAL (continued)			
720 University of Texas Systems	\$ - 0 -	\$ 16,626,667.84	
721 University of Texas at Austin	97,269,922.98	90,587,985.95	- 6.9%
723 U of T Medical Branch at Galveston	35,412,205.60	48,548,509.77	37.1
724 University of Texas at El Paso	14,017,173.93	15,298,991.49	9.1
729 U of T Health Science Center at Dallas	18,280,214.61	21,920,175.05	19.9
730 University of Houston	40,737,797.64	50,120,376.84	23.0
731 Texas Woman's University	13,571,259.75	16,618,415.46	22.5
732 Texas A & I University at Kingsville	10,492,762.68	11,047,956.73	5.3
733 Texas Technological University	37,333,017.14	40,979,600.87	9.8
734 Lamar University	12,743,573.73	15,989,882.79	25.5
735 Midwestern University	4,827,200.27	5,709,701.94	18.3
736 Pan American University	9,039,582.20	10,830,960.47	19.8
737 Angelo State University	5,260,383.99	6,476,740.72	23.1
738 University of Texas at Dallas	5,413,056.28	10,121,836.44	87.0
739 Texas Tech University School of Medicine	13,162,404.42	13,080,114.25	- 0.6
740 U of T Dental School at San Antonio	3,212.66	- 0 -	
741 U of T Medical School at Houston	1,301,306.61	- 0 -	
742 U of T of the Permian Basin	5,172,324.90	4,809,115.80	- 7.0
743 U of T at San Antonio	8,188,832.42	10,857,922.69	32.6
744 U of T Health Science Center at Houston	17,640,489.11	23,515,058.92	33.3
745 U of T Health Science Center at San Antonio	14,765,265.61	23,104,674.42	56.5
746 U of T System School of Nursing	4,808,641.16	5,849,555.50	21.6
750 Texas Eastern University	5,877,588.61	7,413,390.15	26.1
751 East Texas State University	15,122,031.73	16,111,649.32	6.5
752 North Texas State University	28,226,042.81	29,803,382.93	5.6
753 Sam Houston State University	12,837,300.11	15,442,996.08	20.3
754 Southwest Texas State University	15,104,154.22	17,444,154.93	15.5
755 Stephen F. Austin State University	13,419,636.88	15,305,037.36	14.0
756 Sul Ross State University	3,653,610.98	4,595,359.98	25.8
757 West Texas State University	9,437,276.04	11,047,968.80 ¹	19.4
758 Board of Regents, Texas State University System	82,665.01	82,491.76	- 0.2
759 University of Houston at Clear Lake City	4,273,832.78	6,106,339.77	42.9
760 Texas A & I University at Corpus Christi	4,658,371.22	5,644,644.08	21.2
761 Texas A & I University at Laredo	1,195,285.98	1,394,573.41	16.7
762 Texas A & I University System	211,125.94	144,034.46	- 31.8
763 Texas College of Osteopathic Medicine	- 0 -	3,251,570.70	
764 East Texas State University at Texarkana	- 0 -	1,828,252.60	
765 University of Houston - Victoria Center	- 0 -	1,854,987.75	
766 State Rural Medical Education Board	- 0 -	14,030.06	
781 Coordinating Board College & University System	87,877,087.86	101,177,136.91	15.1
813 Arts and Humanities Commission	- 0 -	3,250.00	
TOTAL, EDUCATIONAL	2,307,419,353.02	2,895,239,543.73	25.5

¹Manual adjustment made reducing expenditure by \$220,000 due to Petty Cash Advances recorded as Expenditure 028 in prior year for Department 757.

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
12 PARKS & MONUMENTS			
802 Parks and Wildlife Department	\$ 46,102,981.45	\$ 59,464,813.57	29.0%
808 Texas Historical Commission	775,539.98	757,220.87	-
812 U of T Institute of Texan Cultures	175.00	- 0 -	
813 Arts and Humanities Commission	228,659.99	770,021.08	236.8
815 Texas Tourist Development Agency	726,289.10	702,464.79	-
816 Admiral Nimitz Museum	123,852.63	121,049.19	-
TOTAL, PARKS & MONUMENTS	47,957,498.15	61,815,569.50	28.9
13 PUBLIC WELFARE			
304 Comptroller of Public Accounts	68,380.00	64,110.00	-
322 Employment Commission	52,748,481.90	62,049,873.75	17.6
324 Department of Public Welfare	801,838,627.65	949,803,706.33	18.5
325 Firemen's Pension Commission	39,103.86	65,478.99	67.5
330 Rehabilitation Commission	31,077,749.95	32,650,846.83	5.1
TOTAL, PUBLIC WELFARE	885,772,343.36	1,044,634,015.90	17.9
14 PAYMENT OF PUBLIC DEBT			
328 Veterans' Land Board	21,196,757.50	23,099,897.50	9.0
580 Water Development Board	14,236,447.75	18,382,871.75	29.1
710 A & M University System Administration	- 0 -	6,034,117.50	
711 A & M University Main University	5,289,162.50	- 0 -	
714 University of Texas at Arlington	2,289,097.50	2,442,872.50	6.7
717 Texas Southern University	552,110.00	585,785.00	6.1
720 University of Texas Systems	- 0 -	15,707,410.00	
721 University of Texas at Austin	14,888,916.25	- 0 -	
730 University of Houston	2,910,550.00	3,097,265.00	6.4
731 Texas Woman's University	457,845.00	484,270.00	5.8
732 Texas A & I University	746,250.00	793,630.00	6.4
733 Texas Technological University	2,368,010.00	2,522,805.00	6.5
734 Lamar University	1,604,190.00	1,706,040.00	6.4
735 Midwestern University	493,335.00	523,735.00	6.2
736 Pan American University	552,665.00	590,915.00	6.9
751 East Texas State University	787,480.00	838,825.00	6.5
752 North Texas State University	2,062,475.00	2,195,865.00	6.5
755 Stephen F. Austin State University	1,095,017.50	1,171,090.00	7.0
757 West Texas State University	622,700.00	659,140.00	5.9
758 Board of Regents, Texas State University System	2,786,915.00	2,971,565.00	6.6
781 Coordinating Board College & University System	11,761,640.00	13,121,772.47	11.6

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)		1975 Expenditures	1976 Expenditures	Percent Change
14	PAYMENT OF PUBLIC DEBT (continued)			
802	Parks and Wildlife Department	\$ 1,483,550.00	\$ 1,550,750.00	4.5%
	TOTAL, PAYMENT OF PUBLIC DEBT	88,185,114.00	98,480,621.72	11.7
15	EMPLOYEES' RETIREMENT			
327	Employees' Retirement System	67,497,222.63	64,775,609.54	- 4.0
	TOTAL, EMPLOYEES' RETIREMENT	67,497,222.63	64,775,609.54	- 4.0
16	O.A.S.I.			
327	Employees' Retirement System	66,744,570.73	77,439,196.72	16.0
	TOTAL, O.A.S.I.	66,744,570.73	77,439,196.72	16.0
17	GRANTS			
301	Governor-Executive	48,887,632.30	48,498,277.53	- 0.8
304	Comptroller of Public Accounts	9,388,184.15	11,372,579.32	21.1
306	Library and Historical Commission	3,581,231.20	4,818,742.65	34.6
316	Board of County & District Road Indebtedness	7,300,000.00	14,600,000.00	100.0
318	Commission for the Blind	5,823,191.78	5,517,158.21	- 5.3
324	Department of Public Welfare	184,761.93	95,089.21	- 48.5
325	Firemen's Pension Commission	288,417.94	299,972.28	4.0
327	Employees' Retirement System	1,920,943.94	2,648,111.48	37.9
330	Rehabilitation Commission	31,060,311.88	32,546,365.19	4.8
332	Community Affairs	33,483,399.54	49,468,146.75	47.7
405	Department of Public Safety	2,384,615.94	1,856,754.27	- 22.1
461	Aeronautics Commission	707,183.29	661,180.30	- 6.5
501	Department of Health Resources	18,189,633.52	23,409,293.19	28.7
517	Commission on Alcoholism	2,675,957.02	2,511,929.68	- 6.1
518	Water Quality Board	914,277.26	203,766.99	- 77.7
519	Air Control Board	864.00	690.25	- 20.1
554	Texas Animal Health Commission	7,300.00	5,795.71	- 20.6
601	Department of Highways and Public Transportation	- 0 -	804,985.11	
652	Waco State Home	234.85	- 0 -	
655	Department of Mental Health & Mental Retardation	16,430,770.33	26,635,246.85	62.1
658	Beaumont State Center for Human Development	- 0 -	11,897.25	
659	Rio Grande State Center MHMR	78.00	265.25	240.1
660	Denton State School	1,508.15	1,291.45	- 14.4
662	Dallas State Mental Health Clinic	296,534.00	22,918.00	- 92.3
663	Commission for Indian Affairs	460.00	- 0 -	
664	Fort Worth State Mental Health Clinic	233,004.84	19,513.58	- 91.6
668	Richmond State School	1,705.39		
669	Lufkin State School	590.30	1,459.00	147.2
670	Corpus Christi State School	613.01	- 0 -	

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
17 GRANTS (continued)			
671 San Angelo Center	\$ 842.70	\$ 84.00	- 90.0%
672 Mexia State School	279.00	486.21	74.3
674 Kerrville State Hospital	98.90	153.35	55.1
675 Travis State School	6,647.40	5,019.10	- 24.5
676 Abilene State School	11,575.96	9,133.50	- 21.1
677 Austin State Hospital	3,105.75	2,793.15	- 10.1
678 Austin State School	3,633.90	1,897.15	- 47.8
679 Rusk State Hospital	375.28	100.71	- 73.2
681 San Antonio State Hospital	1,517.47	623.50	- 58.9
682 Terrell State Hospital	290.50	112.75	- 61.2
683 Wichita Falls State Hospital	203.45	410.00	- 101.5
684 Harlingen State Chest Hospital	12.50	171.50	1,272.0
686 Big Spring State Hospital	551.19	- 0 -	
687 Lubbock State Schools	- 0 -	376.00	
688 Brenham State School	55.00	- 0 -	
689 Giddings State School for Boys	362.00	310.00	- 14.4
690 West Texas Children's Home	- 0 -	1,662.88	
691 Gatesville State School for Boys	2,011.05	2,085.00	3.7
692 Gainesville State School for Girls	1,305.14	1,178.55	- 9.7
693 Crockett State School for Girls	39.50	363.00	819.0
694 Texas Youth Council	- 0 -	217,842.02	
695 Mountain View School for Boys	484.90	- 0 -	
696 Department of Corrections	793,746.59	1,500,004.04	89.0
697 Board of Pardons and Paroles	- 0 -	715.00	
701 Texas Education Agency	2,110,233.89	516,262.69	- 75.5
710 A & M University System Administration	- 0 -	15,624.75	
711 A & M University Main University	8,333.40	146,700.05	1,660.4
713 Tarleton State University	4,775.00	4,525.00	- 5.2
714 University of Texas at Arlington	7,650.00	7,325.00	- 4.3
715 Prairie View A & M University	192,120.00	214,860.88	11.8
717 Texas Southern University	47,389.00	48,055.20	1.4
720 University of Texas Systems	- 0 -	68,004.23	
721 University of Texas at Austin	365,837.66	- 0 -	
723 U of T Medical Branch at Galveston	62.54	- 0 -	
731 Texas Woman's University	52,283.00	24,900.00	- 52.4
732 Texas A & I University at Kingsville	7,470.00	7,142.00	- 4.4
733 Texas Technological University	6,014.00	- 0 -	
737 Angelo State University	2,988.80	2,411.60	- 19.3
745 U of T Health Science Center at San Antonio	- 0 -		
746 U of T System School of Nursing	17,026.50	11,390.00	- 33.1
751 East Texas State University	2,990.00	- 0 -	
752 North Texas State University	36,400.00	22,511.00	- 38.2
753 Sam Houston State University	2,340.00	- 0 -	
757 West Texas State University	65,041.75	73,804.50	13.5

SCHEDULE 2 (continued)
EXPENDITURES BY FUNCTION AND DEPARTMENT
Year Ended August 31

FUNCTION/Department (with codes)	1975 Expenditures	1976 Expenditures	Percent Change
17 GRANTS (continued)			
781 Coordinating Board College & University System	\$ 8,639,097.00	\$ 9,274,699.00	7.4%
802 Parks and Wildlife Department	3,794,791.74	5,243,708.22	38.2
808 Texas Historical Commission	- 0 -	188,491.94	
813 Arts and Humanities Commission	- 0 -	49,218.00	
902 Miscellaneous	1,301,753.51	2,437,903.44	87.3
906 American Revolution Bicentennial Commission	- 0 -	50.00	
TOTAL, GRANTS	201,255,140.53	246,114,538.41	22.3
18 STATE COST TEACHER RETIREMENT			
304 Comptroller of Public Accounts	151,250,723.30	204,512,809.76	35.2
323 Teachers' Retirement System	102,000,000.00	- 0 -	
TOTAL, STATE COST TEACHER RETIREMENT	253,250,723.30	204,512,809.76	- 19.2
19 MISCELLANEOUS			
302 Attorney General	5,762.74	618,114.56	10,626.1
304 Comptroller of Public Accounts	122,790.09	2,527,408.82	1,958.3
316 Board of County & District Road Indebtedness	1,146.10	- 0 -	
322 Employment Commission	2,316,650.38	4,156,638.09	79.4
405 Department of Public Safety	3,317,952.47	3,669,873.42	10.6
902 Miscellaneous	3,399.13	4,761.02	40.1
906 American Revolution Bicentennial Commission	121,567.90	124,085.67	2.1
TOTAL, MISCELLANEOUS	5,889,268.81	11,100,881.58	88.5
TOTAL EXPENDITURES	5,377,326,615.23	6,203,503,772.15	15.4
99 INTERFUND TRANSFERS (See Schedule 3 for detail)	2,857,576,232.90	3,245,780,185.24¹	13.6
GRAND TOTAL, EXPENDITURES AND TRANSFERS	<u>\$ 8,234,902,848.13</u>	<u>\$ 9,449,283,957.39</u>	14.8

¹Manual adjustment made increasing expenditures by \$220,000 due to Petty Cash Advances recorded as Expenditure 028 in prior year for Department 757.

