

# THE UNIVERSITY OF TEXAS SYSTEM

## ANNUAL FINANCIAL REPORT

PRIMARY FINANCIAL STATEMENTS

FISCAL YEAR 2012



The University of Texas at Arlington ♦ The University of Texas at Austin ♦ The University of Texas at Brownsville ♦ The University of Texas at Dallas ♦ The University of Texas at El Paso ♦ The University of Texas-Pan American ♦ The University of Texas of the Permian Basin ♦ The University of Texas at San Antonio ♦ The University of Texas at Tyler ♦ The University of Texas Southwestern Medical Center ♦ The University of Texas Medical Branch at Galveston ♦ The University of Texas Health Science Center at Houston ♦ The University of Texas Health Science Center at San Antonio ♦ The University of Texas M. D. Anderson Cancer Center ♦ The University of Texas Health Science Center at Tyler ♦ The University of Texas System Administration



**THE UNIVERSITY OF TEXAS SYSTEM  
PRIMARY FINANCIAL STATEMENTS**

**and Related Information**

As of and for the Year Ended August 31, 2012

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**THE UNIVERSITY OF TEXAS SYSTEM**  
**BOARD OF REGENTS**  
**As of August 31, 2012**

**Officers**

Wm. Eugene “Gene” Powell, Chairman  
Paul L. Foster, Vice Chairman  
R. Steven “Steve” Hicks, Vice Chairman  
James D. Dannenbaum, P.E., Vice Chairman  
Francie A. Frederick, General Counsel to the Board of Regents

**Members**

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*Terms scheduled to expire February 1, 2013\**

James D. Dannenbaum, P.E.	Houston
Paul L. Foster	El Paso
Printice L. Gary	Dallas

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*Terms scheduled to expire February 1, 2015\**

R. Steven “Steve” Hicks	Austin
Wm. Eugene “Gene” Powell	San Antonio
Robert L. Stillwell	Houston

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*Terms scheduled to expire February 1, 2017\**

Alex M. Cranberg	Austin
Wallace L. Hall, Jr.	Dallas
Brenda Pejovich	Dallas

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*Term scheduled to expire May 31, 2013\**

Ashley M. Purgason (Student Regent)	Arlington
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\*Each Regent’s term expires when a successor has been appointed, qualified, and taken the oath of office.  
The Student Regent serves a one-year term.



**THE UNIVERSITY OF TEXAS SYSTEM  
SENIOR ADMINISTRATIVE OFFICIALS**  
As of August 31, 2012

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Francisco G. Cigarroa, M.D., Chancellor

Scott C. Kelley, Executive Vice Chancellor for Business Affairs

Pedro Reyes, Executive Vice Chancellor for Academic Affairs

Kenneth I. Shine, M.D., Executive Vice Chancellor for Health Affairs

Barry D. Burgdorf, Vice Chancellor and General Counsel

Barry McBee, Vice Chancellor and Chief Governmental Relations Officer

Randa S. Safady, Vice Chancellor for External Relations

William H. Shute, Vice Chancellor for Federal Relations

Amy Shaw Thomas, Vice Chancellor and Counsel for Health Affairs

Sandra K. Woodley, Vice Chancellor for Strategic Initiatives

Bruce E. Zimmerman, Chief Executive Officer and Chief Investment Officer–UTIMCO

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The University of Texas System Consolidated  
Exhibit A Balance Sheet  
As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 2,325,376,227.50	1,963,128,221.31
Restricted Cash & Cash Equivalents	224,860,148.96	213,140,222.76
Balance in State Appropriations	242,866,440.70	215,664,514.14
Securities Lending Collateral	511,400,510.21	384,553,434.02
Accounts Receivable, Net:		
Federal (allow. \$515,170.89 in 2012 & \$778,545.40 in 2011)	406,533,943.87	432,143,693.05
Other Intergov. (allow. \$909,460.08 in 2012 & \$33,214.20 in 2011)	57,329,819.28	46,151,118.08
Student (allow. \$11,436,157.68 in 2012 & \$10,903,105.88 in 2011)	240,191,976.36	215,484,671.10
Patient & Healthcare(allow. \$1,595,659,306.19 in 2012 & \$1,238,252,830.01 in 2011)	761,745,475.19	699,714,282.65
Interest and Dividend Receivables	56,849,264.52	53,180,369.34
Contributions (allow. \$5,597,564.35 in 2012 & \$4,766,852.81 in 2011)	91,507,208.57	103,254,381.83
Investment Trades Receivables	187,857,301.03	301,211,894.86
Other (allow. \$5,624,917.80 in 2012 & \$5,897,622.82 in 2011)	272,144,316.67	232,845,501.35
Due From Other Funds	404,844,294.07	340,219,199.80
Due From Other Agencies	28,067,948.67	31,416,853.34
Inventories	87,625,413.57	79,768,183.67
Loans & Contracts (allow. \$7,597,303.65 in 2012 & \$7,716,828.72 in 2011)	50,370,759.91	47,472,745.02
Other Current Assets	231,729,043.72	186,643,879.34
<b>Total Current Assets and Deferred Outflows</b>	<b>6,181,300,092.80</b>	<b>5,545,993,165.66</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Cash and Cash Equivalents (Noncurrent Restricted)	(90,413,151.07)	20,663.52
Restricted Investments	26,727,366,474.81	23,276,589,196.46
Deposit with Brokers for Derivative Contracts	156,932,928.65	274,476,455.36
Loans & Contracts (allow. \$20,522,418.60 in 2012 & \$18,861,637.15 in 2011)	73,654,944.03	76,104,253.92
Contributions Rec. (allow. \$3,562,372.09 in 2012 & \$4,513,325.79 in 2011)	119,364,356.92	122,002,989.03
Unrestricted Investments	3,919,022,954.80	4,556,528,092.20
Deferred Outflows-FMV of Derivatives (Noncurrent)	334,084,156.86	202,247,306.74
Other Noncurrent Assets	36,768,599.83	38,452,494.14
Gross Capital/Intangible Assets	21,168,046,790.36	19,629,963,200.67
Accumulated Depreciation/Amortization	(8,745,490,852.37)	(7,844,527,482.10)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>43,699,337,202.82</b>	<b>40,331,857,169.94</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 49,880,637,295.62</b>	<b>45,877,850,335.60</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	767,314,813.36	879,232,710.24
Salaries Payable	414,166,000.19	403,707,940.69
Federal Payables	29,333,354.35	41,480,749.76
Other Intergovernmental Payables		44,161.49
Investment Trades Payables	299,903,666.41	101,529,453.72
Incurred But Not Reported Self Insurance Claims	93,660,793.79	90,148,468.27
Securities Lending Obligations	511,400,510.21	384,553,434.02
Due To Other Funds	404,844,294.07	340,219,199.80
Due To Other State Agencies	15,828,006.13	16,813,623.00
Statewide Interfund Payable	23,606,729.76	116,231,373.47
Unearned Revenue	1,236,041,008.82	1,149,501,102.55
Employees' Compensable Leave - Current Portion	317,132,292.71	300,782,958.22
Notes, Loans, and Leases Payable	608,976,093.38	635,704,657.48
Payable From Restricted Assets	138,723,444.26	135,773,403.54
Revenue Bonds Payable	1,576,049,682.70	1,574,446,439.42
Assets Held for Others	32,934,635.27	33,850,866.33
Other Current Liabilities	66,322,817.18	57,274,506.71
<b>Total Current Liabilities and Deferred Inflows</b>	<b>6,536,238,142.59</b>	<b>6,261,295,048.71</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Incurred But Not Reported Self Insurance Claims	26,011,858.21	22,339,730.73
Employees' Compensable Leave	156,198,712.31	152,430,143.36
Assets Held for Others	775,950,636.28	749,470,780.17
Liability to Beneficiaries	13,933,250.59	14,547,274.13
Net Other Postemployment Benefits Obligation	2,263,866,591.00	1,766,652,036.00
Notes, Loans, and Leases Payable	25,278,966.34	26,054,329.69
Revenue Bonds Payable	5,508,972,901.49	5,281,810,720.08
Statewide Interfund Payable	743,019,386.84	534,456,923.24
Hedging Derivative Liability (Noncurrent)	334,084,156.86	202,247,306.74
Payable to Brokers for Collateral Held	42,705,000.00	162,500,000.00
Investment Derivatives - Liability Positions	64,434,007.26	274,239,540.27
Other Noncurrent Liabilities	7,570,055.88	8,756,069.77
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>9,962,025,523.06</b>	<b>9,195,504,854.18</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>16,498,263,665.65</b>	<b>15,456,799,902.89</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	5,265,135,623.77	5,029,154,009.67
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	10,942,330,319.56	8,214,528,602.13
Permanent Health, True Endowments, and Annuities	4,186,367,034.33	4,019,041,080.35
Expendable		
Capital Projects	235,369,350.76	68,537,330.77
Debt Service	5,665,282.55	6,826,165.95
Funds Functioning as Endowment (Restricted)	286,767,487.26	266,853,805.92
Other Expendable	8,977,046,723.58	9,440,321,446.57
Unrestricted Net Assets	3,483,691,808.16	3,375,787,991.35
<b>Total Net Assets</b>	<b>33,382,373,629.97</b>	<b>30,421,050,432.71</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 49,880,637,295.62</b>	<b>45,877,850,335.60</b>

The accompanying Notes to the Consolidated Financial Statements are an integral part of the financial statements.