SCHEDULE 3
NET EXPENDITURES BY OBJECT
Year Ended August 31

	1975 Expenditures	1976 Expenditures	Percent Change
PERSONAL SERVICES:			
01 Salaries and Wages	\$ 1,283,583,831.15	\$ 1,508,034,433.47	17.5%
02 Professional Services and Fees	25,899,522.83	37,291,344.14	44.0
03 Employees Maintenance	107,201.76	81,408.50	-
04 Judicial Fees and Court Costs (Comptroller's Judiciary Section Only)	1,211,872.15	1,806,620.63	49.1
05 Employees' Retirement Matching	67,497,222.63	64,775,609.54	-
06 Teachers' Retirement Matching	253,250,723.30	204,512,809.76	-
07 O.A.S.I. Matching	66,744,570.73	77,439,196.72	16.0
08 State Contribution Employee Insurance	17,303,127.00	20,304,682.75	17.3
09 Unemployment Compensation Benefits	2,316,650.38	4,156,638.09	79.4
TOTAL PERSONAL SERVICES	<u>1,717,914,721.93</u>	<u>1,918,402,743.00</u>	11.7
CONSUMABLE SUPPLIES AND MATERIALS:			
10 Printing and Office Supplies	7,524,692.87	7,929,114.63	5.4
11 Gasoline, Oil, Lubricants, Wash and Grease	4,813,458.57	6,428,978.24	33.6
12 Food for Persons	11,069,370.34	11,868,547.85	7.2
13 Clothing and Dry Goods for Persons	1,550,700.02	1,534,690.96	-
14 Feed for Animals, Seed and Small Plants	1,542,395.18	1,655,497.18	7.3
15 Drugs and Chemicals for Medical and Laboratory	5,145,330.57	9,029,142.07	75.5
16 Other Supplies and Materials (Except Highway Department)	39,430,249.19	46,977,738.38	19.1
17 Other Supplies, Materials and Operation Costs (Highway Department Only)	110,246,104.29	69,775,712.18	-
TOTAL CONSUMABLE SUPPLIES AND MATERIALS	<u>181,322,301.03</u>	<u>155,199,421.49</u>	- 14.4
CURRENT AND RECURRING OPERATING EXPENSE:			
20 Postage	10,836,251.80	9,479,909.85	-
21 Utilities, Telephone and Telegraph	61,059,463.90	90,305,728.68	47.9
22 Transportation of Things	946,030.21	1,090,508.12	15.3
23 Repairs to Buildings Contract (Written or Oral)	1,206,807.19	2,389,953.23	98.0
24 Repairs Other Contract	2,724,336.98	3,442,542.28	26.4
25 Travel Expense	29,125,644.74	35,537,235.70	22.0
26 Rentals	27,797,591.17	35,066,161.04	26.1
27 Workmen's Compensation Transfers	1,176,190.38	1,358,648.94	15.5
28 Other Operating Expense	117,902,377.25	69,572,530.25 ¹	-
29 Telecommunication - Tex-An	3,572,802.86	4,854,339.51	35.9
TOTAL CURRENT OR RECURRING OPERATING EXPENSE	<u>256,347,496.48</u>	<u>253,097,557.60</u>	-

¹Does not include \$220,000 of Petty Cash Advances recorded as Expenditure 028 in prior years for Department 757.

SCHEDULE 3 (continued)
NET EXPENDITURES BY OBJECT
Year Ended August 31

	1975 Expenditures	1976 Expenditures	Percent Change
ASSISTANCE AND PENSIONS:			
30 Old Age Assistance	\$ (1,152.00)	\$ - 0 -	
31 Purchased Social Services	- 0 -	83,110,814.11	
32 Blind Assistance	(1,037.00)	- 0 -	
34 Financial Services - Children	148,753,882.81	139,479,483.26	-
35 Medical Assistance - Nursing Homes	273,805,639.14	338,944,983.42	23.8
36 Medical Related Services	253.00	2,035,744.37	
37 Medical Assistance	174,071,494.90	215,993,295.61	24.1
38 Confederate Pensions	6,300.00	4,350.00	-
39 Ranger Pensions	<u>62,080.00</u>	<u>59,760.00</u>	3.7
TOTAL ASSISTANCE AND PENSIONS	596,697,460.85	779,628,430.77	30.7
GRANTS:			
40 School Apportionment	1,185,852,126.60	1,616,865,503.10	36.3
41 Grants Elementary and Secondary Schools	318,270,795.59	319,409,569.86	0.4
42 Grants Junior Colleges	128,729,507.34	149,576,979.28	16.2
43 Grants Senior Colleges and Universities	23,249,565.06	25,206,302.76	8.4
44 Grants-In-Aid Various	74,263,662.08	99,188,365.97	33.6
45 Grants to Counties	31,941,534.61	40,339,555.54	26.3
46 Grants to Cities	26,023,512.46	31,680,132.83	21.7
47 Grants to Other Political Sub-Divisions	17,000.00	43,424.75	155.4
48 Grants to Others	<u>69,009,431.38</u>	<u>76,460,255.78</u>	10.8
TOTAL GRANTS	1,857,357,135.12	2,358,770,089.87	27.0
PAYMENTS OF INDEBTEDNESS AND INTEREST:			
50 Principal on State Bonds	45,090,000.00	53,785,000.00	19.4
51 Principal on Other Indebtedness	1,146.10	- 0 -	-
55 Interest on State Bonds	43,095,114.00	44,695,621.72	3.6
58 Claims Workmen's Compensation	5,762.74	618,114.56	10,626.1
59 Miscellaneous Claims	<u>122,846.02</u>	<u>2,532,169.84</u>	1,961.3
TOTAL PAYMENT OF INDEBTEDNESS AND INTEREST	88,314,868.86	101,630,906.12	15.1
CAPITAL OUTLAY:			
60 Equipment and Furniture Inventory (Controlled by the Comptroller)	36,118,562.26	48,425,815.74	34.1
61 Other Equipment and Furniture	71,257.50	42,698.26	-
62 Library Books	9,758,881.61	11,356,083.91	16.4
63 Textbooks	22,646,800.99	37,052,040.20	63.6
64 Livestock and Poultry	55,171.42	67,640.90	22.6

(Deduction)

SCHEDULE 3 (continued)
NET EXPENDITURES BY OBJECT
Year Ended August 31

	1975 Expenditures	1976 Expenditures	Percent Change
CAPITAL OUTLAY (continued):			
65 Highway Department Construction, Improvements & Right of Way Purchases	\$ 528,857,367.75	\$ 466,314,301.52	- 11.8%
66 Land Purchased	8,657,534.22	12,294,638.28	42.0
67 Land Improvements	8,041,535.69	8,101,108.60	0.7
68 Buildings-Purchased, Constructed and Remodeled	<u>65,165,519.52</u>	<u>53,120,295.89</u>	- 18.5
TOTAL CAPITAL OUTLAY	<u><u>679,372,630.96</u></u>	<u><u>636,774,623.30</u></u>	- 6.3
TOTAL EXPENDITURES	5,377,326,615.23	6,203,723,772.15	15.4
INTERFUND TRANSFERS:			
71 Purchase of State Bonds	712,000.00	202,000.00	- 71.6
72 Purchase of U.S. Government Securities	535,197,000.00	441,396,000.00	- 17.5
74 Purchase of Notes and Other Evidence of Indebtedness	42,638,300.12	22,310,693.54	- 47.7
75 Purchase of Corporate Bonds	204,816,822.92	292,591,250.00	42.9
76 Purchase of Corporate Stock	73,465,050.77	83,694,132.70	13.9
77 Loans to Political Sub-Divisions	31,754,740.00	38,411,000.00	21.0
78 Petty Cash Advances	154,450.00	404,201.00 ¹	- 13.9
79 Purchase of Water Rights	3,091,381.04	4,518,546.91	46.2
80 Accrued Interest on Investments	2,320,859.35	2,328,420.05	0.3
83 Discounts on Investments	1,518,586.38	(1,459,265.05)	- 3.9
85 Premiums on Investments	606,459.51	560,430.97	- 7.6
90 Allocations Fund 120	1,214,248,807.06	1,405,743,286.22	15.8
92 Land Purchased for Resale	30,075,935.86	52,656,346.62	75.1
93 Miscellaneous Non-Governmental Expenditures	25,825,462.57	36,306,682.44	40.6
95 Departmental Transfers	85,558,960.65	140,228,006.41	63.9
96 Operating Fund Transfers	84,071,621.76	56,280,614.43	- 33.1
97 Merchandise Purchased for Resale	1,178,495.44	1,148,339.63	- 2.6
98 Allocations Fund 60	394,951,782.31	425,142,846.57	7.6
99 Departmental Transfers-Appropriation	11,698,156.03	175,650,509.23	1,401.5
101 Loans to College Students	20,998,072.19	18,589,276.26	- 11.5
102 Board of Control Resale Stores	518,655.82	755,725.09	45.8
125 Travel Cash Advance	- 0 -	182,790.00	
164 Advance for S.B. 1	11,430,474.37	110,361.44	- 99.0
199 Refunds of Revenue	19,284,518.16	26,675,552.44	38.3
221 Departmental Transfers-Centrex Phone	1,588,681.63	2,295,542.44	44.5
229 Departmental Transfers-Tex-An Phone	3,750,975.48	4,255,615.08	13.5
999 Refund of Expenditures	<u>56,119,983.48</u>	<u>14,801,280.82</u>	- 73.6
TOTAL INTERFUND TRANSFERS	<u><u>2,857,576,232.90</u></u>	<u><u>3,245,780,185.24</u></u>	
TOTAL EXPENDITURES AND INTERFUND TRANSFERS	<u><u>\$ 8,234,902,848.13</u></u>	<u><u>\$ 9,449,283,957.39</u></u>	14.7

(Deduction)

¹Includes \$220,000 of Petty Cash Advances recorded as Expenditure 028 in prior years for Department 757.

SCHEDULE 4
COMPARISON OF MAJOR FUNDS TRANSACTIONS
 Year Ended August 31, 1976
 (in thousands)

	General Revenue Fund 001	Available School Fund 002	Highway Motor Fuel Fund 060	Omnibus Tax Clearance Fund 120	Federal Revenue Sharing Fund 448	Major Funds Total	All Funds	Major Funds as a Percent of Total
Beginning Cash Balance, September 1, 1975	\$ 775,506	\$ 25,800	\$ 27,085	\$ 39,153	\$ 8,300	\$ 875,844	\$ 1,454,447	60.2%
Tax Collections	1,766,717	1,155	427,284	1,604,172		3,799,328	3,904,771	97.3
Licenses and Fees	27,859			6,526		34,385	348,552	9.9
Interest Income	56,660	68,213				125,215	234,173	53.5
Federal Funding	5,942				103,342	108,959	1,807,200	6.0
Land Income: Rents, Royalties, Sales	3,888	289				4,177	246,534	1.7
Other Revenue Sources	24,020	3,198	10			27,228	50,455	54.0
Total Net Revenues	1,885,086	72,655	427,294	1,610,698	103,359	4,099,292	6,591,685	62.2
Interfund Transfers and Investment Transactions	19,830		9,318	9,182	196,762	24,528	3,045,122	0.8
Total Revenues & Transfers In	1,904,916	72,855	436,612	1,619,880	300,121	4,334,384	9,636,807	45.0
Expenditures and Transfers Out:								
Personal Services	1,054,134			204,513	2,509	1,261,156	1,918,403	65.7
Consumable Supplies & Materials	41,451				4,032	45,483	155,199	29.3
Current & Recurring Operating Expense	108,301				44,535	152,836	253,318	60.3
Assistance to Needy & Pensions						- 0 -	779,628	- 0 -
Grants	1,001,233	473,655			690	1,475,578	2,358,770	62.6
Payment of Indebtedness & Interest	3,146					3,146	101,631	3.1
Capital Outlay	19,825				23,434	43,259	636,775	6.8
Total Net Expenditures	2,228,090	473,655		204,513	75,200	2,981,458	6,203,724	48.1
Interfund Transfers and Investment Transactions	76,649	799	434,461	1,414,925	255,939	2,152,754	3,245,560	66.3
Total Expenditures & Transfers Out	\$ 2,304,739	\$ 474,454	\$ 434,461	\$ 1,619,438	\$ 331,139	\$ 5,134,212	\$ 9,449,284	54.3
Ending Cash Balance, August 31, 1976	\$ 811,657	\$ 40,419	\$ 29,236	\$ 39,596	\$ 855	\$ 921,763	\$ 1,642,533	56.1

**SCHEDULE 5
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND**

		Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 1: GENERAL STATE OPERATING AND DISBURSING FUNDS					
1	General Revenue Fund	\$ 775,505,646.27	\$ 2,376,178,277.60	\$ 2,340,026,902.41	\$ 811,657,021.46
9	Special Game & Fish Fund	7,683,581.64	15,431,034.06	20,535,994.31	2,578,621.39
10	Motor Vehicle Insurance Fund	480,838.59	444,122.50	460,000.00	464,961.09
12	Building Construction Planning Fund	80,301.72	- 0 -	21,425.96	58,875.76
13	Fire Insurance Fund	5,309,971.36	5,112,619.83	4,470,000.00	5,952,591.19
14	Compensation Insurance Fund	1,381,576.34	2,408,827.30	1,930,000.00	1,860,403.64
19	Vital Statistics Fund	45,145.18	651,613.24	625,685.30	71,073.12
20	Motor Vehicle Commission Fund	5,056.79	127,925.13	131,012.28	1,969.64
23	Department of Agriculture Fund	823,589.31	1,607,576.75	1,422,737.73	988,428.33
24	Psychologists Licensing Fund	24,201.55	103,515.96	70,623.63	57,093.88
25	Social Psychotherapists Licensure Fund	- 0 -	63,310.00	6,106.04	57,203.96
29	Traffic Safety Fund	3,994,662.66	7,190,458.91	7,066,540.20	4,118,581.37
30	Education Agency Driver Education Fund	950,390.14	1,695,334.41	2,222,633.54	423,091.01
31	Texas Park Fund	17,235,356.15	14,419,904.30	16,654,685.12	15,000,515.33
32	Youth Council Mineral Fund	17,534.55	795.11	- 0 -	18,329.66
33	Sanitarians Registration and License Fund	113.79	6,095.00	5,548.11	660.68
34	Optometry Fund	70,379.55	53,382.59	76,891.32	46,870.82
35	Veterinary Fund	45,101.52	90,325.33	86,718.87	48,707.98
36	Insurance Board Operating Fund	626,032.55	12,818,694.15	10,699,780.95	2,744,945.75
38	Central Education Agency Program Fund	3,980,404.66	149,034,511.87	150,397,900.50	2,617,016.03
39	Commodity Distribution Fund	10,822,905.04	33,785,235.78	40,692,844.50	3,915,296.32
40	Barber Examiners Fund	48,327.58	583,685.07	311,963.38	320,049.27
41	Water Development Board Fund	867,694.55	1,085,570.55	1,020,312.90	932,952.20
52	General Land Office Fund	90,230.19	455,451.21	485,050.32	60,631.08
54	Insurance Examination Fund	147,996.43	2,332,104.79	2,360,000.00	120,101.22
55	Medical Registration Fund	77,789.85	671,993.64	370,672.41	377,111.08
56	Professional Engineers Funds	152,093.85	727,698.65	463,612.14	416,180.36
58	Feed Control Fund	24,556.49	689,578.67	658,688.87	55,446.29
59	Special Boat Fund	3,339,494.35	3,537,541.83	5,625,216.30	1,251,819.88
61	Rehabilitation Commission Fund	1,674,138.63	54,806,401.24	55,804,635.61	675,904.26
62	Comptroller's Operating Fund	3,977,848.80	33,716,442.26	32,913,668.77	4,780,622.29
63	Land & Water Recreation & Safety Fund	- 0 -	- 0 -	- 0 -	- 0 -
64	State Parks Fund	625,798.17	2,492,112.62	2,062,733.90	1,055,176.29
65	Land Office Sale Fee Fund	424,810.87	1,231,834.87	1,285,254.54	371,391.20
67	Confiscated Liquor Fund	46,609.32	10,011.60	16,224.31	40,396.61
69	Board of Landscape Architects & Irrigators Fund	101,975.95	49,058.33	55,118.93	95,915.35
70	Bicentennial Fund	16,545.67	15,457.90	12,321.58	19,771.99
71	Texas Highway Beautification Fund	3,158,595.40	3,722,410.20	- 0 -	6,881,005.60
72	Attorney General Operating Fund	249,590.57	1,924,925.56	1,895,105.40	279,410.73
75	Registered Public Surveyors Fund	13,602.89	37,144.80	46,914.90	3,832.79
76	Prepaid Funeral Contract Fund	23,854.07	49,607.39	48,835.62	24,625.84

(Deduction)

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 1: GENERAL STATE OPERATING AND DISBURSING FUNDS (continued)				
80 Land Office Permit Fee Fund	\$ 156,989.82	\$ 101,983.36	\$ 153,082.42	\$ 105,890.76
81 Public Safety Building Fund	3,810,456.85	3,155,588.26	3,539,166.58	3,426,878.53
82 Texas Mobile Homes Standards Fund	46,857.67	2,740.21	31,922.67	17,675.21
83 Donated Commodity Distribution Fund	10,436.11	1,984.94	- 0 -	12,421.05
85 Insurance Agents License Fund	23,730.35	660,000.45	625,000.00	58,730.80
86 Dental Registration Fund	273,910.92	337,666.44	344,092.98	262,484.38
87 Hearing Aids Fund	38,760.31	38,456.73	38,515.02	38,702.02
89 Youth Development Fund	579.06	- 0 -	- 0 -	579.06
93 Managing General Agent's Fund	6,549.39	14,600.65	20,000.00	1,150.04
94 Workmen's Compensation Fund	678,216.05	2,763,083.88	2,752,881.09	688,418.84
95 A & M University Mineral Investment Fund	1,529.98	308,127.47	304,904.00	4,253.45
96 A & M University Mineral Income Fund	12,323.95	112,226.79	114,087.77	10,462.97
97 Liquor Act Enforcement Fund	1,961,727.14	9,860,227.59	10,323,111.01	1,498,843.72
99 Operators & Chauffeurs License Fund	5,680,755.82	10,754,212.09	11,015,569.11	5,419,399.80
100 Treasury Fiscal Agency Fund	4,607.39	10,495.32	10,988.41	4,114.30
102 Air Control Board Fund	130,947.62	1,724,427.97	1,716,139.07	139,236.52
103 Credit Insurance Fund	445,555.18	(334,000.00)	111,000.00	555.18
109 Architects Registration Fund	130,889.65	132,001.14	129,444.88	133,445.91
110 Fire Extinguisher Fund	61,157.56	38,461.70	75,000.00	24,619.26
112 Central Education Agency	508,442.24	17,019,301.97	17,472,805.59	54,934.62
113 Mutual Assessment Fund	31.56	1,599.36	1,500.00	130.92
114 Real Estate License Fund	373,750.17	1,722,007.27	1,092,727.89	1,003,029.55
115 Insurance Fee Fund	1,398,299.84	950,854.18	2,185,000.00	164,154.02
119 Fire Works License Fund	59.00	39,194.50	29,000.00	10,253.50
122 Children Assistance Fund	- 0 -	- 0 -	- 0 -	- 0 -
123 Water Development Board Planning Fund	117,843.47	393,090.03	243,693.69	267,239.81
124 Local Recording Agents and Solicitors License Fund	328,230.88	320,966.36	380,000.00	269,197.24
126 Industrial Commission Fund	8,055.18	178,359.93	185,790.07	625.84
129 Hospital Licensing Fund	6,507.43	54,908.00	15,739.12	45,676.31
137 Nursing Home Administration Fund	132,740.95	179,690.00	78,052.74	234,372.21
140 Chiropractic Examiners Fund	4,316.00	48,300.00	34,931.39	17,684.61
150 Aircraft Fuel Tax Fund	383,054.74	624,133.10	272,158.21	735,029.63
152 Escheat Expense & Reimbursement Fund	99,984.39	112,910.19	109,795.81	103,098.77
153 Water Quality Fund	1,552,445.14	1,957,682.79	1,105,138.48	2,404,989.45
154 Texas A & I University at Kingsville Special Mineral Fund	3,223.47	779.96	- 0 -	4,003.43
155 Railroad Commission Operating Fund	4,519,885.58	5,920,973.79	5,990,822.34	4,450,037.03
156 Industrial Revolving Fund	1,119,246.48	9,741,341.47	9,682,977.03	1,177,610.92
157 Alabama-Coushatta Mineral Fund	4.22	3,759.76	- 0 -	3,763.98
158 Water Rights Administration Fund	118,788.21	177,972.16	170,209.13	126,551.24
161 Casualty Insurance Fund	400,924.82	641,057.69	495,000.00	546,982.51

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 1: GENERAL STATE OPERATING AND DISBURSING FUNDS (continued)				
162 Title Insurance Fund	\$ 51,779.40	\$ 121,053.83	\$ 105,000.00	\$ 67,833.23
163 Special Medical Assistance Fund	20,765,257.09	(20,765,257.09)	- 0 -	- 0 -
164 Conservators Expense Fund	25,874.24	75,288.84	79,590.71	21,572.37
165 Unemployment Compensation Special Administration Fund	4,462,139.98	2,249,426.75	573,686.22	6,137,880.51
166 Welfare Administration Operating Fund	8,333,452.32	945,809,408.64	899,792,052.09	54,350,131.07
167 Welfare Assistance Operating Fund	- 0 -	140,715,067.43	133,867,098.00	6,847,969.43
168 Welfare Assistance Fund	3,103,049.65	(3,103,049.65)	677.80	(677.80)
180 Burial Association Rate Fund	15,293.28	769.83	3,000.00	13,063.11
193 Foundation School Fund	532,956.07	374,183,771.56	374,716,727.63	- 0 -
210 Texas Public Educational Grant	- 0 -	1,598,140.50	1,049,536.00	548,604.50
220 Basic Science Examination Fund	73,239.62	83,489.25	86,712.95	70,015.92
225 University of Houston Current Fund	1,104,489.96	2,927,209.96	1,528,365.40	2,503,334.52
226 Pan American University Current Fund	384,885.39	691,086.38	252,442.91	823,528.86
227 Angelo State University Current Fund	206,915.85	863,345.41	796,171.95	274,089.31
228 Texas Eastern University Current Fund	149,254.72	202,563.85	21,788.18	330,030.39
229 University of Houston at Clear Lake City Current Fund	3,053.25	22,930.33	10,451.21	15,532.37
230 Texas A & I University at Corpus Christi Current Fund	175,143.33	284,847.60	117,115.31	342,875.62
231 Texas A & I University at Laredo Current Fund	186,787.96	122,303.08	44,802.87	264,288.17
232 East Texas University at Texarkana Current Fund	- 0 -	151,903.52	49,179.55	102,723.97
233 University of Houston Victoria Center Current Fund	- 0 -	6,349.44	- 0 -	6,349.44
237 Texas State Technical Institute Fund	946,613.67	2,483,178.05	1,995,496.90	1,434,294.82
238 UT at Dallas Current Fund	160.47	11,100.80	- 0 -	11,261.27
240 A & M Experiment Station Current Fund	227,285.20	88,048.00	130,255.25	185,077.95
242 A & M University Current Fund	7,352.35	3,727,168.00	2,792,236.97	942,283.38
243 Tarleton State University Current Fund	322,421.30	684,270.84	336,406.82	670,285.32
244 UT at Arlington Current Fund	218,293.22	90,222.00	192,461.07	116,054.15
245 Prairie View A & M University Current Fund	721,242.21	734,417.87	543,140.82	912,519.26
247 Texas Southern University Current Fund	396,132.75	1,794,895.91	1,653,281.45	551,747.21
248 University of Texas at Austin Current Fund	58,829.58	1,517,877.62	1,572,525.73	4,181.47
249 UT at San Antonio Current Fund	7,658.00	12,284.80	1,397.73	18,545.07
250 UT at El Paso Current Fund	218,426.66	110,926.24	40,058.03	289,294.87
251 UT of the Permian Basin Current Fund	5,841.84	3,770.00	11.40	9,600.44
253 Texas Woman's University Current Fund	1,029,881.22	1,523,515.08	1,815,300.17	738,096.13
254 Texas A & I University at Kingsville Current Fund	1,064,675.53	1,479,484.16	1,176,159.41	1,368,000.28
255 Texas Technological University Current Fund	1,420,313.74	1,129,686.84	1,848,227.16	701,773.42
256 Lamar University Current Fund	1,095,672.97	2,176,784.21	2,459,143.34	813,313.84
257 East Texas State University Current Fund	1,968,389.88	2,134,259.81	1,900,506.72	2,202,142.97
258 North Texas State University Current Fund	149,965.57	4,534,089.54	4,146,286.74	537,768.37
259 Sam Houston State University Current Fund	1,688,445.89	1,749,969.12	1,479,725.39	1,958,689.62
260 Southwest Texas State University Current Fund	986,581.66	2,542,856.43	2,151,595.76	1,377,842.33

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 1: GENERAL STATE OPERATING AND DISBURSING FUNDS (continued)				
261 Stephen F. Austin State University Current Fund	\$ 238,504.28	\$ 1,257,253.14	\$ 1,248,104.86	\$ 247,652.56
262 Sul Ross State University Current Fund	284,359.64	464,977.15	652,933.21	96,402.98
263 West Texas State University Current Fund	640,526.33	2,043,429.39	1,764,090.92	919,864.80
264 Midwestern University Current Fund	508,767.04	905,887.05	779,862.55	634,791.54
265 National Guard Armory Board Mineral Fund	- 0 -	- 0 -	- 0 -	- 0 -
266 Vocational Nurse Examiners Fund	194,813.33	277,401.23	241,559.35	230,655.21
267 Parks Board Mineral Fund	15,433.64	(15,433.64)	- 0 -	- 0 -
268 Hospitals & Special Schools Mineral Fund	- 0 -	- 0 -	- 0 -	- 0 -
270 Hospitals & Special Schools Mineral Fund	76,244.19	11,401.48	- 0 -	87,645.67
272 Board of Corrections Mineral Fund	1,939,599.73	399,815.64	289,782.22	2,049,633.15
274 Motor Vehicle Inspection Fund	4,259,784.35	6,340,477.46	5,683,532.58	4,916,729.23
275 Moody College of Marine Sciences and Maritime Resources Current Fund	158,676.66	168,955.42	36,464.69	291,167.39
412 Midwestern University Special Mineral Fund	840.90	4,215.95	- 0 -	5,056.85
419 Property Tax Committee Fund	27,741.92	(27,741.92)	- 0 -	- 0 -
420 Parks & Wildlife Operating Fund	1,314,170.07	13,946,921.96	13,073,131.35	2,187,760.68
421 Criminal Justice Planning Fund	13,048,662.01	48,333,613.51	48,843,413.89	12,538,861.63
423 Law Library Fund	.25	(.25)	- 0 -	- 0 -
424 Structural Pest Control Fund	105,853.47	198,059.00	204,567.00	99,345.47
425 Rural Industrial Development Fund	12,019.96	38,965.08	- 0 -	50,985.04
450 Coastal Public Lands Management Fee Fund	54,081.95	33,405.48	9,546.57	77,940.86
451 Public Transportation Fund	1,026,469.54	15,044,364.00	825,602.12	15,245,231.42
453 Disaster Contingency Fund	- 0 -	2,000,000.00	150,000.00	1,850,000.00
454 Land Reclamation Fund	- 0 -	200.00	- 0 -	200.00
TOTALS FOR GROUP 1	944,710,462.66	4,365,452,269.01	4,287,060,734.70	1,023,101,996.97
GROUP 2: CONSTITUTIONAL FUNDS EXPENDABLE FOR SPECIFIC PURPOSES				
2 Available School Fund	25,799,616.08	489,053,556.01	474,434,106.75	40,419,065.34
3 State Textbook Fund	5,042,126.19	34,308,007.36	37,783,290.58	1,566,842.97
5 Confederate Pension Fund	3,965,111.02	1,083,815.96	64,110.00	4,984,816.98
6 State Highway Fund	134,999,492.83	888,357,555.78	813,218,640.88	210,138,402.73
7 State Building Fund	647,764.79	8,544,661.31	5,006,478.89	4,185,947.21
11 Available University Fund	12,450,965.93	18,757,448.47	15,616,941.52	15,597,020.43
15 Available Lunatic Asylum Fund	- 0 -	830.64	830.64	- 0 -
16 Available Deaf & Dumb Institute Fund	- 0 -	655.74	655.74	- 0 -
17 Available Blind Institute Fund	- 0 -	945.93	945.93	- 0 -
18 Available Orphans Home Fund	- 0 -	341.93	341.93	- 0 -
47 A & M University Available Fund	14,013,180.48	10,322,230.39	7,627,563.19	16,707,847.68
57 County & Road District Highway Fund	7,742,686.09	17,386,231.14	17,174,652.88	7,954,264.35

(deduction)

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 2: CONSTITUTIONAL FUNDS EXPENDABLE FOR SPECIFIC PURPOSES (continued)				
190 Veterans Land Bond Fund	\$ 3,569.94	\$ 1,638,269.31	\$ 1,617,593.02	\$ 24,246.23
194 Tarleton State University Building Fund	465.82	152.56	- 0 -	618.38
195 UT at Arlington Building Fund	218.58	148.30	- 0 -	366.88
196 Texas Woman's University Building Fund	413.81	277.41	- 0 -	691.22
197 Texas A & I University Building Fund	169.08	107.82	169.08	107.82
198 UT at El Paso Building Fund	185.79	114.49	- 0 -	300.28
199 Texas Tech Unig Fund	582.13	369.28	582.13	369.28
200 East Texas University Building Fund	287.01	194.82	- 0 -	481.83
201 North Texas State University Building Fund	444.50	281.44	444.50	281.44
202 Sam Houston State University Building Fund	9,530.02	667.53	- 0 -	10,197.55
203 Southwest Texas State University Building Fund	237.64	162.92	249.10	151.46
204 Stephen F. Austin State University Building Fund	382.74	122.13	- 0 -	504.87
205 Sul Ross State University Building Fund	221.00	60.01	- 0 -	281.01
206 West Texas State University Building Fund	430.42	143.84	- 0 -	574.26
207 Prairie View A & M University Building Fund	187.55	118.57	187.55	118.57
211 University of Texas Interest & Sinking Fund	11,631.19	11,448,664.83	11,459,835.00	461.02
212 A & M Main University Interest & Sinking Fund	.01	6,036,543.19	6,034,371.54	2,171.66
276 Veterans Land Fund Division B	4,855.93	7,954,565.78	7,551,858.99	407,562.72
278 Veterans Bond Fund Division A Reserve	- 0 -	32,664.84	32,664.84	- 0 -
281 Veterans Bond Fund Division B Reserve	- 0 -	81,188.16	81,188.16	- 0 -
301 Texas Southern University Allocation Fund 1958-67	15,812.26	1,678.28	- 0 -	17,490.54
306 Texas Woman's University Allocation Fund 1958-67	804.13	584.44	- 0 -	1,388.57
309 A & I University Allocation Fund 1958-67	958.29	667.55	958.29	667.55
312 Texas Tech University Allocation Fund 1958-67	3,029.80	2,096.38	3,029.80	2,096.38
315 Lamar University Allocation Fund 1958-67	11,051.66	1,606.06	- 0 -	12,657.72
320 North Texas State University Allocation Fund 1958-67	2,430.96	1,679.49	2,430.96	1,679.49
323 East Texas State University Allocation Fund 1958-67	936.22	689.01	- 0 -	1,625.23
324 Sam Houston University Allocation Fund 1958-67	23,886.32	2,094.72	- 0 -	25,981.04
325 Southwest Texas State University Allocation Fund 1958-67	816.74	607.20	856.10	567.84
326 Stephen F. Austin State University Allocation Fund 1958-67	685.80	469.54	- 0 -	1,155.34
327 Sul Ross State University Allocation Fund 1958-67	7,447.05	654.19	- 0 -	8,101.24
328 West Texas State University Allocation Fund 1958-67	1,776.78	637.85	- 0 -	2,414.63
350 Water Development Clearance Fund	- 0 -	- 0 -	- 0 -	- 0 -
351 Water Development Fund	(17,724.42)	119,574,805.92	119,569,182.28	6,930.18
352 Water Development Bonds Interest & Sinking Fund	34,002.83	46,851,846.93	46,821,498.29	45,320.51
355 Storage Facilities Operation and Maintenance Fund	- 0 -	4,518,546.91	4,518,546.91	- 0 -