The University of Texas System Consolidated  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 1,851,366,331.20	1,735,797,268.71
Discounts and Allowances	(458,152,637.90)	(445,152,112.72)
Federal Sponsored Programs	1,394,470,368.72	1,514,900,155.71
Federal Sponsored Programs Pass-Through from State Agencies	93,567,847.58	111,065,556.29
State Sponsored Programs	79.43	556,970.25
State Sponsored Programs Pass-Through from State Agencies	250,903,969.19	263,593,919.85
Local Sponsored Programs	595,212,088.04	565,724,693.56
Private Sponsored Programs	419,631,354.85	405,053,869.55
Sales and Services of Educational Activities	387,129,937.87	421,531,496.81
Discounts and Allowances Sales and Services of Educational Activities	(201,712.88)	(156,605.33)
Sales and Services of Hospitals	9,050,487,801.35	7,982,708,064.62
Discounts and Allowances Sales and Services of Hospitals	(4,912,239,006.88)	(4,170,615,832.99)
Professional Fees (Patient Charges)	4,088,797,597.59	3,926,418,054.86
Discounts and Allowances Professional Fees (Patient Charges)	(2,857,643,332.47)	(2,751,250,431.86)
Auxiliary Enterprises	453,120,212.86	421,473,883.06
Discounts and Allowances Auxiliary Enterprises	(13,783,893.47)	(13,747,245.49)
Other Operating Revenues	111,641,831.70	91,379,991.57
<b>Total Operating Revenues</b>	<b>10,454,308,836.78</b>	<b>10,059,281,696.45</b>
<b>Operating Expenses:</b>		
Instruction	2,846,035,956.01	2,880,822,999.42
Research	1,974,216,313.71	1,990,269,382.54
Public Service	267,238,018.72	275,579,023.10
Hospitals / Clinics	3,677,408,914.04	3,315,279,278.08
Academic Support	575,244,587.41	541,054,041.51
Student Services	214,851,661.52	186,349,339.36
Institutional Support	1,287,300,008.12	1,221,806,401.50
Operations and Maintenance of Plant	730,197,216.67	730,462,817.30
Scholarships and Fellowships	353,328,201.99	419,643,053.88
Auxiliary Enterprises	481,493,082.32	457,742,998.63
Depreciation and Amortization	1,015,621,870.11	902,392,156.25
<b>Total Operating Expenses</b>	<b>13,422,935,830.62</b>	<b>12,921,401,491.57</b>
<b>Operating Income (Loss)</b>	<b>(2,968,626,993.84)</b>	<b>(2,862,119,795.12)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	1,918,989,116.00	1,857,302,142.79
Federal Nonexchange Sponsored Programs	338,057,895.56	337,716,883.00
Federal Nonexchange Pass-Through	793,064.27	46,700,965.33
State Nonexchange Pass-Through	4,713,106.90	10,484,786.67
Gift Contributions for Operations	331,825,863.64	325,480,500.49
Investment Income	1,948,256,612.97	2,246,340,312.86
Net Increase (Decrease) in Fair Value of Investments	1,619,142,883.80	1,896,945,027.37
Interest Expense on Capital Asset Financings	(268,855,685.10)	(262,697,742.27)
Gain (Loss) on Sale of Capital Assets	(14,734,543.55)	(41,632,313.28)
Other Nonoperating Revenues	17,851,198.53	15,333,192.90
Other Nonoperating (Expenses)	(28,862,271.42)	(6,560,553.47)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>5,867,177,241.60</b>	<b>6,425,413,202.39</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>2,898,550,247.76</b>	<b>3,563,293,407.27</b>
Capital Appropriations (HEAF)	17,368,543.00	17,368,543.00
Gifts and Sponsored Programs for Capital Acquisitions	260,927,664.74	250,218,171.89
Additions to Permanent Endowments / Annuities	119,071,139.70	102,748,385.40
Transfers From Other State Agencies	176,861,873.96	142,953,145.40
Transfers to Other State Agencies	(511,443,435.35)	(362,679,231.25)
Legislative Appropriations Lapsed	(12,836.55)	140,033.94
<b>Change in Net Assets</b>	<b>2,961,323,197.26</b>	<b>3,714,042,455.65</b>
<b>Beginning Net Assets</b>	<b>30,421,050,432.71</b>	<b>26,707,007,977.06</b>
<b>Ending Net Assets</b>	<b>\$ 33,382,373,629.97</b>	<b>30,421,050,432.71</b>

The accompanying Notes to the Consolidated Financial Statements are an integral part of the financial statements.

The University of Texas System Consolidated  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	1,421,171,242.29	1,343,478,657.71
Proceeds from Patients and Customers	5,292,225,721.55	4,952,471,706.00
Proceeds from Sponsored Programs	2,785,573,840.50	2,729,487,139.76
Proceeds from Auxiliaries	443,804,516.34	391,588,523.38
Proceeds from Other Revenues	497,385,374.45	541,855,444.83
Payments to Suppliers	(4,172,233,572.18)	(3,744,920,512.08)
Payments to Employees	(7,842,504,256.46)	(7,672,292,379.58)
Payments for Loans Provided	(108,975,649.03)	(99,009,484.77)
Proceeds from Loan Programs	105,840,157.66	100,191,935.83
Net Cash Provided (Used) by Operating Activities	<u>(1,577,712,624.88)</u>	<u>(1,457,148,968.92)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	1,893,798,048.33	1,876,638,361.39
Proceeds from Operating Gifts	346,952,465.76	351,284,263.69
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	115,941,849.85	390,858,387.76
Proceeds from Other Nonoperating Revenues	5,719,864.40	9,055,607.62
Payments / Receipts for Transfers to / from System or Other Agencies	(227,181,005.51)	(1,169,991,581.46)
Payments for Other Uses	(5,086,996.25)	(6,223,227.10)
Proceeds from Nonexchange Sponsored Programs	336,828,709.55	408,065,701.88
Net Cash Provided by Noncapital Financing Activities	<u>2,466,972,936.13</u>	<u>1,859,687,513.78</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Issuance of Capital Debt	912,380,670.00	833,078,465.40
Payments of Other Costs on Debt Issuance	(8,271,746.75)	(1,783,614.36)
Proceeds from Capital Appropriations, Grants, and Gifts	242,177,962.39	142,557,116.99
Proceeds from Sale of Capital Assets	3,986,300.83	2,156,604.26
Payments for Additions to Capital Assets	(1,662,435,811.03)	(1,568,299,340.20)
Payments of Principal on Capital Related Debt	(691,981,073.28)	(305,610,355.64)
Payments of Interest on Capital Related Debt	(268,981,511.94)	(262,089,757.56)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,473,125,209.78)</u>	<u>(1,159,990,881.11)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments	9,921,693,895.63	10,954,576,649.04
Proceeds from Interest and Investment Income	1,370,543,814.64	1,397,184,818.68
Payments to Acquire Investments	(10,424,838,693.94)	(11,980,672,374.77)
Net Cash Provided (Used) by Investing Activities	<u>867,399,016.33</u>	<u>371,089,092.95</u>
Net Increase (Decrease) in Cash	283,534,117.80	(386,363,243.30)
Cash and Cash Equivalents (Beginning of the Year)	2,176,289,107.59	2,562,652,350.89
Cash and Cash Equivalents (End of the Year)	<u>\$ 2,459,823,225.39</u>	<u>\$ 2,176,289,107.59</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(2,968,626,993.84)	(2,862,119,795.12)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	1,015,621,870.11	902,392,156.25
Bad Debt Expense	249,415,547.31	270,760,241.43
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(333,302,278.72)	(450,562,304.49)
Inventories	(7,857,229.90)	(10,652,565.95)
Loans and Contracts	(3,135,491.37)	1,182,451.06
Other Current and Noncurrent Assets	(43,045,905.12)	1,494,941.10
Accounts Payable	(79,802,341.56)	137,258,107.41
Unearned Revenue	75,935,715.90	49,910,243.50
Assets Held for Others	(8,083,742.71)	17,483,915.45
Employees' Compensable Leave	20,117,903.44	12,189,759.27
Other Current and Noncurrent Liabilities	7,835,766.58	2,624,949.17
Other Postemployment Benefits Obligation	497,214,555.00	470,888,932.00
Total Adjustments	<u>1,390,914,368.96</u>	<u>1,404,970,826.20</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,577,712,624.88)</u>	<u>\$ (1,457,148,968.92)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	1,619,142,883.80	1,896,945,027.37
Donated Capital Assets	57,245,141.11	122,502,567.48
Capital Assets Acquired Under Capital Lease Purchases	2,266,145.83	868,774.69
Miscellaneous Noncash Transactions	(26,310,742.93)	(33,111,234.89)

The accompanying Notes to the Consolidated Financial Statements are an integral part of the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### For the Year Ended August 31, 2012

#### 1. The Financial Reporting Entity

The financial records of The University of Texas System (the System), reported as a business-type activity in the State of Texas' Comprehensive Annual Financial Report, reflect compliance with applicable State statutes and Governmental Accounting Standards Board (GASB) pronouncements. The significant accounting policies followed by the System in maintaining accounts and in the preparation of the consolidated financial statements are in accordance with the Texas Comptroller of Public Accounts' Annual Financial Reporting Requirements and with generally accepted accounting principles in the United States of America (GAAP).

The consolidated financial statements include System Administration and all institutions of the System. Amounts due between and among institutions, amounts held for institutions by System Administration and other duplications in reporting are eliminated in consolidating the financial statements.

The System is composed of nine academic and six health-related institutions of higher education, as well as the System administrative offices. The fifteen institutions are as follows: the University of Texas at Arlington, the University of Texas at Austin, the University of Texas at Brownsville, the University of Texas at Dallas, the University of Texas at El Paso, the University of Texas – Pan American, the University of Texas of the Permian Basin, the University of Texas at San Antonio, the University of Texas at Tyler, the University of Texas Southwestern Medical Center, the University of Texas Medical Branch at Galveston, the University of Texas Health Science Center at Houston, the University of Texas Health Science Center at San Antonio, the University of Texas M. D. Anderson Cancer Center, and the University of Texas Health Center at Tyler. The System is governed by a nine-member Board of Regents appointed by the Governor.

#### *Blended Component Units*

The following component units are included in the consolidated financial statements because the System appoints a voting majority of the component units' boards and the System is able to impose its will on the component units. The net assets of the blended component units are insignificant to the System. Blended financial information is available upon request.

UT Southwestern Health Systems, 1301 Elmbrook, Dallas, Texas 75390, is governed by a three-member board appointed by the University of Texas (UT) Southwestern Medical Center. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Southwestern Medical Center. The corporation's fiscal year end is August 31.