(Deduction)

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 2: CONSTITUTIONAL FUNDS EXPENDABLE FOR SPECIFIC PURPOSES (continued)				
375 Veterans Land Bond Fund Division C	\$ 65,597.33	\$ 16,103,028.25	\$ 15,791,664.00	\$ 376,961.58
376 Veterans Land Bond Fund Division C Reserve	- 0 -	153,698.52	153,698.52	- 0 -
387 Texas Opportunity Plan Fund	5,783,190.05	29,946,237.24	34,047,048.45	1,682,378.84
388 College Student Loan Bond Interest & Sinking Fund	2,122,941.14	39,280,427.94	40,204,385.75	1,198,983.33
390 UT Arlington 1966-1977 Bond Sinking Fund	2,776,216.23	3,785,618.71	2,442,872.50	4,118,362.44
391 Texas Tech University 1966-1977 Building Bond Sinking Fund	3,211,231.84	3,869,499.63	2,522,805.00	4,557,926.47
392 North Texas State University 1966-1977 Building Bond Sinking Fund	2,760,416.59	3,367,530.50	2,195,865.00	3,932,082.09
393 Lamar University 1966-1977 Building Bond Sinking Fund	2,095,690.68	2,612,040.75	1,706,040.00	3,001,691.43
394 A & I University 1966-1977 Building Bond Sinking Fund	988,696.88	1,220,645.09	793,315.00	1,415,711.97
395 Texas Woman's University 1966-1977 Building Bond Sinking Fund	595,269.34	748,207.04	484,270.00	859,206.38
396 Texas Southern University 1966-1977 Building Bond Sinking Fund	714,200.46	903,348.32	585,785.00	1,031,763.78
397 Midwestern University 1966-1977 Building Bond Sinking Fund	699,319.71	812,026.96	523,735.00	987,611.67
398 University of Houston 1966-1977 Building Bond Sinking Fund	3,780,366.68	4,744,859.20	3,097,265.00	5,427,960.88
399 Pan American University 1966-1977 Building Bond Sinking Fund	714,955.51	905,771.46	590,955.00	1,029,771.97
400 East Texas State University 1966-1977 Building Bond Sinking Fund	1,105,384.21	1,290,772.85	838,825.00	1,557,332.06
401 Sam Houston State University 1966-1977 Building Bond Sinking Fund	1,172,735.49	565,748.33	- 0 -	1,738,483.82
402 Southwest Texas State University 1966-1977 Building Bond Sinking Fund	1,384,042.76	639,168.42	- 0 -	2,023,211.18
403 West Texas State University 1966-1977 Building Bond Sinking Fund	854,395.63	1,018,375.87	659,140.00	1,213,631.50
404 Stephen F. Austin State University 1966-1977 Building Bond Sinking Fund	1,373,452.33	1,802,918.95	1,171,090.00	2,005,281.28
405 Sul Ross State University 1966-1977 Building Bond Sinking Fund	247,363.66	104,570.11	- 0 -	351,933.77
406 Angelo State University 1966-1977 Building Bond Sinking Fund	594,564.67	244,851.58	- 0 -	839,416.25
407 State Senior Colleges 1966-1977 Building Bond Sinking Fund	5.77	2,971,616.94	2,971,565.00	57.71
408 Texas Park Development Fund	3,501,213.64	5,740,203.04	5,135,836.67	4,105,580.01
409 Texas Park Development Bond Interest & Sinking Fund	1,273,088.43	5,365,025.97	3,229,267.97	3,408,846.43

*Includes Interfund Transfers.

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 2: CONSTITUTIONAL FUNDS EXPENDABLE FOR SPECIFIC PURPOSES (continued)				
410 Veterans Land Bond Fund Division D Series 1968	\$ 7,452.50	\$ 14,931,384.45	\$ 14,858,735.36	\$ 80,101.59
411 Veterans Land Bond Fund Division D Reserve	- 0 -	697,326.80	697,326.80	- 0 -
413 Veterans Land Bond Fund Division D Series 1968A	5,295.79	15,593,635.31	15,598,931.10	- 0 -
415 Veterans Land Bond Fund Division D Series 1971	4,120.02	4,982,559.15	4,917,337.34	69,341.83
417 Veterans Land Bond Fund Division D Series 1971A	4,898.31	1,499,225.57	1,475,892.43	28,231.45
426 Veterans Land Bond Fund Division D Series 1971B	7,879.61	1,171,317.44	1,141,190.10	38,006.95
428 Veterans Land Bond Fund Division D Series 1972	12,605.85	2,470,350.75	2,425,790.97	57,165.63
429 UT Arlington 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
430 Texas Southern University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
431 University of Houston 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
432 Texas Woman's University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
433 A & I University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
434 Texas Tech University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
435 Lamar University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
436 Midwestern University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
437 Pan Am University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
438 East Texas State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
439 North Texas State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
440 Stephen F. Austin State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
441 West Texas State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
442 Angelo State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
443 Sam Houston State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
444 Southwest Texas State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -
445 Sul Ross State University 72-77 Building Bond Sinking Fund	- 0 -	- 0 -	- 0 -	- 0 -

(Deduction)

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 2: CONSTITUTIONAL FUNDS EXPENDABLE FOR SPECIFIC PURPOSES (continued)				
446 State Senior Colleges 72-77 Building Bond Sinking Fund	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
447 Veterans Land Bond Fund Division D Series 1972A	335,992.12	36,525,461.17	36,811,989.91	49,463.38
455 Veterans Land Bond Fund Division E Series 1976	- 0 -	40,805,465.84	26,919,641.07	13,165,824.77
456 Veterans Land Bond Fund Division E Reserve	- 0 -	125,867.43	125,867.43	- 0 -
TOTALS FOR GROUP 2	242,973,254.22	1,912,247,947.94	1,792,742,651.84	362,484,097.87
GROUP 3: FEDERAL FUNDS				
21 Trust Account-Federal Aid-Highway Act Fund	13,342.06	256.57	13,598.63	- 0 -
26 Unemployment Compensation Administration Fund	398,210.32	68,241,007.30	68,415,384.37	233,833.25
37 Federal Child Welfare Service Fund	2,319,025.24	261,692.66	- 0 -	2,057,332.58
92 Federal Disaster Fund	7,851.43	1,375,942.38	1,381,757.80	2,036.01
117 Federal Public Welfare Administration Fund	151,297,523.02	(8,082,079.69)	458.00	143,214,527.33
118 Federal Public Library Service Fund	382,618.14	3,859,669.69	4,129,828.72	112,459.11
127 Community Affairs Federal Fund	1,083,935.93	58,677,324.31	54,871,025.89	4,890,234.35
134 Federal Older Americans Fund	400,487.99	11,828,860.05	11,795,942.57	433,405.47
136 Federal Alcoholism Fund	792,160.86	3,284,032.21	3,839,030.01	237,164.06
141 Federal Adult Blind Fund	225,677.80	12,243,567.53	12,249,940.30	219,305.03
148 Federal Health Education & Welfare Fund	2,587,528.48	190,632,661.50	190,156,906.79	3,063,283.79
169 Federal Veterans Educational Fund	226,866.81	402,792.63	573,037.13	56,622.31
171 Federal School Lunch Fund	4,243,448.46	122,241,396.25	126,272,622.85	212,221.86
208 Federal Student Loan Fund	2,306,638.50	(849,077.71)	59,281.58	1,398,279.21
219 Federal Higher Education Fund	923,916.41	648,667.20	807,412.38	765,171.23
221 Federal Civil Defense & Disaster Relief Fund	23,400.81	839,403.57	845,880.23	16,924.15
222 Department Public Safety Federal Fund	586,141.82	3,861,517.66	4,214,468.48	233,191.00
223 Land and Water Conservation Fund	7,070,190.77	8,722,285.70	9,985,157.68	5,807,318.79
224 Governor's Office Federal Projects Fund	1,053,166.23	2,479,938.32	1,633,233.17	1,899,871.38
273 Federal Health Fund	2,235,174.80	62,566,313.04	60,800,269.35	4,001,218.49
448 Federal Revenue Sharing Trust	8,300,156.15	291,086,753.26	298,532,398.61	854,514.80
449 Adjutant General Federal Fund	109,982.04	284,114.09	284,614.96	109,481.17
TOTALS FOR GROUP 3	186,587,444.07	834,083,196.20	850,862,245.50	169,808,394.77
GROUP 4: TRUST OR PLEDGED FUNDS				
22 University of Texas Revenue Bond Fund	2,123,787.50	4,248,537.50	4,247,575.00	2,134,750.00
46 Endowment Fund Medical Branch U of T	- 0 -	- 0 -	- 0 -	- 0 -
53 School Bus Revolving Fund	320,939.05	27,488,376.99	27,671,439.04	137,877.00
TOTALS FOR GROUP 4	2,444,726.55	31,736,914.49	31,919,014.04	2,262,627.00

(Deduction)

*Includes Interfund Transfers

SCHEDULE 5 (continued)
CASH BALANCES, REVENUES AND EXPENDITURES
BY GROUP AND FUND

	Net Cash Balance 9-1-75	Revenues*	Expenditures*	Net Cash Balance 8-31-76
GROUP 5: CONSTITUTIONAL NON-EXPENDABLE FUNDS				
44 Permanent School Fund	4,185,404.64	160,047,470.22	156,587,670.32	7,645,204.54
45 Permanent University Fund	866,152.22	263,855,451.19	264,402,790.92	318,812.49
48 Permanent Blind Institute Fund	12,714.40	140,000.00	150,345.63	2,368.77
49 Permanent Deaf & Dumb Institute Fund	10,227.70	100,000.00	108,796.88	1,430.82
50 Permanent Lunatic Asylum Fund	6,272.98	130,000.00	134,516.57	1,756.41
51 Permanent Orphans Home Fund	14,187.30	30,000.00	43,535.00	652.30
TOTALS FOR GROUP 5	5,094,959.24	424,302,921.41	421,427,655.32	7,970,225.33
GROUP 6: TAX CLEARANCE FUNDS				
60 Highway Motor Fuel Tax Fund	27,085,307.29	436,612,256.07	434,461,087.78	29,236,475.58
68 Mixed Beverage Tax Clearance Fund	5,978,269.86	12,490,865.78	11,372,966.36	7,096,169.28
120 Omnibus Tax Clearance Fund	39,153,458.48	1,619,879,937.25	1,619,437,601.85	39,595,793.88
TOTALS FOR GROUP 6	72,217,035.63	2,068,983,059.10	2,065,271,655.99	75,928,438.74
Petty Cash Funds	413,549.00	586,991.00	22,945.00	977,595.00
TOTAL CASH, ALL GROUPS	\$ 1,454,446,978.92	\$ 9,637,393,299.15	\$ 9,449,306,902.39	\$ 1,642,533,375.68

Other Financial Information

SCHEDULE 6
TRANSACTIONS OF SUSPENSE & TRUST FUNDS
Year Ended August 31, 1976

FUND/Department	Opening Cash Balance 9-1-75	Increases*	Decreases**	Closing Cash Balance 8-31-76
900 SUSPENSE FUNDS (Departmental):				
102 House of Representatives	\$ - 0 -	\$ 532.59	\$ 181.71	\$ 350.88
243 Law Library	100.00	100.00	148.00	52.00
301 Executive Office - Governor	3,000.00	- 0 -	- 0 -	3,000.00
302 Attorney General	312.35	15,340.13	- 0 -	15,652.48
303 Board of Control	792,467.65	2,509,718.20	2,790,297.20	511,888.65
304 Comptroller of Public Accounts	43,682,623.45	1,948,190,522.54	1,948,340,547.69	43,532,598.30
305 General Land Office	13,252,831.19	290,355,377.12	295,800,643.57	7,807,564.74
307 Secretary of State	1,325,543.16	6,357,076.43	6,911,151.90	771,467.69
309 Building Commission	22,722.51	- 0 -	22,722.51	- 0 -
310 State Treasury	11,192,184.21	86,214,710.27	84,115,321.64	13,291,572.84
312 Securities Board	288,619.33	1,345,583.30	1,437,795.83	196,406.80
318 Commission for the Blind	19,731.70	409.50	9,487.74	10,653.46
322 Texas Employment Commission	900,028.19	5,432,377.38	4,935,170.62	1,397,234.95
324 Department of Public Welfare	680,694.51	1,882,132.30	1,894,174.52	668,652.29
327 Employees' Retirement System	2,178.65	36,196.11	35,431.82	2,942.94
329 Real Estate Commission	212,817.41	3,557,818.84	3,423,485.37	347,150.88
330 Rehabilitation Commission	8,804.80	16,506.87	15,834.68	9,476.99
332 Community Affairs	58,565.52	7,836.23	13,669.68	52,732.07
452 Bureau of Labor and Standards	87,474.25	354,658.05	190,297.94	251,834.36
453 Industrial Accident Board	4,900.00	- 0 -	4,900.00	- 0 -
454 Board of Insurance	1,682,823.95	118,982,002.70	117,325,191.33	3,339,635.32
455 Railroad Commission	969,188.78	2,274,997.40	2,447,244.05	796,942.13
458 Alcoholic Beverage Commission	3,991,947.11	9,050,484.32	6,564,476.55	6,477,954.88
459 Board of Architectural Examiners	- 0 -	30,880.00	30,880.00	- 0 -
460 Board of Registration for Professional Engineers	3,080.00	57,509.15	60,546.15	43.00
467 Board of Private Investigators, and Private Security Agencies	8,652.50	2,555.00	9,551.12	1,656.38
468 Board of Landscape Architects	- 0 -	13,966.50	13,866.50	100.00
470 Motor Vehicle Commission	92,400.00	135,512.50	130,387.50	97,525.00
471 Texas Amusement Machine Commission	36,087.50	1,606,946.75	1,582,854.75	60,179.50
472 Structural Pest Control Board	11,900.00	98,850.00	87,930.00	22,820.00
473 Public Utilities Commission	- 0 -	4,023,071.49	11.81	4,023,059.68
501 Department of Health	174,697.77	2,104,266.88	1,996,439.09	282,525.56
503 Board of Medical Examiners	50.00	100.00	150.00	- 0 -
504 Board of Dental Examiners	2,304.00	(2,304.00)	- 0 -	- 0 -
505 Cosmetology Commission	9,551.05	4,448.47	11,631.71	2,367.81
508 Board of Chiropractic Examiners	500.00	6,200.00	5,080.00	1,620.00
510 Board of Examiners in Basic Sciences	8,245.00	94,645.00	94,395.00	8,495.00
511 Board of Vocational Nurse Examiners	22,590.00	122,820.00	118,085.00	27,325.00
514 Optometry Board	- 0 -	11,020.00	10,980.00	40.00
518 Water Quality Board	3,000.00	778.00	3,778.00	- 0 -