UT Southwestern Moncrief Cancer Center, 1701 River Run, Suite 500, Fort Worth, Texas 76107, is governed by a five-member board appointed by the president of UT Southwestern Medical Center. The corporation is blended rather than discretely presented because it has substantively the same governing board as UT Southwestern Medical Center. The corporation's fiscal year end is August 31.

UTMB Healthcare Systems, Inc., 301 University Boulevard, Galveston, Texas 77555, is governed by an eight-member board appointed by UT Medical Branch at Galveston. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Medical Branch at Galveston. The corporation's fiscal year end is August 31.

UT Physicians, P. O. Box 20627, Houston, Texas 77225, is governed by a five-member board appointed by UT Health Science Center at Houston. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Health Science Center at Houston. The corporation's fiscal year end is August 31.

UT System Medical Foundation, 6431 Fannin, Suite JLL 310, Houston, Texas 77030, is governed by a three-member board appointed by UT Health Science Center at Houston. The foundation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Health Science Center at Houston. The foundation's fiscal year end is August 31.

University Physicians Group, 6126 Wurzbach Road, San Antonio, Texas 78238, is governed by a five member board. The Dean of the School of Medicine is the Chairman of the Board and four board members are elected by the MSRDP board. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Health Science Center at San Antonio. The corporation's fiscal year end is August 31.

M. D. Anderson Physician's Network, 7505 South Main, Suite 500, Houston, Texas 77030, is governed by a four-member board appointed by UT M. D. Anderson Cancer Center. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT M. D. Anderson Cancer Center. The corporation's fiscal year end is August 31.

M. D. Anderson Services Corporation, 7505 South Main, Suite 500, Houston, Texas 77030, is governed by a seven-member board appointed by the president of UT M. D. Anderson Cancer Center and the UT System Board of Regents. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT M. D. Anderson Cancer Center. The corporation's fiscal year end is August 31.

East Texas Quality Care Network, Inc., P. O. Box 6053, Tyler, Texas 75711-6053, is governed by a four-member board appointed by UT Health Science Center at Tyler. The corporation is blended rather than discretely presented because it has substantively the same governing board as UT Health Science Center at Tyler. The corporation's fiscal year end is August 31.

The University of Texas Investment Management Company (UTIMCO), 401 Congress Avenue, Suite 2800, Austin, Texas 78701, is governed by a nine-member board consisting of at least three members of the UT System Board of Regents, the Chancellor of the System, three independent directors with substantial background and expertise in investments appointed by the UT System Board of Regents, and two members appointed by the Texas A&M System Board of Regents, one of whom must have a substantial background and expertise in investments. The corporation is blended rather than discretely presented because it provides services entirely or almost entirely to UT System. The corporation's fiscal year end is August 31.

The University of Texas Fine Arts Foundation, UT Austin, Main Building, P. O. Box T, Austin, Texas 78713 is governed by a three-member board appointed by the University of Texas at Austin (UT Austin). The foundation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Austin. The foundation's fiscal year end is December 31.

University of Texas Communication Foundation, UT Austin, P.O. Box 7322, Austin, Texas 78713 is governed by a three-member board appointed by UT Austin. The foundation is blended rather than discretely presented because it provides services entirely or almost entirely to UT Austin. The foundation's fiscal year end is August 31.

#### ASSETS HELD BY AFFILIATED ORGANIZATIONS

GASB authoritative guidance provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship to the primary government, the System. This guidance states that a legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The System has defined significance as 5% of net assets. As of August 31, 2012, none of the System's potential component units meet the criteria for inclusion in the System's financial statements. Based upon the most recent available information, the combined net assets of these potential component units reported by the organizations total \$2,053,236,580.00 at August 31, 2012 and \$1,829,576,344.00 at August 31, 2011.

## 2. Related Parties

Through the normal course of operations, the System both receives funds from and provides funds to other State agencies in support of sponsored research programs. Funds received and provided during the year ended August 31, 2012, related to pass-through grants were \$349,977,987.94 and \$11,181,251.11, respectively. Funds received and provided during the year ended August 31, 2011, related to pass-through grants were \$431,845,228.14 and \$10,042,815.80, respectively.

In 1991, Texas Southmost College and the University of Texas at Brownsville (UT Brownsville) entered into a contractual arrangement to maximize resources and bring additional educational opportunities to the communities of the Lower Rio Grande Valley. The primary goal of the partnership, which is operationally managed by the System, was to offer students a seamless educational process by eliminating barriers between two institutions located on the same campus. In November, 2010 the UT System Board of Regents found that the current educational partnership between the Board of Regents on behalf of UT Brownsville and the Texas Southmost College Board of Trustees could no longer be sustained and a notice of termination of the Educational Partnership Agreement was provided. Under the terms of the Agreement, the termination is effective no later than August 31, 2015; however, the parties may work to achieve an earlier effective date.

Other related-party transactions identified in the financial statements include Due From/To Other State Agencies, State Appropriations, Capital Appropriations and Transfers From/To Other State Agencies.

## 3. Joint Ventures

On August 24, 2011, the UT System Board of Regents approved creation of the \$10 million fund, the UT Horizon Fund, which will support commercialization of intellectual property through the development of startups and maintaining equity in startups throughout the System. Investments will range up to \$1 million, depending on the startup. To be considered for funding, startups will have to have secured private-sector money as a co-investment match. That co-investment model gives the System insight into which products and technologies have the most potential in the marketplace. No investments occurred in fiscal year 2011. In August 2012, UT System purchased 7,550 shares of preferred stock in Cerevast Therapeutics, Inc for an investment of \$100,007.30.

UT Southwestern Health Systems (UTSHS), a blended component unit of UT Southwestern Medical Center, is a participating member of UT Southwestern DVA Healthcare, LLP (DVA). DVA is a joint venture between UTSHS and Davita Inc. to provide care for dialysis patients in the Dallas-Fort Worth area. UTSHS's equity interest in DVA at August 31, 2012 and 2011 was \$4,344,281.55 and \$4,251,214.00, respectively, or 50% and 49% respectively. Separate financial statements for DaVita may be obtained at DaVita Inc., 601 Hawaii Street, El Segundo, California 90245 or [www.davita.com](http://www.davita.com).

UT Southwestern Medical Center entered into a limited partnership agreement on June 30, 2006, with Premier Purchasing Partners, L.P. (Premier). The principal business of Premier is to operate and manage healthcare-related programs and investments for the benefit of its partners including UT Southwestern Medical Center and to otherwise assist the partners in providing superior healthcare services in their communities. Premier negotiates and executes reduced cost purchase contracts between its partners and vendors of healthcare products and services by leveraging the aggregated demand of its partners and to operate group purchasing and other programs to increase both individual participant and aggregate purchasing volumes. As of August 31, 2012 and 2011, UT Southwestern Medical Center's investment in Premier was \$596,717.00 and \$494,951.00, respectively, or .35% and .31%, respectively. Separate financial statements for Premier may be obtained at Premier, Inc., 12225 El Camino Real, San Diego, California 92130 or [www.premierinc.com](http://www.premierinc.com).

UT Health Science Center at Houston's blended component unit, UT Physicians, is a participating member of Physician's Dialysis of Houston. Physician's Dialysis of Houston is a joint venture entered into by UT Physicians and DaVita, Inc. UT Physician's equity interest in Physician's Dialysis of Houston at August 31, 2012 and 2011 was \$694,954.00 and \$642,144.83, respectively, or 35.62%. Separate financial statements for Physician's Dialysis of Houston may be obtained at Physician's Dialysis of Houston, Attention: Marie Sinfield, 1423 Pacific Avenue, Tacoma, Washington 98402.

UT Health Science Center at Houston's blended component unit, UT Physicians, was a participating member of UT Imaging. UT Imaging was a Limited Liability Partnership entered into by UT Physicians, Outpatient Imaging Affiliates, LLC, and Memorial Hermann Hospital System. UT Imaging was sold on May 31, 2011. Separate financial statements for UT Imaging may be obtained at Outpatient Imaging Affiliates, LLC, Attention: Laura Cottingham, 840 Crescent Center Drive, Suite 200, Franklin, Tennessee 37067.

UT Health Science Center at Houston's blended component unit, UT Physicians, is a participating member of TMC Holding Company, L.L.C. (TMC Holding). TMC Holding is a Limited Liability Corporation entered into by UT Physicians, Baylor College of Medicine and Memorial Hermann/USP Surgery Centers III, L.L.P. UT Physicians' equity interest in TMC Holding at August 31, 2012 and 2011 was \$144,987.00 and \$248,959.00 respectively, or 18.1%. Separate financial statements for TMC Holding may be obtained by contacting Vanessa Smith, 3050 Post Oak Blvd, Suite 620, Houston, TX 77056.

UT Health Science Center at Houston's blended component unit, UT Physicians, is a participating member of Bluesky MOB, L.L.P. Bluesky MOB, L.L.P. is a Limited Liability Partnership of which UT Physicians purchased an 18.7% interest in for \$380,755.00 on August 1, 2012. Separate financial statements for Bluesky MOB, L.L.P. may be obtained at Moore, Reichl, & Baker, P.C., c/o Doug Reichl, CPA, 11200 Westheimer Suite 410, Houston, TX, 77042.

UT Health Science Center at Houston is a participating member of the Texas Medical Center Central Heating and Cooling Services Cooperative Association (TECO). TECO was incorporated on October 2, 1975, for the purpose of operating a central heating and cooling services facility on a cooperative basis solely for the benefit of eligible institutions. On June 1, 2003, TECO transferred substantially all of its assets and operation to TECO Corporation, and TECO Corporation assumed the liabilities and obligations of TECO. TECO still renders services to member and non-member patrons at cost. Savings or margins are refunded to the member and non-member patrons on a patronage basis in the form of cash or equity by TECO. UT Health Science Center at Houston's equity interest in TECO at August 31, 2012 and 2011 was \$12,435,855.00 and \$11,706,925.88 respectively, or 14.6% and 14.9% respectively. Separate financial statements for TECO may be obtained at Thermal Energy Corporation, 1615 Braeswood Boulevard, Houston, Texas 77030 or [http://teco.tmc.edu/home/teco\\_home.php](http://teco.tmc.edu/home/teco_home.php).

UTMDA is a participating member of the Texas Medical Center Hospital Laundry Cooperative Association (the Association). The Association was established on April 30, 1971, for the purpose of acquiring, owning, and operating a laundry system on a cooperative basis solely for the benefit of members of the Association. Net earnings of the Association may be refunded to the members on a patronage basis or retained by the Association as equity allocated to the members. UTMDA's equity interest in the Association at August 31, 2012 and 2011 was \$2,472,539.20 and \$1,958,280.40, respectively, or 40%. Separate financial statements for the Association may be obtained at 1601 Braeswood Boulevard, Houston, Texas 77030 or <http://www.texasmedicalcenter.org/root/en/GetToKnow/TMCInstitutions/OtherInstitutions/Laundry/Laundry>.

UTMDA is a participating member of the Texas Medical Center Central Heating and Cooling Services Cooperative Association (TECO). TECO was incorporated on October 2, 1975, for the purpose of operating a central heating and cooling services facility on a cooperative basis solely for the benefit of eligible institutions. On June 1, 2003, TECO transferred substantially all of its assets and operations to TECO Corporation, and TECO Corporation assumed the liabilities and obligations of TECO. TECO still renders services to member and non-member patrons at cost. Savings or margins are refunded to the member and non-member patrons on a patronage basis in the form of cash or equity by TECO. UTMDA's equity interest in TECO at August 31, 2012 and 2011 was \$32,810,363.00 and \$31,169,629.00, respectively, or 39.7%. Separate financial statements for TECO may be obtained at Thermal Energy Corporation, 1615 Braeswood Boulevard, Houston, Texas 77030 or [http://teco.tmc.edu/home/teco\\_home.php](http://teco.tmc.edu/home/teco_home.php).

UTMDA is a participating member of P.E.T. Net Houston, LLC (PETNet). PETNet is a joint venture entered into by UTMDA and P.E.T. Pharmaceuticals, Inc. to lease and operate a facility located on UTMDA's campus to produce positron radiopharmaceuticals and isotopes. Construction of the facility commenced in 2003. UTMDA's equity interest in PETNet at August 31, 2012 and 2011 was \$3,981,924.99 and \$2,854,821.97, respectively, or 49%. Separate financial statements for PETNet may be obtained at Siemens Medical Solutions USA, Inc., 51 Valley Stream Parkway, Malvern, Pennsylvania 19355.

UTMDA entered into a limited partnership agreement on December 19, 2002 with PTC-Houston Management, L.P. and PTC-Houston Investors, LLC to create The Proton Therapy Center-Houston LTD., L.L.P. (PTC Partnership). PTC Partnership was established to develop and operate a proton therapy facility, which will provide cancer treatment to patients utilizing proton therapy technology. Under the Staffing and Operations Agreement between UTMDA and PTC Partnership, UTMDA shall be the exclusive supplier of all technical and operational services to support PTC Partnership operations, and for which, UTMDA will be reimbursed on a monthly basis. Under a separate agreement, the Professional Services Agreement, UTMDA shall provide services of physicians, medical physicists and medical dosimetrists to PTC Partnership, for which, UTMDA shall bill patients and retain all professional fees associated with such services.

UTMDA entered into a limited liability company agreement on December 19, 2002 to form PTC-Houston Investors, L.L.C (Investors). Investors was established to invest in and be a limited partner in the PTC Partnership. Investors entered into a ground lease with UTMDA on December 19, 2002 to lease approximately four acres on UTMDA's property for an initial term of sixty years. UTMDA's initial capital contribution of \$2,500,000.00 to Investors was provided through the ground lease. UTMDA's equity interest in Investors at August 31, 2009 was \$2,500,000.00, or approximately 8.2%.

On March 30, 2010, UTMDA entered into an Agreement and Stipulation among Purchasers of LLC Membership Interests of PTC-Houston Investors, L.L.C. in which PTC Partnership assigned the right to purchase additional shares of Investors to its partners. As part of this agreement, UTMDA purchased 13.12195 units of interest in Investors for \$5,725,941.82 giving UTMDA a total ownership interest of approximately 51.22%. In addition, all members of Investors further consented to the redemption of UTMDA's total interest in Investors in exchange for the conveyance by Investors to UTMDA of 51.22% of Investors' right, title and interest under PTC Partnership agreement including without limitation, 51.22% of Investors' Capital Contributions and Investors' right to receive distributions and 51.22% of the percentage interests in PTC Partnership owned by Investors, which approximated \$15,621,950.00 as of March 30, 2010.

Following the execution of the foregoing, UTMDA entered into an Amended and Restated Limited Partnership Agreement (Agreement) dated March 30, 2010 between PTC Partnership, Investors, PTC-Houston Management, L.P., and UTMDA. The purposes of PTC Partnership are to assume the lease formerly held by Investors with UTMDA to lease approximately four acres on the UTMDA's property for an initial term of 60 years, develop and/or acquire other proton therapy related business opportunities in the area and engage in any other activities that are reasonably incidental to the foregoing or that are contemplated by the agreement or the related agreements. As part of the agreement, each partner has made or is deemed to have made the Initial Contribution which equaled \$15,621,950.00 for UTMDA or 15.22%. However, UTMDA's only capital contribution to PTC Partnership has been through the ground lease which equals \$2,500,000.00. UTMDA has recorded cash distributions and has adjusted its carrying value based on the operating results of PTC Partnership as required by the Agreement, which does not equal the Initial Contribution. Until the carrying value of the investment equals or exceeds the Initial Contribution value, UTMDA has elected to record the carrying value on the balance sheet. As of August 31, 2012 and 2011, UTMDA's equity interest in PTC Partnership was \$0 and \$298,000, respectively. UTMDA received cash contributions totaling \$6,684,145.82 and \$12,036,584.41 during the fiscal years ended August 31, 2012 and 2011, respectively. Separate financial statements for PTC Partnership may be obtained at <http://www.mdanderson.org/patient-and-cancer-information/proton-therapy-center/index.html>.

UTMDA is a participating member in the National Center for Therapeutics Manufacturing (the "NCTM"). UTMDA entered into a Collaboration, Investment and Facility Use Agreement as of May 19, 2010 with Texas A&M University System to collaborate on the design of the NCTM and on grants and proposals relating to cancer therapeutics that could be developed at the NCTM. UTMDA's cost-based interest in NCTM at August 31, 2012 and 2011 was \$2,490,000.00 or approximately 5%. Separate financial statements for NCTM may be obtained at <http://www.tamus.edu/iit/nctm/>.

UTMDA entered into a limited partnership agreement on January 10, 1990, with Premier Purchasing Partners, L.P. (Premier). The principal business of Premier is to operate and manage healthcare-related programs and investments for the benefit of its partners including UTMDA and to otherwise assist the partners in providing superior healthcare services in their communities. Premier negotiates and executes reduced cost purchase contracts between its partners and vendors of healthcare products and services by leveraging the aggregated demand of its partners and to operate group purchasing and other programs to increase both individual participant and aggregate purchasing volumes. As of August 31, 2012 and 2011, UTMDA's investment in Premier was \$4,086,719.00 and \$4,015,224.00, respectively, or 1.15% and 1.41%, respectively. Separate financial statements for Premier may be obtained at Premier, Inc., 12225 El Camino Real, San Diego, California 92130 or [www.premierinc.com](http://www.premierinc.com).

#### 4. Summary of Significant Accounting Policies

##### BASIS OF ACCOUNTING

The financial statements of the System have been prepared using the economic resources measurement focus and the accrual basis of accounting. The System reports as a business type activity, as defined by GASB. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The financial statements of the System have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the GASB. The System does not apply any Financial Accounting Standards Board pronouncements issued after November 30, 1989.

##### CASH AND CASH EQUIVALENTS

Short-term, highly liquid investments with maturities of three months or less when purchased are generally considered cash and cash equivalents. It is the System's policy to exclude items that meet this definition if they are part of an investment pool, which has an investment horizon of one year or greater. Therefore, highly liquid investments that are part of the Intermediate Term Fund (ITF) and the Long Term Fund (LTF) are not considered cash and cash equivalents. Additionally, Endowments invested in money market accounts are also excluded from Cash and Cash Equivalents as the intent is to invest these funds for more than one year. Cash held in the State treasury for the Permanent University Fund (PUF), the Permanent Health Fund (PHF) and the Available University Fund (AUF) are considered cash and cash equivalents. Other highly liquid investments of these major funds which are held in pooled funds and invested with custodians are not considered cash and cash equivalents according to the investment policies of the System. Restricted cash and cash equivalents include cash held in the state treasury for the PUF and PHF and restricted sources of funds used for construction of capital assets as well as funds held for debt service. The System holds bond proceeds in restricted investments to be disbursed to the institutions to support capital projects on a cost reimbursable basis. Due to the cost reimbursable nature of restricted sources of funds used for construction, restricted cash and cash equivalents are often negative. Also included in restricted cash and cash equivalents are Short Term Fund (STF) holdings held as collateral on interest rate swaps.

##### BALANCE IN STATE APPROPRIATIONS

This item represents the balance of General Revenue funds at August 31 as calculated in the Texas State Comptroller's General Revenue Reconciliation.

##### DERIVATIVE FINANCIAL INSTRUMENTS

Derivative instruments are recorded at fair value. The fair value of derivatives is recorded as either an asset or liability on the balance sheet. The valuation of investment derivatives is discussed in the Investments disclosure below. Financial institutions have calculated the fair value of the interest rate swaps using a forecast of expected discounted future net cash flows.

The System has entered into interest rate swap agreements with various counterparties, all of which a highly rated financial institutions, to manage various risks associated with the System's debt programs. Each of the System's interest rate swaps is a contractual agreement entered into between the System and a counterparty under which each party agrees to exchange periodic fixed or variable payments, based upon a stated notional amount, over the stated life of the agreement. The net differential paid or received is recognized over the life of the agreement as an adjustment to interest expense.