*Deposits to funds

**Cleared to a State fund or refunded by warrant issue

SCHEDULE 6 (continued)
TRANSACTIONS OF SUSPENSE & TRUST FUNDS
Year Ended August 31, 1976

FUND/Department	Opening Cash Balance 9-1-75	Increases*	Decreases**	Closing Cash Balance 8-31-76
900 SUSPENSE FUNDS (continued):				
519 Air Control Board	\$ - 0 -	\$ 160.00	\$ - 0 -	\$ 160.00
524 Board of Nursing Home Administrators	- 0 -	1,300.50	1,270.50	30.00
551 Department of Agriculture	271,406.46	1,430,413.21	1,434,696.46	267,123.21
552 Water Rights Commission	46,897.85	116,752.75	82,969.76	80,680.84
580 Water Development Board	1,754.00	30,616.00	31,920.00	450.00
666 East Texas Chest Hospital	5,361.01	- 0 -	5,361.01	- 0 -
684 Harlingen State Chest Hospital	19,686.32	1,213.92	1,213.92	19,686.32
701 Texas Education Agency	76,001.79	156,040.56	131,190.88	100,851.47
721 University of Texas at Austin	8.25	- 0 -	- 0 -	8.25
734 Lamar University	- 0 -	11,740.24	- 0 -	11,740.24
781 Coordinating Board, College and University System	161,440.30	17,561,739.83	17,639,857.78	83,322.35
802 Parks and Wildlife Department	573,141.28	28,701,760.04	26,030,087.61	3,244,813.71
902 Miscellaneous	97,581.48	209,830.57	307,412.05	- 0 -
TOTAL SUSPENSE FUNDS (Departmental)	80,805,895.28	2,533,117,213.64	2,526,100,720.95	87,822,387.97
TRUST FUNDS:				
901 U.S. Savings Bond	150,426.94	6,312,764.24	6,285,885.58	177,305.60
902 County Tax Collectors	1,339,809.48	37,507,763.57	36,775,973.03	2,071,600.02
903 Flood Area School and Road	4,555.75	356,729.10	306,050.51	55,234.34
904 Motor Fuel Distributors Bond Guaranty	44,489.81	39,670.00	12,885.00	71,274.81
905 Foreign Corporation Franchise Guaranty	4,784,000.00	939,520.25	2,677,520.25	3,046,000.00
906 Dissolution of Solvent Corporation	50,743.32	32,594.00	3,317.04	80,020.28
907 Settlement of Estates	374,784.33	66,649.60	14,607.45	426,826.48
909 Fiscal Agency Receiving	32,916.81	19,700,415.07	19,557,873.32	175,458.56
913 Social Security	13,594,172.65	372,098,366.33	370,401,127.94	15,291,411.04
914 Motor Vehicle Responsibility	212,202.95	285,148.20	158,386.88	338,964.27
918 Second Injury	244,897.94	70,058.99	95,039.97	219,916.96
919 Mutual Assessment Insurance Company	44,413.00	- 0 -	9,375.00	35,038.00
922 Group Hospital Insurance Companies	2,000.00	- 0 -	- 0 -	2,000.00
923 Insurance Companies Unclaimed Dividends	41.57	37,906.12	- 0 -	37,947.69
924 County Mutual Insurance Companies	5,500.00	- 0 -	- 0 -	5,500.00
927 County or Political Subdivision Road Participation	22,533,762.34	20,575,031.16	24,841,227.65	18,267,565.85
928 State Hospital Inmates Estates	42,692.74	17,479.37	2,119.01	58,053.10
929 Social Security Administration	346,175.29	327,030.15	246,231.56	426,973.88

*Deposits to funds

**Cleared to a State fund or refunded by warrant issue

SCHEDULE 6 (continued)
 TRANSACTIONS OF SUSPENSE & TRUST FUNDS
 Year Ended August 31, 1976

	Opening Cash Balance 9-1-75	Increases*	Decreases**	Closing Cash Balance 8-31-76
TRUST FUNDS (continued):				
930 Road Bond Coupon Paying	\$ 564,072.74	\$ 22,137,112.60	\$ 22,205,714.61	\$ 495,470.73
931 Delinquent Tax Sales Excess	123,751.06	202,238.02	34,375.89	291,613.19
932 Escheated Estates	58.43	- 0 -	- 0 -	58.43
936 Unemployment Compensation Clearance	37,204.33	102,886,985.52	102,916,825.85	7,364.00
937 Unemployment Compensation Benefit	1,217,511.04	219,231,802.89	220,190,432.15	258,881.78
939 Prison System Escheated Estates	16,927.68	6,179.22	19.81	23,087.09
941 Varner-Hogg State Park	12,485.15	6,932.79	- 0 -	19,417.94
948 State Conservator	49,533.51	4,108,919.83	3,369,648.36	788,804.98
950 SERS Expense	16,217.11	1,812,947.12	1,815,339.94	13,824.29
951 SERS Employees' Saving	179,232.29	56,214,988.94	56,132,815.71	261,405.52
952 SERS State Accumulation	27,788.35	68,921,841.01	68,431,734.15	517,895.21
953 SERS Retirement Annuity Reserve	10,190.30	95,275,187.25	95,239,725.62	45,651.93
954 SERS Interest	26,976.46	61,949,564.15	61,661,932.41	314,608.20
955 SERS Investment	2,465,503.00	351,920,951.76	346,438,208.53	7,948,246.23
957 Veterans Land Group Insurance	55,837.37	921,688.81	910,004.63	67,521.55
959 Unclaimed Funds from Life Insurance Companies	81,864.45	29,839.79	12,936.00	98,768.24
960 Teacher Retirement System	6,557,675.37	1,243,684,765.15	1,245,872,263.70	4,370,176.82
961 City Sales Tax	64,138,807.11	306,624,835.02	283,880,202.16	86,883,439.97
962 Sales Tax Guaranty	983,663.64	864,621.50	532,400.25	1,315,884.89
963 Optional Teacher Retirement Program	2,285,513.00	19,389,585.94	19,111,977.60	2,563,121.34
965 Parks Fee	433,856.41	950,362.34	1,235,140.83	149,077.92
966 Model Cities Services Projects	88,312.57	674,630.28	685,946.14	76,996.71
968 Abandoned Motor Vehicles	30.00	6,644.91	6,674.91	- 0 -
969 Real Estate Fee	1,315.00	845,677.50	845,000.00	1,992.50
971 Real Estate Recovery Fund	119,184.06	494,052.59	602,346.65	10,890.00
972 Improved Mobility of Eldery and Handicapped	- 0 -	859,435.76	39.60	859,396.16
TOTAL TRUST FUNDS	123,301,095.35	3,018,388,916.84	2,993,519,325.69	148,170,686.50
TOTAL SUSPENSE AND TRUST	204,106,990.63	5,551,506,130.48	5,519,620,046.64	235,993,074.47
938 Unemployment (In Federal Treasury)	262,171,885.14	69,989,898.14	113,978,746.10	218,183,037.18
TOTAL	\$ 466,278,875.77	\$ 5,621,496,028.62	\$ 5,633,598,792.74	\$ 454,176,111.65

* Deposits to funds

** Cleared to a State fund or refunded by warrant issue

INVESTMENT ACCOUNTS

Investment accounts are created by statute or are constitutionally authorized. No part of an investment account is available for appropriation for state expenditures, but provision is made by the creating authority for disposition of the proceeds.

State fund investment accounts are composed of several types of assets.

Cash and Receivables -- cash funds held by the State Treasurer in approved Texas depository banks and receivables, including 'trust receipts' for investments in transit and Unemployment Trust Fund letters of credit received but not deposited.

City, County and District Bonds -- investments in bonds issued by political subdivisions of the State.

State Bonds -- investments in bonds issued by Texas state agencies.

U.S. Government Securities -- investments in any of the various types of interest-bearing paper issued by the United States Treasury.

Notes and Other Evidences of Indebtedness -- investments in mortgages, FNMA or GNMA paper, S & L Accounts or Certificates of Deposit.

Corporate Obligations -- investments in corporate bonds, short-term credit, or equipment trust certificates.

Corporate Stock -- investments in corporate equities.

Loans to Political Subdivisions -- principal of both secured and unsecured loans made to political subdivisions of the State.

Discount on Investments -- the difference between par value of bond investments and principal cost where par value exceeds principal cost.

Premium on Investments -- payment of the difference between par value of bond investments and principal cost where principal cost exceeds par value.

It should be noted that corporate stock value is recorded at cost. Other securities are listed at par or face value. Adjustments for discounts and premiums are recorded separately.

The net investment balance (allowing for discounts and premiums paid) of all funds at August 31, 1976 was \$6,650,377,232 (see Exhibit 6) which reflected an increase of \$766 million over the previous year.

EXHIBIT 6

Summary of Investments, All Funds
Year Ended August 31, 1976

	Balance 9-1-75	Increase (CR) Decrease (DB)	Balance 8-31-76
Cash and Receivables	\$ 3,264,293.22CR	\$ 22,119,934.78CR	\$ 25,384,228.00CR
City, County & District Bonds	40,873,088.61CR	3,877,500.00DB	36,995,588.61CR
State Bonds	5,792,000.00CR	152,000.00CR	5,944,000.00CR
U.S. Government Securities	735,094,500.00CR	60,127,000.00CR	795,221,500.00CR
Notes & Other Evidences of Indebtedness	783,489,530.86CR	167,715,983.91CR	951,205,514.77CR
Corporate Obligations	2,555,710,731.71CR	278,614,231.30CR	2,834,324,963.01CR
Corporate Stock	1,653,002,601.18CR	208,227,116.91CR	1,861,229,718.09CR
Loans to Political Subdivisions	135,781,500.00CR	34,317,000.00CR	170,098,500.00CR
Discount on Investments	30,872,119.81DB	1,459,265.05DB	32,331,384.86DB
Premium on Investments	1,744,153.13CR	560,450.97CR	2,304,604.10CR
TOTAL NET	\$ 5,883,880,278.90CR	\$ 766,496,952.82CR	\$ 6,650,377,231.72CR

The following chart shows the distribution of types of investments among the six major investment funds.

EXHIBIT 7

Asset Distribution of Major Investment Funds for Year Ended August 31, 1976

	Teacher Retirement System (Fund 960)	State Employee Retirement (Fund 955)	Permanent School Fund (Fund 044)	Permanent University Fund (Fund 045)	Water Development Fund (Fund 351)	Veterans Land Program
Cash and Receivables	0.2%					0.7%
City, County and District Bonds			2.8%			
State Bonds						4.3
U.S. Government Securities	3.3	3.0%	17.1	15.0%	28.3%	99.6
Notes & Other Evidences of Indebtedness	19.4	25.3		13.8		
Corporate Obligations	46.7	54.6	44.0	39.4		
Corporate Stock	30.4	17.1	36.5	33.4		
Loans to Political Subdivisions					72.7	
Discount on Investments			0.4DB	1.6DB	1.3DB	5.2DB
Premium on Investments					0.3	0.6
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL (Thousands Omitted)	\$ 3,139,204	\$ 828,904	\$ 1,305,642	\$ 868,006	\$ 234,023	\$ 138,617

These six funds had year-end balances totaling \$6.51 billion, or 98 percent of the \$6,650,377,232 year-end balance for all investment funds. As shown in Exhibit 7, the retirement and school investment funds are heavy in corporate obligations (bonds) which produce dependable income with little risk. Bond investments are augmented with high grade corporate stocks and U.S. Government securities. Water Development Fund assets are principally loans to political subdivisions for water resource projects. Veterans Fund assets, which are used to purchase land and service debt, are invested in U.S. Government securities.

SCHEDULE 7
Fund Investments by Type and Account Balances
Year Ended August 31, 1976
(Thousands Omitted)

	Cash and Receivables (CR)	City, County & District Bonds (CR)	State Bonds (CR)	U.S. Government Securities (CR)	Notes & Other Evidences of Indebtedness (CR)
ADMINISTRATIVE:					
State Building Fund 007				\$ 1,500	
Federal Revenue Sharing Trust Fund 448	\$ 12,382			58,745	
Real Estate Recovery Fund 971				260	\$ 704
Veterans Land Program	<u>1,000</u>		<u>\$ 5,944</u>	<u>138,004</u>	<u> </u>
TOTAL, ADMINISTRATIVE	<u>13,382</u>		<u>5,944</u>	<u>198,509</u>	<u>704</u>
SERVICES:					
Permanent Blind Institute Fund 048		\$ 11		161	10
Permanent Deaf & Dumb Institute Fund 049		32		150	
Permanent Lunatic Asylum Fund 050				162	
Permanent Orphans Home Fund 051		<u>7</u>		<u>74</u>	<u> </u>
TOTAL, SERVICES		<u>50</u>		<u>547</u>	<u>10</u>
IMPROVEMENTS:					
Water Development Fund 351	20			66,275	
Water Development Bond Interest & Sinking Fund 352				11,735	
Park Development Bonds Interest & Sinking Fund 409				<u>750</u>	
TOTAL, IMPROVEMENTS	<u>20</u>			<u>78,760</u>	
EDUCATION:					
Available School Fund 002		620			
Permanent School Fund 044	159	36,325		222,838	
Permanent University Fund 045	207			130,263	119,925
Endowment Fund Medical Branch, University of Texas Fund 046					
A&M University Mineral Investment Fund 095	91			330	860
A&M University Mineral Income Fund 096	29			175	240
Texas Opportunity Plan Fund 387	3,000			12,225	
College Student Loan Bond Interest & Sinking Fund 388				22,520	9,873
Teacher Retirement System Trust Fund 960	<u>7,889</u>			<u>104,200</u>	<u>607,606</u>
TOTAL, EDUCATION	<u>11,375</u>	<u>36,945</u>		<u>492,551</u>	<u>738,504</u>
OTHER:					
S.E.R.S. Investment Account Fund 955	607			24,855	209,405
Deferred Compensation Fund 970					<u>2,583</u>
TOTAL, OTHER	<u>607</u>			<u>24,855</u>	<u>211,988</u>
GRAND TOTAL	<u>\$ 25,384</u>	<u>\$ 36,995</u>	<u>\$ 5,944</u>	<u>\$ 795,222</u>	<u>\$ 951,206</u>