Interest rate swaps determined to be hedging derivatives are designated as cash flow hedges. Hedging derivative assets and hedging derivative liabilities are recorded on the System's balance sheet. Under hedge accounting, for derivatives that are determined to be effective, changes in the fair value of hedging derivatives are considered to be deferred inflows (for hedging derivatives with positive fair values) or deferred outflows (for hedging derivatives with negative fair values).

Changes in the fair value of derivatives that are not effective are recorded as net increase (decrease) in the fair value of investments in the statement of revenues, expenses and changes in net assets.

Derivative instruments are recorded at fair value. If the fair value of a hedging derivative is positive, it is reported as a hedging derivative asset. If the fair value of a hedging derivative is negative, it is reported as a hedging derivative liability.

Under hedge accounting, changes in the fair value of hedging derivatives are considered to be deferred outflows for hedging derivatives with negative fair values and deferred inflows for hedging derivatives with positive fair values.



## INVESTMENTS

The majority of the investments of the System, except for PUF lands, are managed by UTIMCO, a private investment corporation that provides services entirely to the System and its related foundations. All investments are reported as noncurrent as these funds have an investment horizon extending beyond one year. Restricted investments include investments restricted by legal or contractual requirements, including those related to donors and constitutional restrictions. The System's investments with readily available fair values are primarily valued on the basis of market valuations provided by independent pricing services.

Fixed income securities held directly by the System are valued based upon prices supplied by FT Interactive Data and other major fixed income pricing services, external broker quotes and internal pricing matrices.

Equity security and publicly traded mutual fund fair values are based on the closing price on the primary exchange on which they are traded (if a closing price is not available, the average of the last reported bid and ask price is used).

Physical commodities, specifically gold, are valued using the composite closing price from Bloomberg for the XAU currency code which represents the standard for one troy ounce of gold.

Private investment funds, which consist of non-regulated investment funds, are fair valued by management. The fair values of these investments are estimated by management using the investment's capital account balance at the closest available reporting date, as communicated by the investment manager, adjusted for contributions and withdrawals subsequent to the latest available reporting date as well as consideration of any other information, which has been provided by the investment manager or other sources. In rare cases the private investments are valued at cost, but only when management believes this is the best approximation of value. As of August 31, 2012 and 2011, investments in private investment funds in the amount of \$5,458,247,903.00 and \$4,924,030,425.00, respectively, have been estimated by management.

Hedge funds, developed country equity, emerging markets equity, natural resources and fixed income investment funds and certain other private placements are fair valued by management based on net asset value information provided by the investment manager, as well as other relevant factors as indicated above. As of August 31, 2012 and 2011, investments in these funds in the amount of \$10,878,800,667.00 and \$10,458,293,702.00, respectively, have been estimated by management.

The audited financial statements of the funds managed by UTIMCO may be found on UTIMCO's website and inquiries may be directed to UTIMCO via [www.utimco.org](http://www.utimco.org).

The fair value of the PUF land's interest in oil and gas is based on a third party reserve study of proved reserves. The present value of the royalty cash flows is calculated by applying a ten percent discount rate to future expected production volumes of oil and gas based on the price of oil and gas on August 31, 2012. Probable and possible reserves of oil and gas are not included in the fair value estimate. The remaining minerals, the trust minerals, because of size, distribution, and limited production histories are valued at three times the previous 12 months' revenue. As a rule of thumb, this measure has been used historically to determine the selling price of these types of properties by willing parties. The PUF lands' surface interests are reported at the price per acre from the American Society of Farm Managers and Rural Appraisers. Other real estate holdings are reported by one of the following methods of valuation: the latest available appraised amount as determined by an independent State certified or other licensed appraiser, or by any other generally accepted industry standard, including tax assessments.

The System is authorized to invest funds, as provided in Section 51.0031 of the Texas Education Code and the Constitution of the State of Texas, under prudent investor investment standards. Such investments include various fixed income and equity type securities. The investments of the System are governed by various investment policies approved by the UT System Board of Regents.

## CONTRIBUTIONS RECEIVABLE

Current and noncurrent contributions receivable are amounts pledged to the university by donors, net of allowances. Multi-year gift pledges greater than \$10,000 must be reported at the discounted present value. At the beginning of each fiscal year, the System re-establishes the scale of discount rates applicable for present valuing new multi-year gift pledges that are received during the new fiscal year. The scale of discount rates are based upon U.S. Treasury Notes and Bonds asked yields as listed in the Wall Street Journal on the first day of the fiscal year. Existing gift pledges are not recalculated since these pledges were previously calculated at historical discount rates.

INVENTORIES

Inventories, consisting primarily of supplies and merchandise for resale, are valued at cost, typically based on the specific identification, weighted average or first-in, first-out methods, which are not in excess of net realizable value.

RESTRICTED ASSETS

Restricted assets include funds restricted by legal or contractual requirements, including those related to sponsored programs, donors, constitutional restrictions, bond covenants, and loan agreements.

LOANS AND CONTRACTS

Current and noncurrent loans and contracts are receivables, net of allowances, related to student loans.

SECURITIES LENDING COLLATERAL AND OBLIGATIONS

The collateral secured for securities lent are reported as an asset on the balance sheet. The obligations for securities lent are reported as a liability on the balance sheet that directly offsets the cash collateral received from brokers or dealers in exchange for securities loaned. The costs of securities lending transactions are reported as expenses in the statement of revenues, expenses and changes in net assets. See Note 6 for details regarding the securities lending program.

CAPITAL ASSETS

Capital assets are recorded at cost at the date of acquisition or fair value at the date of donation in the case of gifts. The System follows the State's capitalization policy with a cost equal to or greater than \$5,000.00 for equipment items, \$100,000.00 for buildings, building improvements and improvements other than buildings, and \$500,000.00 for infrastructure items, and an estimated useful life of greater than one year. Purchases of library books are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred. Outlays for construction in progress are capitalized as incurred. Interest expense related to construction is capitalized net of interest income earned on the resources reserved for this purpose (see Note 11). The thresholds for software are \$100,000.00 for purchased software and \$1,000,000.00 for internally developed software including Enterprise Resource Planning replacements. The System capitalizes, but does not depreciate works of art and historical treasures that are held for exhibition, education, research and public service. These collections are protected and preserved.

Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, generally two to fifteen years for equipment items, five years for software, six years for Enterprise Resource Planning replacements, fifteen years for library books, ten to fifty years for buildings and their components and fifteen to forty years for infrastructure elements.

OTHER ASSETS

Included in other current assets are prepaid expenses and lease receivables due within one year. Included in the other noncurrent assets are unamortized bond issuance costs and lease receivables that will be realized beyond one year. Unamortized bond issuance costs are amortized over the life of the related bonds using the straight-line method, which approximates the effective interest method. The unamortized bond issuance costs as of August 31, 2012 and 2011 were \$21,676,031.86 and \$21,568,226.85, respectively.

UNEARNED REVENUE

Unearned revenue represents revenues such as tuition recorded in August for the fall semester and payments received in advance for sponsored programs.

ASSETS HELD FOR OTHERS – CURRENT AND NONCURRENT

Assets held for others represent funds held by the System as custodial or fiscal agent for students, faculty members, foundations, and others. Included in assets held for others as of August 31, 2012 and 2011 is \$339,874,791.75 and \$343,084,855.17, respectively, for the Physician's Referral Service Supplemental Retirement Plan/Retirement Benefit Plan at UT M. D. Anderson Cancer Center. As of August 31, 2012 and 2011, assets held for others also included \$333,294,604.94 and \$334,744,763.14, respectively, from foundations that invest their assets with UTIMCO.

LIABILITY TO BENEFICIARIES

The System holds numerous irrevocable charitable remainder trusts and a pooled income fund. Together, these assets are reflected in the accompanying consolidated financial statements within restricted investments.

The charitable remainder trusts designate the UT System Board of Regents as both trustee and remainder beneficiary. The System is required to pay to the donors (or other donor-designated income beneficiaries) either a fixed amount or the lesser of a fixed percentage of the fair value of the trusts' assets or the trusts' income during the beneficiaries' lives. Trust assets are measured at fair value when received and monthly thereafter. A corresponding liability to beneficiaries is measured at the present value of expected future cash flows to be paid to the beneficiaries based upon the applicable federal rate on the gift date. Upon death of the income beneficiaries, substantially all of the principal balance passes to the System to be used in accordance with the donors' wishes.

The pooled income fund was formed with contributions from several donors. The contributed assets are invested and managed by UTIMCO. Donors (or designated beneficiaries) periodically receive, during their lives, a share of the income earned on the fund proportionate to the value of their contributions to the fund. Upon death of the income beneficiaries, substantially all of the principal balance passes to the System to be used in accordance with the donors' wishes. Contribution revenue is measured at the fair value of the assets received, discounted for a term equal to the life expectancies of the beneficiaries.

#### REFUNDING AND DEFEASANCE OF DEBT

For debt refundings, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and reported as a deduction from or an addition to the debt liability. The gain or loss is amortized, using the straight line method, over the remaining life of the old debt or the life of the new debt, whichever is shorter, in the statement of revenues, expenses and changes in net assets as a component of interest expense.

#### NET ASSETS

The System has classified resources into the following three net asset categories:

##### *Invested in Capital Assets, Net of Related Debt*

Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

##### *Restricted:*

##### *Nonexpendable*

Net assets subject to externally imposed stipulations that require the amounts be maintained in perpetuity by the System. Such assets include the System's permanent endowment funds.

##### *Expendable*

Net assets whose use by the System is subject to externally imposed stipulations that can be fulfilled by actions of the System pursuant to those stipulations or that expire with the passage of time.

##### *Unrestricted*

Net assets that are not subject to externally imposed stipulations. Unrestricted net assets may be designated for special purposes by action of management or the UT System Board of Regents. Substantially all unrestricted net assets are designated for academic and research programs and initiatives, and capital programs (see Note 21 for details on unrestricted net assets).

When an expense is incurred that can be paid using either restricted or unrestricted resources, the System addresses each situation on a case-by-case basis prior to determining the resources to be used to satisfy the obligation. Generally, the System's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

## REVENUES AND EXPENSES

Operating revenues include activities such as student tuition and fees; net sales and services of hospitals; net professional fees; net sales and services of auxiliary enterprises; most federal, state and local grants and contracts. Operating expenses include salaries and wages, payroll related costs, materials and supplies, depreciation, scholarships and fellowships, and impairment losses and insurance recoveries received in the same year as the associated loss. In addition, all changes to incurred but not reported liabilities related to insurance programs are reflected as operating.

Nonoperating revenues include activities such as gifts and contributions, insurance recoveries received in years subsequent to the associated loss, State appropriations, investment income and other revenue sources that are defined as nonoperating revenues by GASB. UT System institutions are the named beneficiaries in certain lawsuits, wills, trust, and insurance policies. UT System does not recognize these potential refunds, gifts and contributions until realized. Nonoperating expenses include activities such as interest expense on capital asset financings, and other expenses that are defined as nonoperating expenses by GASB.

## SCHOLARSHIP ALLOWANCES AND STUDENT AID

Financial aid to students is reported in the financial statements as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (student loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expense or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on an entity-wide basis by allocating cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid.

## STATEWIDE INTERFUND TRANSFERS AND INTERFUND PAYABLES

In accordance with the provisions set forth in Article 7, Section 18 of the Texas Constitution, the System transfers one-third of the annual earnings of the PUF investments and lands to the Texas A&M University System (TAMUS). In addition to the transfer of the current year earnings in 2012 and 2011 of \$199,829,438.08 and \$168,798,604.00, respectively, the System recorded a liability of \$757,179,840.87 and \$644,425,000.00 at August 31, 2012 and 2011, respectively, for future amounts due to TAMUS from the PUF to cover principal on outstanding PUF bonds and notes issued by TAMUS. This liability is reported as current and noncurrent statewide interfund payable on the balance sheet. Additional details related to the operations of the PUF can be found in Note 8. Also included in statewide interfund payables as of August 31, 2012 and 2011 is \$9,446,275.73 and \$6,263,296.71, respectively, related to the revolving loan programs administered by the Texas State Comptroller's Office.

In accordance with tuition set-asides required by Section 61.539, Section 61.910, Section 61.9660, Section 61.9731, Section 56.095 and Section 56.465 of the Texas Education Code, the institutions transferred tuition revenues of \$21,909,095.05 in 2012 and \$19,573,730.70 in 2011 to the Texas Higher Education Coordinating Board.

## UNCOMPENSATED CARE

The System's health-related institutions provide uncompensated care to patients who meet certain criteria. Uncompensated care includes the unreimbursed costs for the uninsured and the underinsured as well as the unreimbursed costs from government-sponsored health programs. To calculate uncompensated care, charges are converted to costs and providers recognize appropriate patient specific funding and lump sum funding available to offset costs. Hospital charges are converted to cost by the application of the Medicare cost to charge ratio, as calculated in the most recent Medicare cost report. Since a standard cost report does not exist for physician charges, a proxy cost to charge ratio was developed through a process involving all Texas public academic medical centers and the State Auditor's Office. Uncompensated care costs amounted to \$549,675,121.42 and \$614,360,850.99 for 2012 and 2011, respectively.

## NET PATIENT SERVICE REVENUE

The System's health-related institutions have agreements with third-party payors that provide for payments to these institutions at amounts different from their established rates. A summary of the payment arrangements with major third-party payors follows:

### *Medicare*

UT Southwestern Medical Center's, UT Medical Branch at Galveston's and UT Health Science Center at Tyler's inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are reimbursed under a prospective reimbursement methodology. Also, additional reimbursement is received for graduate medical education, disproportionate share, bad debts and other reimbursable costs, as defined, under a variety of payment methodologies.

UT M. D. Anderson Cancer Center's inpatient acute care services rendered to Medicare program beneficiaries are paid based on a cost reimbursement methodology that is limited by a facility-specific amount per discharge. The final reimbursement also includes a calculation of an incentive or relief payment determined through a comparison of the facilities current year cost to the facility-specific cost per discharge. Certain outpatient services, and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology. Effective August 1, 2000, the Medicare program implemented a prospective payment system for outpatient services. However, as UT M. D. Anderson Cancer Center is designated as a cancer hospital, the Medicare program provides for a "hold-harmless" payment that is equal to the difference between the prospectively determined amounts and the current year adjusted cost (i.e., the current year adjusted cost is determined through application of a payment to cost ratio, which is derived from a previous Medicare cost report, to the current year actual cost). UT M. D. Anderson Cancer Center is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by UT M. D. Anderson Cancer Center and audits thereof by the Medicare fiscal intermediary.

#### *Medicaid*

Inpatient services rendered to Medicaid program beneficiaries are reimbursed under a prospective reimbursement methodology. Certain outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement cost methodology. The System's health-related institutions are reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the System's health-related institutions and audits thereof by the Medicaid fiscal intermediary.

The System's health-related institutions have also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the System's health-related institutions under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates. The System's health-related institutions recognized bad debt expense of \$246,727,869.10 and \$268,141,901.90 in 2012 and 2011, respectively.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **5. Disaggregation of Other Receivable Balances**

Net other receivables at August 31, 2012 and 2011 are detailed by type as follows:

<u>Net Other Receivables</u>	<u>2012</u>	<u>2011</u>
Receivables related to investments	\$ 100,412,334.00	83,415,718.01
Receivables related to gifts, grants and sponsored programs	77,815,417.56	76,695,534.55
Receivables related to external parties/other companies	55,987,428.08	30,136,058.40
Receivables related to auxiliary enterprises	10,153,211.04	9,524,926.18
Receivables related to payroll	6,124,683.00	2,811,269.75
Receivables related to patents	1,602,039.51	1,661,465.96
Receivables related to travel	904,249.45	1,346,501.64
Receivables related to loan funds and financial aid	1,425,230.35	1,817,320.63
Receivables related to agency funds	1,506,470.49	2,079,265.54
Receivables related to other various activities	16,213,253.19	23,357,440.69
Total	\$ <u>272,144,316.67</u>	<u>232,845,501.35</u>

## 6. Deposits, Investments and Repurchase Agreements

### DEPOSITS OF CASH IN BANK

As of August 31, 2012 and 2011, the carrying amount of deposits was \$264,020,219.29 and \$174,485,498.18, respectively, as presented below:

	<u>2012</u>	<u>2011</u>
Cash and cash equivalents per statement of cash flows and Exhibit A	\$ 2,459,823,225.39	2,176,289,107.59
Less: Cash in State Treasury	661,226,599.50	591,246,533.28
Repurchase agreement – Texas		
Treasury Safekeeping Trust Co.	2,149,987.64	-
Other cash equivalent investments	1,519,150,666.86	1,384,162,600.51
Other	13,275,752.10	26,394,475.62
Deposits of cash in bank	<u>\$ 264,020,219.29</u>	<u>174,485,498.18</u>

As of August 31, 2012 and 2011, the total bank balances were \$73,533,203.03 and \$51,026,960.63, respectively.

### DEPOSIT RISKS

#### *Custodial Credit Risk*

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the System will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The System maintains depository relationships with various banking institutions. The System's policy is that all deposits are governed by a bank depository agreement between the System and the respective banking institution. This agreement provides that the System's deposits, to the extent such deposits exceed the maximum insured limit under deposit insurance provided by the Federal Deposit Insurance Corporation, shall at all times be collateralized with government securities.

As of August 31, 2012 and 2011, UT Health Science Center at Tyler's blended component unit, East Texas Quality Care Network (ETQCN), held deposits that were exposed to custodial credit risk. ETQCN had no policies regarding these deposits. The bank balances that were exposed to custodial credit risk as of August 31, 2012 and 2011 were uninsured and uncollateralized deposits of \$22,231.80 and \$54,333.65, respectively.

**INVESTMENT RISKS**

The investment risk disclosure that follows relates to the System's investments. Risks associated with the System's investments in hedge funds, private investments, public market funds, and securities lending transactions are discussed in separate sections of this note. As of August 31, 2012 and 2011, the investments including securities lending collateral were as follows:

Type of Security	2012 Fair Value	2011 Fair Value
U.S. Government:		
U.S. Treasury Securities	\$ 357,377,883.04	458,497,183.06
U.S. Treasury Strips	557,832.90	709,760.76
U.S. Treasury TIPS	2,702,929.92	-
U.S. Government Agency Obligations	249,406,664.28	312,998,171.86
Corporate Obligations	454,203,466.49	386,019,362.13
Corporate Asset and Mortgage Backed Securities	94,000,115.79	114,695,920.69
Equity	6,690,526,114.96	1,199,093,401.90
International Obligations (Government and Corporate)	1,918,796,495.92	1,517,327,425.13
International Equity	2,060,077,881.20	2,176,421,767.03
Fixed Income Money Market and Bond Mutual Fund	2,518,370,292.79	2,435,623,908.37
Other Commingled Funds	32,543,199.14	25,392,149.67
International Other Commingled Funds	9,501,579.29	7,990,136.75
PUF Lands	3,453,914,921.00	1,696,444,712.00
Other Real Estate	306,724,484.08	325,517,723.64
Physical Commodity	1,153,812,686.47	1,249,184,677.75
Investment Derivatives – Asset Positions	105,781,397.64	359,391,695.33
Investment Funds:		
U.S. Equity	1,144,486,513.43	750,142,906.11
Non-U.S. Developed Equity	835,204,754.39	943,469,281.74
Emerging Markets	809,236,403.27	975,857,687.92
Fixed Income	23,018,972.46	19,768,851.30
Natural Resources	321,593,634.25	321,861,336.27
Externally Managed Investments:		
Hedge Funds	7,929,111,861.19	7,466,962,487.19
Limited Partnerships (Private Investments)	-	4,924,030,424.83
Miscellaneous (guaranteed investment contract, political subdivision, bankers' acceptance, negotiable CD)	175,439,345.71	165,716,317.23
Total Securities	30,646,389,429.61	27,833,117,288.66
Securities Lending Collateral Investment Pool	511,400,510.21	384,553,434.02
<b>TOTAL</b>	<b>\$ 31,157,789,939.82</b>	<b>28,217,670,722.68</b>
<b>Deposit with Brokers for Derivative Contracts, net:</b>		
U.S. Treasury Bonds and Notes	\$ 783,227.51	-
U.S. Treasury Bills	670,040.51	4,801,085.59
U.S. Treasury Inflation Protected	271,298.66	-
Foreign Government and Provincial Obligations	74,542,171.79	57,063,589.75
Fixed Income Money Market and Mutual Funds	37,961,190.18	50,111,780.02
<b>Total Deposit with Brokers for Derivative Contracts, net</b>	<b>\$ 114,227,928.65</b>	<b>111,976,455.36</b>