Corporate Obligations (CR)	Corporate Stock (CR)	Loans to Political Subdivisions (CR)	Discount on Investments (DB)	Premium on Investments (CR)	Net Total (CR)
			\$ 85	\$ 6	\$ 1,421
			1,948		69,179
			<u>7,222</u>	<u>891</u>	<u>964</u>
			<u>9,255</u>	<u>897</u>	<u>138,617</u>
			4	1	179
			3	1	180
			4		158
			<u>2</u>		<u>79</u>
			<u>13</u>	<u>2</u>	<u>596</u>
		\$ 170,099	3,097	726	234,023
			647		11,088
			<u>113</u>		<u>637</u>
		<u>170,099</u>	<u>3,857</u>	<u>726</u>	<u>245,748</u>
\$ 575,018	\$ 475,811		4,593	84	620
341,474	289,695		13,777	219	1,305,642
10			2		868,006
			143	82	8
			691	294	1,281
<u>1,465,773</u>	<u>953,736</u>				444
<u>2,382,275</u>	<u>1,719,242</u>		<u>19,206</u>	<u>679</u>	15,164
452,050	141,987				31,996
					<u>3,139,204</u>
<u>452,050</u>	<u>141,987</u>				5,362,365
\$ <u>2,834,325</u>	\$ <u>1,861,229</u>	\$ <u>170,099</u>	\$ <u>32,331</u>	\$ <u>2,304</u>	\$ <u>6,650,377</u>

ADMINISTRATIVE:

State Building Fund 007
Federal Revenue Sharing Trust Fund 448
Real Estate Recovery Fund 971
Veterans Land Program

TOTAL, ADMINISTRATIVE

SERVICES:

Permanent Blind Institute Fund 048
Permanent Deaf & Dumb Institute Fund 049
Permanent Lunatic Asylum Fund 050
Permanent Orphans Home Fund 051

TOTAL, SERVICES

IMPROVEMENTS:

Water Development Fund 351
Water Development Bond Interest & Sinking Fund 352
Park Development Bonds Interest & Sinking Fund 409

TOTAL, IMPROVEMENTS

EDUCATION:

Available School Fund 002
Permanent School Fund 044
Permanent University Fund 045
Endowment Fund Medical Branch, University of Texas Fund 046
A&M University Mineral Investment Fund 095
A&M University Mineral Income Fund 096
Texas Opportunity Plan Fund 387
College Student Loan Bond Interest & Sinking Fund 388
Teacher Retirement System Trust Fund 960

TOTAL, EDUCATION

OTHER:

S.E.R.S. Investment Account Fund 955
Deferred Compensation Fund 970

TOTAL, OTHER

GRAND TOTAL

BONDED INDEBTEDNESS OF THE STATE OF TEXAS

Section 1. Interest on Old Manuscript Bond, represents uncashed coupons from Texas Relief Bonds public works projects.

Section 2. The College Building Bonds were issued for acquiring, constructing, and initially equipping buildings or other permanent improvements at State-supported colleges and universities. These bonds are being serviced and retired with accumulations of the ten cent ad valorem tax which is allocated to the building funds of participating institutions. Retirement of the outstanding bonds will be accomplished in 1978.

Section 3. Receipts from sale of Building Bonds for The University of Texas and Texas A&M University are to be used for permanent improvements of the two systems. The Texas Constitution authorized pledging a part of the Available University Fund and the A&M University Available Fund to pay principal and interest on these bonds. The bonds are serviced with income from the Permanent University Fund.

Section 4. Proceeds from sale of Veterans Land Fund Bonds are to be used for the purchase of land for resale to qualified veterans of Texas under the Veterans Land Program. Receipts from the sale of such land are deposited to a special fund and are encumbered for the retirement and payment of the interest on outstanding bonds. Beginning in 1947, authorization was given for investment of the proceeds in bonds or obligations of the U.S. Government.

Section 5. Water Development Bonds are sold to provide capital for aiding and making funds available to the various subdivisions for authorized projects. Repayment of loan principal and interest is applied to debt service.

Section 6. Receipts from the sale of Texas College Student Loan Bonds are used to make loans to students who have been admitted to attend any institution of higher education, public or private, including junior colleges within the State. The bonds are being retired from repayment of student loans principal and interest.

Section 7. Proceeds from sale of Texas Park Development Bonds are to be used for acquiring land for State park sites and for developing such sites, and for investing in direct obligations of the U.S. Government. Park Gate Fees and investment receipts are used to service and retire the bonds.

Total bonded indebtedness at the end of fiscal 1976 was \$992.8 million. Excluded is bonded indebtedness for which the State of Texas does not pledge its full faith and credit, such as debt of political subdivisions, and state revenue bonds. During 1976, redemptions totaled \$53.0 million and \$136.5 million in new debt was floated, for a net debt increase of \$83.5 million. In the preceding fiscal year only \$80.1 million in debt was floated and the net debt level increased only \$35 million. The 1976 increase in debt floated indicates that agencies issuing bonds have taken advantage of lower interest rates and improved issuance conditions in the tax-exempt bond market.

**SCHEDULE 8
BONDED INDEBTEDNESS
Year Ended August 31, 1976**

	Outstanding 9-1-75	Redeemed	New Issues	Outstanding 8-31-76	Increase or Decrease*
SECTION 1: INTEREST ON OLD MANUSCRIPT BOND					
Texas Relief Bond 1st Series Payable Out of General Revenue Fund	\$ 20.00	\$ - 0 -	\$ - 0 -	\$ 20.00	\$ - 0 -
Texas Relief Bond 1st Series Payable Out of General Revenue Fund	<u>22.50</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>22.50</u>	<u>- 0 -</u>
TOTAL SECTION 1	42.50	- 0 -	- 0 -	42.50	- 0 -
SECTION 2: COLLEGE BUILDING BONDS AUTHORIZED BY ARTICLE 7, SECTION 17, CONSTITUTION OF TEXAS					
University of Texas at Arlington	7,200,000.00	2,160,000.00	4,750,000.00	9,790,000.00	2,590,000.00
Texas Southern University	2,590,000.00	520,000.00	- 0 -	2,070,000.00	520,000.00*
Texas Woman's University	2,140,000.00	430,000.00	- 0 -	1,710,000.00	430,000.00*
Texas A&I University	3,500,000.00	705,000.00	- 0 -	2,795,000.00	705,000.00*
Texas Technological University	11,100,000.00	2,240,000.00	- 0 -	8,860,000.00	2,240,000.00*
Lamar University	7,505,000.00	1,515,000.00	- 0 -	5,990,000.00	1,515,000.00*
University of Houston	13,620,000.00	2,740,000.00	- 0 -	10,880,000.00	2,740,000.00*
Midwestern University	2,310,000.00	465,000.00	- 0 -	1,845,000.00	465,000.00*
Pan American University	2,600,000.00	525,000.00	- 0 -	2,075,000.00	525,000.00*
East Texas State University	3,690,000.00	745,000.00	- 0 -	2,945,000.00	745,000.00*
North Texas State University	9,665,000.00	1,950,000.00	- 0 -	7,715,000.00	1,950,000.00*
Stephen F. Austin University	5,185,000.00	1,045,000.00	- 0 -	4,140,000.00	1,045,000.00*
West Texas State University	2,915,000.00	585,000.00	- 0 -	2,330,000.00	585,000.00*
Texas State University System	<u>8,740,000.00</u>	<u>2,640,000.00</u>	<u>4,760,000.00</u>	<u>10,860,000.00</u>	<u>2,120,000.00</u>
TOTAL SECTION 2	82,760,000.00	18,265,000.00	9,510,000.00	74,005,000.00	8,755,000.00*
SECTION 3: BUILDING BONDS FOR UNIVERSITY OF TEXAS AND A&M UNIVERSITY AUTHORIZED BY ARTICLE 7, SECTION 18, CONSTITUTION OF TEXAS					
University of Texas	101,700,000.00	6,620,000.00	16,000,000.00	111,080,000.00	9,380,000.00
A&M University	<u>50,900,000.00</u>	<u>3,545,000.00</u>	<u>8,000,000.00</u>	<u>55,355,000.00</u>	<u>4,455,000.00</u>
TOTAL SECTION 3	152,600,000.00	10,165,000.00	24,000,000.00	166,435,000.00	13,835,000.00
SECTION 4: VETERANS LAND FUND BONDS AUTHORIZED BY ARTICLE 3, SECTION 49B, CONSTITUTION OF TEXAS					
	315,690,000.00	9,480,000.00	35,000,000.00	341,210,000.00	25,520,000.00
SECTION 5: TEXAS WATER DEVELOPMENT BONDS AUTHORIZED BY ARTICLE 3, SECTION 49C & 49D, CONSTITUTION OF TEXAS					
	187,880,000.00	10,170,000.00	50,000,000.00	227,710,000.00	39,830,000.00
SECTION 6: TEXAS STUDENT LOAN BONDS AUTHORIZED BY ARTICLE 3, SECTION 50B, CONSTITUTION OF TEXAS					
	156,380,000.00	3,910,000.00	18,000,000.00	170,470,000.00	14,090,000.00
SECTION 7: TEXAS PARK DEVELOPMENT BONDS AUTHORIZED BY ARTICLE 3, SECTION 49E, CONSTITUTION OF TEXAS					
	<u>14,000,000.00</u>	<u>1,000,000.00</u>	<u>- 0 -</u>	<u>13,000,000.00</u>	<u>1,000,000.00*</u>
GRAND TOTAL	<u>\$909,310,042.50</u> a/	<u>\$52,990,000.00</u>	<u>\$136,510,000.00</u>	<u>\$ 992,830,042.50</u>	<u>\$ 83,520,000.00</u>

a/ Adjusted from 1975 reported outstanding debt (\$876,185,042.50) to reflect actual.

SECURITIES DEPOSITED IN TRUST WITH THE STATE TREASURER

Bank deposits of Texas state funds are secured by pledged collateral held by the State Treasurer. The securities pledged as collateral must be approved by the State Depository Board.

Title 122A, Art. 2529, R.C.S. requires that the amount of collateral securities relative to state deposits be 105%. At August 31, 1976, actual state time deposits of \$1.64 billion were secured by collateral valued at \$1.81 billion, or 110% of actual deposits.

SCHEDULE 9
SECURITIES DEPOSITED IN TRUST WITH THE STATE TREASURER
 Year Ended August 31, 1976

Trust Account	Balance 9-1-75	Increase (CR) Decrease (DB)	Balance 8-31-76
904 Motor Fuel Distributors Trust	\$ 3,500.00	\$ 134,000.00CR	\$ 137,500.00CR
908 Bond Investment Companies Trust	230,000.00	- 0 -	230,000.00CR
910 Time Deposits	1,479,407,900.00	329,788,500.00CR	1,809,196,400.00CR
911 Demand Deposits	578,737,500.00	11,880,000.00DR	566,857,500.00CR
912 Educational Depository Trust	34,059,000.00	1,698,000.00DR	32,361,000.00CR
916 Building and Loan Association Trust	100,000.00	- 0 -	100,000.00CR
917 Fiduciary Guaranty Trust	1,437,000.00	32,000.00DR	1,405,000.00CR
919 Burial Society and Mutual Insurance Trust	277,287.00	8,750.00DR	268,537.00CR
920 Loan and Brokerage Guaranty Trust	200.00	- 0 -	200.00CR
921 Life, Health, Accident, and Casualty Guaranty Trust	153,458,763.66	1,856,275.74CR	155,315,039.40CR
924 County Mutual Insurance Guaranty Trust	916,000.00	- 0 -	916,000.00CR
925 Texas Employment	3,660,000.00	925,000.00CR	4,585,000.00CR
933 Insurance Recording Agent Trust	- 0 -	25,000.00CR	25,000.00CR
941 Varner-Hogg State Park Trust	11,535.00	- 0 -	11,535.00CR
948 State Conservator Trust	200,000.00	- 0 -	200,000.00CR
949 Automobile Service Clubs Account	81,784.75	24,737.50CR	106,522.25CR
956 Cigarette and Tobacco Products Bond Account	7,006.25	6.25DR	7,000.00CR
958 Escheated Personal Property with State Treasurer	293,183.42	6,876.32CR	300,059.74CR
962 Sales Tax Guaranty Account	53,167.61	19,984.00CR	73,151.61CR
TOTAL SECURITIES	\$ 2,252,933,827.69	\$ 319,161,617.31CR	\$ 2,572,095,445.00CR

Program Accountability is the concept applied to State financial affairs when identifying costs to program areas and to programs (within functional categories) which produce quantifiable products susceptible to expression in cost/benefit ratios. The concept was first introduced into the Texas financial process in the 1976-77 Appropriation Bill (Senate Bill 52). To facilitate the appropriation process, the Comptroller has initiated procedures to capture and report program and activity costs. The data generated can be used for comparison and evaluation of program area costs.

Program Accountability is achieved by use of the appropriation number and the appropriation trial balance.

The eight digit appropriation number is designated as follows:

- 1st digit is the last number of the fiscal year.
- 2nd digit is Functional Category (program area composite) as stated in LBB report, 1/21/75, page 6.
- 3rd digit is program area.
- 4th and 5th digits are the program code.
- 6th and 7th digits identify activity as shown in the appropriation bill together with dollar amounts. (Items or rider amounts in the bill.)
- 8th digit is the sub category of the activities.

The appropriation trial balance identifies the category, program and activity reports. Numerous reports can be generated from this data. A summary report as a section of the State Annual Report and an individual program appropriation report for the evaluation group of the Legislative Budget Board are examples of the types of reports which can be generated.

The annual report is to show by program, department, and fund the following information in summary form:

1. Authorized Amount - for the year.
2. Transfers - the increases or decreases occurring during the year; appropriated revenue or appropriation transfer.
3. Lapsed Amount - appropriated money lost due to expiration of statutory authority.
4. Spent - amount expended in the year.
5. Unexpended - unused portion of the authorized amount plus transfers in.

These report elements may be shown in a two line, five column format as follows:

"Authorized"	"Transfers"	"Lapsed"	"Spent"	"Unexpended"
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Formulas to extract the report information will take the algebraic difference in the appropriation trial balance (L01220) for the columns headed UB, Lapsed and Adjusted Amount at the beginning and the end of the year. The difference in "UB" is the total expended and lapsed amount; in "Lapsed" it is the amount lapsed or reinstated; and, in adjusted amount it is the amount of transfers in or out.

The amount spent may be computed by applying the lapse amount and the transfer amount to the difference in UB. Restated the amount spent is the Authorized Amount, plus or minus transfers, plus or minus lapse, minus the unexpended balance.

For example, the authorized amount for program III in Department A, Fund B, a total of seven appropriations, is \$100,000 for the year. Transfers were \$1,000,000 appropriated federal funds; \$25,000 lapsed; and the unexpended balance at the end of the year was \$75,000. Program expenditures were \$100,000 plus (\$1,000,000 - \$25,000 - \$75,000) for \$1,000,000 spent in the year.

The Annual Report would read:

"Program appropriation Accountability - Year End 8/31/XX"

Category, Program Area, Department, Fund	Authorized	Transfers	Lapsed	Spent	Balance
Administration Program III					
Department A	100,000		25,000		75,000
Fund B		1,000,000		1,000,000	

A run of the individual appropriations for the program would be the above statement for each program appropriation.

SCHEDULE 10
1976 ANNUAL REPORT
PROGRAM APPROPRIATION ACCOUNTABILITY BY FUNCTIONAL CATEGORY - PROGRAM AREA

FUNCTIONAL CATEGORY PROGRAM AREA	AUTHORIZED	TRANSFERRED	LAPSED	SPENT	UNEXP. BALANCE
0 GENERAL GOVERNMENT					
0 Legislative	\$ 20,075,815.00	\$ 677,176.99	\$ - 0 -	\$ 14,121,831.78	\$ 6,631,160.21
1 Judicial	20,015,374.00	975,530.49	643.86	19,724,650.64	1,265,609.99
2 Executive	11,942,945.00	11,796,853.24	- 0 -	13,322,128.01	10,417,670.23
3 General Administration	31,368,471.00	26,732,475.73	- 0 -	48,035,393.36	10,065,553.37
4 Financial Administration	2,123,648,968.86	1,465,216,304.19	951,992.19	3,157,424,484.89	430,488,795.97
5 Intergovernmental Partnerships	2,258,338.00	1,975,383.35	- 0 -	3,827,385.94	406,335.41
6 Construction	<u>261,332,133.00</u>	<u>238,083,143.90</u>	<u>174,601,165.94</u>	<u>181,275,743.07</u>	<u>143,538,367.89</u>
GENERAL GOVERNMENT TOTALS	\$2,470,642,044.86	\$1,745,456,867.89	\$175,553,801.99	\$ 3,437,731,617.69	\$ 602,813,493.07
1 HEALTH AND WELFARE					
0 Alcohol and Drug Abuse	\$ 7,437,007.00	\$ 9,733,887.22	\$ 2,867,655.00	\$ 12,503,860.86	\$ 1,799,378.36
1 Youth Services	42,414,184.00	20,556,931.63	50,000.00	43,922,410.44	18,998,705.19
2 Economically Disadvantaged	1,056,045,934.00	196,140,990.80	62,267,986.00	1,071,170,239.44	118,748,699.36
3 Dependent Aged	83,181.00	- 0 -	- 0 -	69,155.00	14,026.00
4 Blind	15,893,426.00	9,585,525.01	12,404,863.00	12,398,506.58	675,581.43
5 Physically Disabled	69,682,113.00	2,072,186.35	- 0 -	59,347,691.25	12,406,608.10
6 Mental Retardation	102,869,771.00	4,626,749.97	3,250,068.00	96,310,987.74	7,935,465.23
7 Mental Health	100,752,031.00	6,118,235.54	1,465,028.00	95,187,807.25	10,217,431.29
8 Community Services	46,781,759.00	1,695,175.43	178,400.00	45,266,630.46	3,031,903.97
9 Preventative Health	<u>61,431,383.00</u>	<u>49,183,381.72</u>	<u>- 0 -</u>	<u>85,498,375.70</u>	<u>25,116,389.02</u>
HEALTH AND WELFARE TOTALS	\$1,503,390,789.00	\$ 299,713,063.67	\$ 82,484,000.00	\$ 1,521,675,664.72	\$ 198,944,187.95
2 ECONOMIC DEVELOPMENT					
0 Industrial and Tourist Development	\$ 4,139,429.00	\$ 585,100.39	\$ - 0 -	\$ 3,922,612.55	\$ 801,916.84
1 Agricultural Development	10,221,145.00	606,265.71	- 0 -	8,496,662.50	2,330,748.21
2 Highways and Roads	794,942,935.00	13,566,732.74	49,818.32	688,392,704.02	120,067,145.40
3 Air Facilities	1,667,291.00	592,598.08	- 0 -	669,139.29	1,590,749.79
4 Public Transportation	15,241,370.00	981,552.30	- 0 -	884,098.09	15,338,824.21
5 Waterways	400,000.00	- 0 -	- 0 -	49,613.05	350,386.95
6 Commercial Carrier Regulation	<u>1,262,305.00</u>	<u>26,625.86</u>	<u>- 0 -</u>	<u>1,150,619.23</u>	<u>138,311.63</u>
ECONOMIC DEVELOPMENT TOTALS	\$ 827,874,475.00	\$ 16,358,875.08	\$ 49,818.32	\$ 703,565,448.73	\$ 140,618,083.03
3 NATURAL AND RECREATIONAL RESOURCES					
0 Environmental Quality Management	\$ 16,742,322.00	\$ 3,934,222.26	\$ 1,630,000.00	\$ 15,001,554.60	\$ 4,044,989.66
1 Recreation	28,282,971.00	19,779,250.23	- 0 -	29,305,668.45	18,756,552.78
2 Cultural Environment	1,626,074.00	1,398,917.44	3,892.52	2,719,120.84	301,978.08
3 Resource Development and Management	<u>42,445,472.00</u>	<u>5,523,104.92</u>	<u>- 0 -</u>	<u>38,767,007.21</u>	<u>9,201,569.71</u>
NATURAL AND RECREATIONAL RESOURCES TOTALS	<u>\$ 89,096,839.00</u>	<u>\$ 30,635,494.85</u>	<u>\$ 1,633,892.52</u>	<u>\$ 85,793,351.10</u>	<u>\$ 32,305,090.23</u>

1976 ANNUAL REPORT
PROGRAM APPROPRIATION ACCOUNTABILITY BY FUNCTIONAL CATEGORY – PROGRAM AREA
(Continued)

FUNCTIONAL CATEGORY PROGRAM AREA	AUTHORIZED	TRANSFERRED	LAPSED	SPENT	UNEXP. BALANCE
4 PUBLIC SAFETY					
0 Traffic Safety and supervision	\$ 59,446,998.00	\$ 4,083,771.17	\$ - 0 -	\$ 57,217,222.88	\$ 6,313,546.29
1 Crime Prevention and Control	71,311,751.00	75,239,476.89	- 0 -	136,452,603.40	10,098,624.49
2 Rehabilitation of Offenders	5,479,201.00	661,709.61	- 0 -	5,656,904.25	484,006.36
3 Disasters and Emergency Control	5,863,702.00	3,344,690.87	- 0 -	6,009,625.58	3,198,767.29
4 Consumer Protection	<u>30,757,284.00</u>	<u>3,179,804.77</u>	- 0 -	<u>28,476,220.70</u>	<u>5,460,868.07</u>
PUBLIC SAFETY TOTALS	\$ 172,858,936.00	\$ 86,509,453.31	\$ - 0 -	\$ 233,812,576.81	\$ 25,555,812.50
5 EDUCATION					
0 Higher Education	\$ 689,038,022.00	\$ 11,928,794.08	\$ 2,319,998.00	\$ 632,868,978.71	\$ 65,777,839.37
1 Elementary and Secondary Education	1,757,884,576.00	522,008,427.19	25,773,299.17	2,176,339,765.32	77,779,938.70
2 Research and Extension Services	38,738,874.00	204,776.94	- 0 -	37,602,566.50	1,341,084.44
3 Medical Education	<u>206,448,729.00</u>	<u>2,972,879.54</u>	- 0 -	<u>191,417,264.28</u>	<u>18,004,344.26</u>
EDUCATION TOTALS	\$2,692,110,201.00	\$ 537,114,877.75	\$ 28,093,297.17	\$ 3,038,228,574.81	\$ 162,903,206.77
6 OTHER					
	<u>25,000.00</u>	<u>25,000.00</u>	- 0 -	- 0 -	- 0 -
OTHER TOTALS	25,000.00	25,000.00	- 0 -	- 0 -	- 0 -
GRAND TOTAL	<u>\$7,755,998,284.86</u>	<u>\$2,715,763,632.55</u>	<u>\$287,814,810.00</u>	<u>\$ 9,020,807,233.86</u>	<u>\$ 1,163,139,873.55</u>

SCHEDULE 11
1976 ANNUAL REPORT
PROGRAM APPROPRIATION ACCOUNTABILITY BY FUNCTIONAL CATEGORY

FUNCTIONAL CATEGORY	AUTHORIZED	TRANSFERRED	LAPSED	SPENT	UNEXP. BALANCE
0 GENERAL GOVERNMENT	\$ 2,470,642,044.86	\$ 1,745,456,867.89	\$175,553,801.99	\$ 3,437,731,617.69	\$ 602,813,493.07
1 HEALTH AND WELFARE	1,503,390,789.00	299,713,063.67	82,484,000.00	1,521,675,664.72	198,944,187.95
2 ECONOMIC DEVELOPMENT	827,874,475.00	16,358,875.08	49,818.32	703,565,448.73	140,618,083.03
3 NATURAL AND RECREATIONAL	89,096,839.00	30,635,494.85	1,633,892.52	85,793,351.10	32,305,090.23
4 PUBLIC SAFETY	172,858,936.00	86,509,453.31	- 0 -	233,812,576.81	25,555,812.50
5 EDUCATION	2,692,110,201.00	537,114,877.75	28,093,297.17	3,038,228,574.81	162,903,206.77
6 OTHER	<u>25,000.00</u>	<u>25,000.00</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
GRAND TOTAL	<u>\$ 7,755,998,284.86</u>	<u>\$ 2,715,763,632.55</u>	<u>\$287,814,810.00</u>	<u>\$ 9,020,807,233.86</u>	<u>\$ 1,163,139,873.55</u>

SCHEDULE 12
MISCELLANEOUS
PETTY CASH FUNDS
Year Ended August 31, 1976

		BALANCE 09-01-75	INCREASE (CR) DECREASE (DB)	BALANCE 08-31-76
GENERAL REVENUE FUND 001:				
101	Senate	\$ 300.00CR	\$ 200.00CR	\$ 500.00CR
103	Legislative Council	100.00CR		100.00CR
302	Attorney General	1,000.00CR		1,000.00CR
303	State Board of Control	500.00CR		500.00CR
306	Library and Historical Commission	449.00CR	199.00DB	250.00CR
307	Secretary of State	150.00CR		150.00CR
333	Office of State - Federal Relations		400.00CR	400.00CR
518	Water Quality Board	200.00CR		200.00CR
550	Governors Energy Advisory Council		500.00CR	500.00CR
552	Water Rights Commission	100.00CR	100.00DB	
580	Water Development Board		100.00CR	100.00CR
651	Corsicana State Home	3,000.00CR		3,000.00CR
652	Waco State Home	1,000.00CR		1,000.00CR
654	Brownwood State School for Girls	1,500.00CR		1,500.00CR
656	Vernon Center	500.00CR		500.00CR
657	Amarillo State Center for Human Development	50.00CR		50.00CR
658	Beaumont State Center for Human Development	500.00CR		500.00CR
659	Rio Grande State Center MHMR	1,000.00CR		1,000.00CR
660	Denton State School	800.00CR		800.00CR
661	Texas Confederate Homes	250.00CR	100.00CR	350.00CR
663	Commission for Indian Affairs	200.00CR	100.00DB	100.00CR
664	Fort Worth State Mental Health Clinic	50.00CR	50.00DB	
666	East Texas State Chest Hospital	150.00CR	100.00CR	250.00CR
667	Fort Worth State School		500.00CR	500.00CR
668	Richmond State School	1,000.00CR		1,000.00CR
669	Lufkin State School	500.00CR	500.00CR	1,000.00CR
670	Corpus Christi State School	600.00CR		600.00CR
671	San Angelo Center	550.00CR	250.00CR	800.00CR
672	Mexia State School	500.00CR		500.00CR
673	San Antonio State Chest Hospital	600.00CR		600.00CR
674	Kerrville State Hospital	500.00CR		500.00CR
675	Travis State School	500.00CR		500.00CR
676	Abilene State School	500.00CR		500.00CR
677	Austin State Hospital	835.00CR		835.00CR
678	Austin State School	1,275.00CR	275.00DB	1,000.00CR
679	Rusk State Hospital	1,000.00CR		1,000.00CR
681	San Antonio State Hospital	1,000.00CR		1,000.00CR
682	Terrell State Hospital	1,000.00CR		1,000.00CR
683	Wichita Falls State Hospital	750.00CR	150.00CR	900.00CR
684	Harlingen State Chest Hospital	150.00CR		150.00CR
685	Texas Research Institute of Mental Sciences	500.00CR		500.00CR
686	Big Spring State Hospital	1,000.00CR		1,000.00CR
687	Lubbock State School	1,000.00CR		1,000.00CR
688	Brenham State School	300.00CR	200.00CR	500.00CR

MISCELLANEOUS
 PETTY CASH FUNDS (Continued)
 Year Ended August 31, 1976

	BALANCE 09-01-75	INCREASE (CR) DECREASE (DB)	BALANCE 08-31-76
GENERAL REVENUE FUND 001: (continued)			
689 Giddings State School for Boys	\$ 1,000.00CR		\$ 1,000.00CR
690 West Texas Childrens Home	800.00CR		800.00CR
691 Gatesville State School for Boys	3,000.00CR		3,000.00CR
692 Gainesville State School for Girls	1,000.00CR		1,000.00CR
693 Crockett State School for Girls	500.00CR	\$ 1,000.00CR	1,500.00CR
696 Department of Corrections	27,500.00CR	80,000.00CR	107,500.00CR
739 Texas Tech Univ. School of Medicine	40,000.00CR		40,000.00CR
750 Tyler State College	5,225.00CR	5,000.00CR	10,255.00CR
764 East Texas State University at Texarkana		5,000.00CR	5,000.00CR
781 Coordinating Board, College and University System	60.00CR		60.00CR
906 American Revolution Bicentennial Commission	<u>30.00CR</u>	<u>30.00DB</u>	<u> </u>
TOTAL - GENERAL REVENUE FUND	\$ 104,974.00CR	\$ 93,246.00CR	\$ 198,220.00CR
INSURANCE BOARD OPERATING FUND 036:			
454 Board of Insurance	250.00CR		250.00CR
COMMODITY DISTRIBUTION FUND 039:			
324 State Department of Public Welfare	17,000.00CR	17,000.00DB	
SPECIAL BOAT FUND 059:			
802 Parks and Wildlife Department	1,000.00CR		1,000.00CR
REHABILITATION COMMISSION FUND 061:			
330 Rehabilitation Commission	4,000.00CR		4,000.00CR
COMPTROLLER'S OPERATING FUND 062:			
304 Comptroller of Public Accounts	500.00CR	1,900.00CR	2,400.00CR
WORKMEN'S COMPENSATION FUND 094:			
453 Industrial Accident Board	200.00CR	100.00CR	300.00CR
LIQUOR ACT ENFORCEMENT FUND 097:			
458 Alcoholic Beverage Commission	3,000.00CR		3,000.00CR
OPERATORS AND CHAUFFEURS LICENSE FUND 099:			
405 Department of Public Safety		88,500.00CR ¹	88,500.00CR
REAL ESTATE LICENSE FUND 114:			
329 Real Estate Commission	25.00CR		25.00CR
AIRCRAFT FUEL TAX FUND 150:			
461 Aeronautic Commission	100.00CR		100.00CR
PAN AMERICAN UNIVERSITY CURRENT FUND 226:			
736 Pan American University	15,000.00CR		15,000.00CR
TEXAS STATE TECHNICAL INSTITUTE FUND 237:			
719 Texas State Technical Institute	120,000.00CR		120,000.00CR
TEXAS SOUTHERN UNIVERSITY CURRENT FUND 247:			
717 Texas Southern University	15,000.00CR		15,000.00CR
UT AT SAN ANTONIO CURRENT FUND 249:			
743 University of Texas at San Antonio	20,000.00CR		20,000.00CR

¹Includes \$68,500 increase to Petty Cash not recorded to the General Ledger until September, 1976.