(A) *Credit Risk* - Article VII, Section 11b of the Texas Constitution authorizes the UT System Board of Regents, subject to procedures and restrictions it establishes, to invest System funds in any kind of investment and in amounts it considers appropriate, provided that it adheres to the prudent investor standard. This standard provides that the UT System Board

of Regents, in making investments, may acquire, exchange, sell, supervise, manage or retain, through procedures and subject to restrictions it establishes and in amounts it considers appropriate, any kind of investment that prudent investors, exercising reasonable care, skill and caution, would acquire or retain in light of the purposes, terms, distribution requirements and other circumstances of the fund then prevailing, taking into consideration the investment of all of the assets of the fund rather than a single investment.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO). The System's investment policy does not provide specific requirements and limitations regarding investment ratings. Per GASB authoritative guidance, unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. In 2011, some of the U.S. government direct obligations were downgraded and thus U.S. government direct obligations have been added to the credit risk disclosure. The following tables present each applicable investment type grouped by rating as of August 31, 2012 and 2011:

<u>Investment Type</u>	<u>August 31, 2012</u>					
	<u>MOODY'S</u>		<u>STANDARD &amp; POOR'S</u>		<u>FITCH</u>	
	<u>Fair Value</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Rating</u>
U.S. Government Direct Obligations	\$ 362,213,550.04	Aaa	362,363,212.54	Aa	362,363,212.54	Aaa
	149,662.50	NR	-	-	-	-
U.S. Government Agency Obligations	190,109,635.83	Aaa	190,109,635.83	AA	189,681,754.33	AAA
	59,297,028.45	NR	59,297,028.45	NR	59,724,909.95	NR
Corporate Obligations	5,407,186.74	Aaa	4,445,275.50	AAA	4,393,536.22	AAA
	40,473,799.74	Aa	44,369,252.12	AA	39,189,346.76	AA
	193,238,599.51	A	255,100,842.48	A	207,394,487.08	A
	177,673,076.75	Baa	123,854,387.96	BBB	97,789,216.91	BBB
	13,747,740.92	Ba	8,892,974.10	BB	8,347,263.10	BB
	10,014,357.50	B	5,725,680.00	B	4,142,025.00	B
	13,648,705.33	NR	3,043,029.42	CCC	92,947,591.42	NR
	-	-	8,772,024.91	NR	-	-
Corporate Asset and Mortgage Backed Securities	21,011,774.61	Aaa	42,387,399.31	AAA	42,913,112.63	AAA
	1,247,356.10	Aa	5,095,932.26	AA	99,034.17	AA
	2,682,510.00	A	12,784,186.36	A	318,813.49	A
	2,087,238.86	Baa	1,845,725.98	BBB	583,399.77	BBB
	1,946,215.00	Ba	1,888,409.98	BB	580,048.01	BB
	5,090,449.49	B	1,965,819.91	B	1,601,920.39	B
	15,393,270.93	Caa	16,385,969.31	CCC	1,105,578.98	CCC
	1,697,949.86	Ca	2,577,153.91	CC	3,699,559.41	CC
	42,843,350.94	NR	1,813,526.57	D	472,335.16	D
	-	-	7,255,992.20	NR	42,626,313.78	NR
International Obligations (Government and Corporate)	746,599,554.95	Aaa	244,958,077.97	AAA	596,673,017.80	AAA
	305,020,159.24	Aa	217,016,336.11	AA	180,340,392.53	AA
	207,420,876.88	A	328,032,520.01	A	451,445,684.44	A
	426,320,382.51	Baa	152,636,168.12	BBB	257,717,624.04	BBB
	75,462,773.04	Ba	39,809,991.97	BB	2,868,026.59	BB
	5,726,727.87	B	3,390,635.47	B	1,092,000.00	B
	1,551,900.00	Caa	1,551,900.00	CCC	503,201,922.31	NR
	225,236,293.22	NR	1,005,943,038.06	NR	-	-
Fixed Income Money Market and Bond Mutual Fund	2,319,115,992.77	Aaa	2,296,633,847.85	AAA	22,482,144.92	AAA
	17,852,269.00	Aa	40,334,413.92	Aa	17,852,269.00	AA
	153,626,582.29	NR	153,626,582.29	NR	2,450,260,430.14	NR
Miscellaneous	3,586,828.00	Aaa	1,078,863.60	AAA	3,051,678.00	AAA
	10,029,839.16	Aa	14,188,300.16	AA	8,166,293.88	AA
	27,315,391.00	A	25,377,216.00	A	24,500,514.00	A
	1,054,233.50	Baa	984,216.00	BBB	70,017.50	BBB
	5,512,304.20	B	25,361,740.36	BB	2,435,268.00	BB
	24,097,836.06	NR	3,169,536.30	B	33,372,660.54	NR
	-	-	1,436,559.50	NR	-	-
	\$ 5,715,503,402.79		5,715,503,402.79		5,715,503,402.79	



Investment Type	August 31, 2011					
	MOODY'S		STANDARD & POOR'S		FITCH	
	Fair Value	Rating	Fair Value	Rating	Fair Value	Rating
U.S. Government Direct Obligations	\$ 463,858,747.91	Aaa	464,008,029.41	Aa	463,354,218.81	Aaa
	149,281.50	NR	-	-	653,810.60	Aa
U.S. Government Agency Obligations	257,408,926.59	Aaa	257,611,368.59	AA	257,131,264.34	AAA
	55,589,245.27	NR	55,386,803.27	NR	55,866,907.52	NR
Corporate Obligations	5,851,996.84	Aaa	4,493,215.50	AAA	5,443,448.09	AAA
	52,840,851.81	Aa	49,031,208.55	AA	39,100,978.85	AA
	177,584,113.27	A	191,285,561.77	A	162,387,679.19	A
	122,963,878.55	Baa	120,575,646.72	BBB	78,609,545.45	BBB
	5,279,429.50	Ba	8,253,964.00	BB	9,360,218.92	BB
	6,550,705.00	B	171,323.75	B	91,117,491.63	NR
	14,948,387.16	NR	3,798,003.02	CCC	-	-
	-	-	8,410,438.82	NR	-	-
Corporate Asset and Mortgage Backed Securities	27,606,008.14	Aaa	57,974,663.69	AAA	58,410,518.09	AAA
	1,419,528.92	Aa	4,011,714.69	AA	879,364.75	AA
	1,782,828.19	A	13,140,861.15	A	7,959.43	A
	2,637,875.62	Baa	1,301,467.92	BBB	863,420.90	BB
	1,091,492.25	Ba	2,285,295.87	BB	4,585,410.66	B
	5,872,144.49	B	541,867.43	B	3,510,481.89	CC
	19,802,705.17	Caa	16,962,964.92	CCC	608,033.01	C
	1,648,315.33	Ca	3,651,499.70	CC	45,830,731.96	NR
	52,835,022.58	NR	1,029,890.18	D	-	-
	-	-	13,795,695.14	NR	-	-
International Obligations (Government and Corporate)	723,941,751.32	Aaa	353,066,860.41	AAA	567,291,884.15	AAA
	120,338,075.75	Aa	72,649,039.77	AA	140,626,909.88	AA
	199,498,974.39	A	249,602,862.19	A	162,753,392.40	A
	407,379,978.11	Baa	57,889,834.38	BBB	100,042,394.69	BBB
	28,799,603.33	Ba	17,315,002.27	BB	27,902,730.80	BB
	2,419,529.33	B	2,419,529.33	B	1,001,000.00	CC
	92,013,102.65	NR	1,001,000.00	C	574,772,702.96	NR
	-	-	820,446,886.53	NR	-	-
Fixed Income Money Market and Bond Mutual Fund	2,262,195,820.65	Aaa	2,261,887,768.33	AAA	33,436,360.32	AAA
	18,031,839.00	Aa	18,339,891.32	Aa	18,031,839.00	AA
	159,202,285.99	NR	159,202,285.99	NR	2,387,961,746.32	NR
Miscellaneous	5,302,013.60	Aaa	1,027,030.00	AAA	4,274,773.60	AAA
	10,396,810.80	Aa	15,641,940.40	AA	7,606,947.35	AA
	24,679,626.80	A	23,002,341.80	A	23,132,521.80	A
	4,430,447.55	Baa	1,154,270.25	BBB	63,548.80	BBB
	20,284,866.30	NR	3,212,628.50	BB	1,548,421.00	BB
	-	-	21,055,554.10	NR	28,467,552.50	NR
	\$ 5,356,636,209.66		5,356,636,209.66		5,356,636,209.66	

(B) *Concentrations of Credit Risk* – The System's investment policy statements for funds managed by UTIMCO contain the limitation that no more than five percent of the market value of fixed income securities may be invested in corporate or municipal bonds of a single issuer. As of August 31, 2012 and 2011, these funds did not hold any direct investments in any one issuer of corporate or municipal bonds that were five percent or more of the market value of the fund's fixed income investments.

(C) *Custodial Credit Risk* – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the System will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Texas State Statutes and the System's investment policy statements do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments. As of August 31, 2012 and 2011, the System did not have any deposits or investments that are exposed to custodial credit risk.