MISCELLANEOUS
 PETTY CASH FUNDS (Continued)
 Year Ended August 31, 1976

	BALANCE 09-01-75	INCREASE (CR) DECREASE (DB)	BALANCE 08-31-76
TEXAS A & I UNIVERSITY CURRENT FUND 254:			
732 Texas A & I University	\$ 33,250.00CR		\$ 33,250.00CR
LAMAR UNIVERSITY CURRENT FUND 256:			
734 Lamar University	3,500.00CR		3,500.00CR
NORTH TEXAS STATE UNIVERSITY CURRENT FUND 258:			
752 North Texas State University	25,000.00CR		25,000.00CR
STEPHEN F. AUSTIN STATE UNIVERSITY CURRENT FUND 261:			
755 Stephen F. Austin State University	25,000.00CR		25,000.00CR
SUL ROSS STATE UNIVERSITY CURRENT FUND 262:			
756 Sul Ross State University	20,750.00CR		20,750.00
WEST TEXAS STATE UNIVERSITY CURRENT FUND 263:			
757 West Texas State University	<u>5,000.00CR</u>	\$ <u>220,000.00CR</u>	<u>225,000.00CR</u>
 TOTAL PETTY CASH FUNDS	 <u>\$ 413,549.00CR</u>	 <u>\$ 386,746.00CR</u>	 <u>\$ 800,295.00CR</u>

SCHEDULE 13
TRAVEL CASH ADVANCE
PETTY CASH FUNDS
Year Ended August 31, 1976

	BALANCE 09-01-75	INCREASE (CR) DECREASE (DR)	BALANCE 08-31-76
GENERAL REVENUE FUND 001:			
101 Senate		\$ 5,000.00CR	\$ 5,000.00CR
103 Legislative Council		2,000.00CR	2,000.00CR
302 Attorney General		8,500.00CR	8,500.00CR
303 State Board of Control		1,500.00CR	1,500.00CR
332 Community Affairs		3,500.00CR	3,500.00CR
453 Industrial Accident Board		3,000.00CR	3,000.00CR
465 Industrial Commission		9,000.00CR	9,000.00CR
552 Water Rights Commission		4,100.00CR	4,100.00CR
585 Texas Coastal and Marine Council		2,000.00CR	2,000.00CR
655 Department of Mental Health and Mental Retardation		8,000.00CR	8,000.00CR
657 Amarillo State Center for Human Development		900.00CR	900.00CR
658 Beaumont State Center for Human Development		2,000.00CR	2,000.00CR
660 Denton State School		1,500.00CR	1,500.00CR
661 Texas Confederate Homes		800.00CR	800.00CR
668 Richmond State School		1,200.00CR	1,200.00CR
669 Lufkin State School		500.00CR	500.00CR
672 Mexia State School		1,000.00CR	1,000.00CR
674 Kerrville State Hospital		1,800.00CR	1,800.00CR
675 Travis State School		2,000.00CR	2,000.00CR
676 Abilene State School		1,500.00CR	1,500.00CR
678 Austin State School		1,800.00CR	1,800.00CR
679 Rusk State Hospital		1,300.00CR	1,300.00CR
682 Terrell State Hospital		1,175.00CR	1,175.00CR
687 Lubbock State School		800.00CR	800.00CR
696 Department of Corrections		10,000.00CR	10,000.00CR
750 Tyler State College		5,000.00CR	5,000.00CR
751 East Texas State University		22,000.00CR	22,000.00CR
763 Texas College of Osteopathic Medicine		3,200.00CR	3,200.00CR
		<hr/>	<hr/>
TOTAL - GENERAL REVENUE FUND		\$ 105,075.00CR	\$ 105,075.00CR
INSURANCE BOARD OPERATING FUND 036:			
454 Board of Insurance		10,000.00CR	10,000.00CR
COMPTROLLER'S OPERATING FUND 062:			
304 Comptroller of Public Accounts		5,000.00CR	5,000.00CR
BOARD OF LANDSCAPE ARCHITECTS AND IRRIGATORS FUND 069:			
468 Board of Landscape Architects		375.00CR	375.00CR
ATTORNEY GENERAL OPERATING FUND 072:			
302 Attorney General		2,000.00CR	2,000.00CR
OPERATORS AND CHAUFFEURS LICENSE FUND 099:			
405 Department of Public Safety		10,000.00CR	10,000.00CR
COMMUNITY AFFAIRS FEDERAL FUND 127:			
332 Community Affairs		2,000.00CR	2,000.00CR

TRAVEL CASH ADVANCE (Continued)
PETTY CASH FUNDS
Year Ended August 31, 1976

	BALANCE 09-01-75	INCREASE (CR) DECREASE (DB)	BALANCE 08-31-76
ANGELO STATE UNIVERSITY CURRENT FUND 227:			
737 Angelo State University		\$ 2,850.00CR	\$ 2,850.00CR
NORTH TEXAS STATE UNIVERSITY CURRENT FUND 258:			
752 North Texas State University		20,000.00CR	20,000.00CR
FEDERAL HEALTH FUND 273:			
501 Department of Health Resources		10,000.00CR	10,000.00CR
PARKS AND WILDLIFE OPERATING FUND 420:			
802 Parks and Wildlife Department		10,000.00CR	10,000.00CR
TOTAL TRAVEL CASH ADVANCES		<u>\$ 177,300.00CR</u>	<u>\$ 177,300.00CR</u>

**Omnibus Tax Net Receipts and Allocations
For the Fiscal Year Ended August 31, 1976**

	Amount	Enforcement	Fund 002	Fund 120	Fund 001	Other
Receipts Allocable						
020 Oil Production	\$ 429,155,259.63	\$ 2,145,776.30 ¹				
022 Natural & Casinghead Gas	364,723,368.15	1,823,616.84 ²				
024 Sulphur	4,789,660.39					
040 Cement	3,622,861.73					
042 Utilities	45,314,983.61					
044 Telephone	34,984,104.92					
046 Oil & Gas Well Servicing	2,717,993.09					
052 Carline Companies Tax	39,106.31					
056 Admissions Tax	7,490,338.47*					
080 Liquor Tax	35,804,293.24	3,613,721.84				
082 Wine Tax	3,005,396.46	317,658.60				
084 Ale Tax (Malt Liquor)	1,098,992.87	108,766.00				
087 Telegraph Tax	71,016.71					
090 Beer Tax	50,620,367.64	5,046,110.59				
095 Motor Vehicle Tax - Rental	5,756,175.08					
096 Motor Vehicle Tax - Sales	264,775,813.28					
153 Stock Transfer Tax	1,416.04*					
155 Insurance Occupation Tax	101,045,299.53					
172 Coin Device Machine Tax	1,305,639.27					
180 Miscellaneous Occupation	49,507.20					
565 Warrants Voided by Statute of Limitation	308.49					
020 Refunds	50,686.26*					
022 Refunds	135,471.03*					
Subtotal	<u>\$1,341,202,235.80</u>	<u>\$13,055,650.17</u>	<u>\$ 332,030,396.42</u>	<u>\$ 996,091,189.21</u>	<u>\$ 25,000.00</u>	
210 Liquor Permits	5,145,332.38					
211 Wine & Beer Permits	1,110,280.77					
Subtotal	6,255,613.15			6,255,613.15		
074 Cigarette Tax	269,846,116.76					
207 Cigarette & Tobacco Permits	270,711.86					
Subtotal	270,116,828.62	1,095,053.62 ³	10,745,247.44		243,675,362.39	\$ 14,601,165.17 ⁵
026 Oil & Gas Regulation Tax	2,210,010.84					2,210,010.84 ⁶
Other						
Cigarette Stamp Purchase	<u>14,046.00</u>					<u>14,046.00</u>
Gross Total Tax Allocate	\$1,619,798,734.41	\$14,150,703.79	\$ 342,775,643.86	\$1,002,346,802.36 ⁴	\$ 243,700,362.39	\$ 16,825,222.01
		(17,568.17 ¹)				
		(166,428.53 ²)				(174,842.42 ⁵)
		(13,112.76 ³)				(18,844.19 ⁶)
Cash Reserve - Differential	(442,335.37)			(51,539.30 ⁴)		
Net Total Allocable	<u>\$1,619,356,399.04</u>	<u>\$13,953,594.33</u>	<u>\$ 342,775,643.86</u>	<u>\$1,002,295,263.06</u>	<u>\$243,700,362.39</u>	<u>\$ 16,631,535.40</u>

* Indicates Negative

1, 2, 3, 4, 5, 6 indicate 1976 Cash Allocated 1977

**Omnibus Tax Net Receipts and Allocations
For the Fiscal Year Ended August 31, 1976**

	Amount	Enforcement	Fund 002	Fund 120	Fund 001	Other
Enforcement:						
Comptroller Operating Fund 062						
Crude Oil	\$ 2,128,208.13	\$ 2,128,208.13				
Natural Gas	1,657,188.31	1,657,188.31				
Cigarette Tax	1,081,940.86	1,081,940.86				
Liquor Act Enf. Fund 097	9,086,257.03	9,086,257.03				
Oil and Gas Enforcement Fund 155	2,191,166.65					\$ 2,191,166.65
Texas Parks Fund 031	14,426,322.75					14,426,322.75
Available School Fund 002	342,775,643.86		\$ 342,775,643.86			
General Revenue Fund I	243,675,362.39				\$ 243,675,362.39	
Allocation of Omnibus						
To Priority Funds:						
Farm to Market Rd. Fund 189	15,000,000.00			\$ 15,000,000.00		
Medical Assistance Fund 166	203,010,491.00			203,010,491.00		
Children's Assistance Fund 167	42,890,537.00			42,890,537.00		
Teacher Retirement Program	204,512,809.76			204,512,809.76		
Foundation School Fund	374,777,441.92			374,777,441.92		
Excess Priority to General Revenue - Fund 001	162,103,983.38			162,103,983.38		
Additional for Cigarette Tax						
Stamp Purchase	14,046.00					14,046.00
Other Uses						
Coin Machine Enforcement	<u>25,000.00</u>				<u>25,000.00</u>	
Total	<u><u>\$ 1,619,356,399.04</u></u>	<u><u>\$ 13,953,594.33</u></u>	<u><u>\$ 342,775,643.86</u></u>	<u><u>\$ 1,002,295,263.06</u></u>	<u><u>\$ 243,700,362.39</u></u>	<u><u>\$ 16,631,535.40</u></u>

FOUNDATION SCHOOL PROGRAM

The budget for the Foundation School Program is certified by the Foundation School Fund Budget Committee which is composed of the State Commissioner of Education, the State Auditor and the State Comptroller of Public Accounts. Article 7083a, V.A.T.S. mandates "on or before the first day of November, preceding each Regular Session at the Legislature, said Committee shall determine and certify to the State Comptroller of Public Accounts the calculated amount to be placed in the Foundation School Fund for the ensuing biennium for the purpose of financing a foundation school program as defined in the Foundation School Program Act.....said Foundation School Fund Budget Committee is authorized to modify from time to time during the biennium, the estimate of the funds required for the Foundation School Fund."

Slightly over 24% of the real expenditure of state revenues are used to support the Foundation School Program. The seven components of the Foundation School Program are identified in the accompanying table. Adjustments to the original amounts were made by the Foundation School Program Budget Committee on July 22, 1976. These adjustments resulted in increased state costs of \$47.5 million for fiscal 1976 and \$55.5 million for fiscal 1975.

Constitutional money which flows through the Available School Fund is applied to the costs of the program to be paid from State funds. Thereafter, the monies received in the Foundation School Fund, as allocated from the Omnibus Tax Fund, are used to meet Program costs. If the costs of the Program exceed the monies available in both the Available School Fund and the Foundation School Fund, money from the General Fund is then used to pay the balance on Program Costs. Accordingly, the state costs, \$1,639,993,533, for the Foundation School Program for fiscal 1976, exceeded the budgeted amount by \$5,530,533. To meet the total state costs the Available School Fund supplied \$496,782,370, the Foundation School Fund, \$369,951,059 and the General Fund \$773,260,104. Of the total cost, \$23,127,686 was paid on the first working day of fiscal 1977 but was used for the Fiscal 1976 budget.

EXHIBIT 8
FOUNDATION SCHOOL PROGRAM
Budget Appropriations
For the Fiscal Year Ending August 31, 1976

<u>Appropriation Purpose:</u>	<u>Revised Budget Foundation School Program</u>
Regular Program, estimated	\$ 1,530,468,000
Vocational - Technical Education, estimated	106,842,000
Special Education	217,018,000
Kindergarten, estimated	64,705,000
Bilingual Education, estimated	5,750,000
Day Schools for the Deaf	10,150,000
Other Programs, estimated	<u>103,855,000</u>
Total, Foundation School Program Cost, estimated	\$ 2,038,788,000
Less: Total Local Funds, estimated (Districts)	<u>408,785,000</u>
Balance to be Paid From State Funds, estimated	\$1,630,003,000
Agency Administration, estimated (State)	<u>4,460,000</u>
Total to be Paid From State Funds, estimated	<u><u>\$ 1,634,463,000</u></u>
 <u>State Funds Applied:</u>	
Available School Fund	487,535,746
Foundation School Fund	386,670,355
General Fund	<u>760,256,899</u>
Total From State Funds	<u><u>\$ 1,634,463,000</u></u>

EXHIBIT 9

**Motor Fuel Receipts and Allocations for
the Fiscal Year Ended August 31, 1976**

		Amount
Actual Gross Receipts		\$ 436,602,661.10
Less: 1% Enforcement on Gross Receipts		<u>4,328,420.30</u>
Adjusted Gross Receipts		432,274,240.80
Less: Refunds		<u>9,318,241.21</u>
Net Motor Fuel Receipts		422,955,999.59
Net Cash Balance 9-1-75	\$ 27,085,307.29	
Net Cash Balance 8-31-76	<u>29,236,475.58</u>	
Allocated in 1977		2,151,168.29
Plus Voided Warrants		9,594.97
Less Transfers:		
Refund Filing Fees: Fund 062		24,099.00
3/4 Unclaimed Aircraft Fuel Refunds - Fund 150		563,916.21
1/4 Unclaimed Aircraft Fuel Refunds - Fund 002		187,972.09
3/4 Unclaimed Motor Boat Fuel Refunds - Fund 059		2,058,988.70
1/4 Unclaimed Motor Boat Fuel Refund - Fund 002		<u>686,329.59</u>
Total Receipts		<u>\$ 417,293,120.68</u>
Allocated as follows:		
One-Fourth Available School Fund		\$ 104,851,653.18
Board of County and District Road Indebtedness		
Administration	- 0 -	
Grants to Counties	<u>7,300,000.00</u>	
Total to the Board		7,300,000.00
Balance to Highway Fund 006		<u>305,141,467.50</u>
Total Allocations		<u>\$ 417,293,120.68</u>