(D) *Interest Rate Risk* – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Interest rate risk inherent in the System’s investments is measured by monitoring the modified duration of the overall investment portfolio. Modified duration estimates the sensitivity of the System’s investments to changes in interest rates. The System has no specific policy statement limitations with respect to its overall modified duration. The following table summarizes the System’s modified duration by investment type as of August 31, 2012 and 2011:

Investment Type	August 31, 2012		August 31, 2011	
	Fair Value	Modified Duration	Fair Value	Modified Duration
<b>Investments in Securities:</b>				
U.S. Government Guaranteed:				
U.S. Treasury Bonds and Notes	\$ 292,323,803.32	7.81	447,530,678.50	9.95
U.S. Treasury Strips	557,832.90	1.73	709,760.76	2.26
U.S. Treasury Bills	65,054,079.72	0.54	10,966,504.56	0.50
U.S. Treasury Inflation Protected	2,702,929.92	6.48	-	-
U.S. Agency Asset Backed	5,940,385.25	4.36	8,082,689.13	4.39
Total U.S. Government Guaranteed	<u>366,579,031.11</u>	6.45	<u>467,289,632.95</u>	9.62
U.S. Government Non-Guaranteed:				
U.S. Agency	5,756,248.43	3.82	32,194,812.33	1.72
U.S. Agency Asset Backed	<u>237,710,030.60</u>	2.99	<u>272,720,670.40</u>	3.17
Total U.S. Government Non-Guaranteed	<u>243,466,279.03</u>	3.01	<u>304,915,482.73</u>	3.02
Total U.S. Government	<u>610,045,310.14</u>	5.07	<u>772,205,115.68</u>	7.01
Corporate Obligations:				
Domestic	548,203,582.28	6.33	500,715,282.82	6.25
Foreign	<u>368,027,323.68</u>	5.47	<u>353,194,901.76</u>	5.27
Total Corporate Obligations	<u>916,230,905.96</u>	5.99	<u>853,910,184.58</u>	5.84
Foreign Government and Provincial Obligations	1,550,769,172.24	6.32	1,164,132,523.37	6.73
Other Debt Securities	<u>47,556,397.46</u>	12.86	<u>43,583,820.15</u>	12.36
Total Debt Securities	<u>3,124,601,785.80</u>	6.08	<u>2,833,831,643.78</u>	6.63
Other Investment Funds - Debt	23,018,972.46	6.90	139,491,151.19	5.82
Convertible Stock	1,021,062.00	29.03	-	-
Fixed Income Money Market and Mutual Funds	<u>2,452,633,653.88</u>	0.04	<u>2,271,336,959.33</u>	0.05
Total	<u>\$ 5,601,275,474.14</u>	3.44	<u>5,244,659,754.30</u>	3.76
<b>Deposit with Brokers for Derivative Contracts:</b>				
U.S. Government Guaranteed:				
U.S. Treasury Bonds and Notes	\$ 783,227.51	19.25	-	-
U.S. Treasury Bills	670,040.51	0.67	4,801,085.59	0.36
U.S. Treasury Inflation Protected	<u>271,298.66</u>	13.78	-	-
Total U.S. Government Guaranteed	<u>1,724,566.68</u>	11.17	<u>4,801,085.59</u>	0.36
Foreign Government and Provincial Obligations	74,542,171.79	5.50	57,063,589.75	6.91
Fixed Income Money Market and Mutual Funds	<u>37,961,190.18</u>	0.00	<u>50,111,780.02</u>	0.00
Total Deposit with Brokers for Derivative Contracts	<u>\$ 114,227,928.65</u>	3.75	<u>111,976,455.36</u>	3.53

The System has purchased options on ten year constant maturity swaps, with expiries ranging from five to seven years, as insurance against possible future increases in inflation. As of August 31, 2012, these options had a notional value of \$11,500,000,000 and a fair value of \$16,304,250. As of August 31, 2011 these options had a notional value of \$9,500,000,000 and a fair value of \$42,571,684. The risk of loss on these options is limited to the premiums paid by the System upon the purchase of the options, which totaled \$64,613,751 and \$52,013,751 as of August 31, 2012 and 2011, respectively. The System also purchased both puts and swaptions on the Japanese Yen, with expiries ranging from one to two years, as insurance against the possibility of a downturn in the Japanese economy. As of August 31, 2012, these puts and swaptions had a notional value of \$6,164,608,749 with a fair value of \$5,698,857. As of August 31, 2011, these puts and swaptions had a notional value of \$11,469,533,043 with a fair value of \$21,528,426. The risk of loss on these options is limited to the premiums paid by the System upon the purchase of the options, which totaled \$52,581,063 and \$61,870,383 as of August 31, 2012 and 2011, respectively. It is estimated that these options would adjust the 2012 duration of total debt securities of 6.08 downward by approximately 0.27, and the total duration of 3.44 downward by approximately 0.27. It is estimated that these options would adjust the 2011 duration of total debt securities of 6.63 downward by approximately 0.59, and the total duration of 3.76 downward by approximately 0.63. One of the System's external managers also uses options and interest rate and credit default swaps to modify the duration of its portfolio in a cost efficient manner. It is estimated by management that these positions held by the external manager would not significantly adjust the duration as presented above.

*(E) Investments with Fair Values That Are Highly Sensitive to Interest Rate Changes* – The System may invest in various mortgage backed securities, such as collateralized mortgage backed obligations. The System also may invest in investments that have floating rates with periodic coupon changes in market rates, zero coupon bonds and stripped treasury and agency securities created from coupon securities. No percentage of holdings limitations are specified in the investment policy statements regarding these types of securities. As of August 31, 2012 and 2011, the System's investments included the following investments that are highly sensitive to interest rate changes:

- Collateralized mortgage obligations which are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows will affect the fair value of these securities. As of August 31, 2012 and 2011, these securities amounted to \$202,468,063 and \$251,934,741, respectively.
- Mortgage backed securities which are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows will affect the fair value of these securities. As of August 31, 2012 and 2011, these securities amounted to \$141,508,436 and \$141,968,285, respectively.
- Asset backed securities which are backed by home equity loans, auto loans, equipment loans and credit card receivables. Prepayments by the obligees of the underlying assets in periods of decreasing interest rates could reduce or eliminate the stream of income that would have been received. As of August 31, 2012 and 2011 these securities amounted to \$18,065,156 and \$26,058,959, respectively.

*(F) Foreign Currency Risk* – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the System's non-U.S. dollar investments. There are no limitations on investments in non-U.S. denominated bonds or common stocks in relation to the System's total fixed income and developed country equity exposures in the System's investment policy statements.

Classification between domestic common stock and foreign common stock is based on the country of domicile of the issuer, not the currency in which the security is traded. The following tables summarize the System's exposure to non-U.S. dollar investments by asset type as of August 31, 2012 and 2011.

Investment Type	2012 Fair Value	Investment Type	2012 Fair Value
<b>Foreign Common Stock:</b>		<b>Foreign Government &amp; Provincial Obligations (cont.):</b>	
Australian Dollar	\$ 59,431,948	Malaysian Ringgit	\$ 31,460,700
Brazilian Real	163,989,974	Mexican Peso	103,877,314
British Pound	216,606,686	New Zealand Dollar	88,541,813
Canadian Dollar	56,580,472	Polish Zloty	80,850,451
Chilean Peso	5,107,984	Singapore Dollar	6,466,058
Czech Koruna	2,614,204	South African Rand	40,548,106
Danish Krone	6,961,901	South Korean Won	33,170,250
Egyptian Pound	2,004,040	<b>Total Foreign Government &amp; Provincial Obligations</b>	<b>1,603,942,887</b>
Euro	121,254,509	<b>Corporate Obligations:</b>	
Hong Kong Dollar	286,835,927	Australian Dollar	50,146,958
Hungarian Forint	2,062,398	British Pound	52,323,057
Indian Rupee	32,109,124	Canadian Dollar	4,647,216
Indonesian Rupian	29,116,638	Euro	155,418,572
Japanese Yen	76,514,285	Japanese Yen	7,202,407
Malaysian Ringgit	40,075,107	New Zealand Dollar	4,000,944
Mexican Peso	30,854,979	<b>Total Corporate Obligations</b>	<b>273,739,154</b>
Moroccan Dirham	801,225	<b>Investment Funds - Emerging Markets:</b>	
Norwegian Kroner	2,208,569	Brazilian Real	12,333,155
Pakistan Rupee	1,418,403	British Pound	94,817,911
Peruvian Neuvo Sol	9,609	Canadian Dollar	1,963,133
Philippines Peso	21,422,298	Euro	7,374,357
Polish Zloty	12,504,402	Hong Kong Dollar	2,345,074
Singapore Dollar	33,678,724	Swedish Krona	1,442,573
South African Rand	42,448,322	Taiwan Dollar	138,799
South Korean Won	118,007,412	<b>Total Investment Funds - Emerging Markets</b>	<b>120,415,002</b>
Swedish Krona	29,336,647	<b>Investment Funds - Natural Resources:</b>	
Swiss Franc	21,997,505	British Pound	5,598,410
Taiwan Dollar	73,037,134	<b>Private Investments:</b>	
Thai Baht	40,146,066	British Pound	35,313,262
Turkish Lira	23,297,855	Canadian Dollar	37,756,264
United Arab Emirates Dirham	2,280,458	Euro	313,075,534
<b>Total Foreign Common Stock</b>	<b>1,554,714,805</b>	<b>Total Private Investments</b>	<b>386,145,060</b>
<b>Other Equity Securities:</b>		<b>Cash and Cash Equivalents:</b>	
British Pound	71	Australian Dollar	2,081,057
Chilean Peso	1,467	Brazilian Real	1,954,675
Thai Baht	154,725	British Pound	1,174,913
<b>Total Other Equity Securities</b>	<b>156,263</b>	Canadian Dollar	135,543
<b>Foreign Preferred Stock:</b>		Chilean Peso	23,330
Brazilian Real	60,331,028	Czech Koruna	73,570
South Korean Won	1,214,972	Danish Krone	29,453
<b>Total Foreign Preferred Stock</b>	<b>61,546,000</b>	Egyptian Pound	1,438
<b>Foreign Government &amp; Provincial Obligations:</b>		Euro	4,000,660
Australian Dollar	115,703,072	Hong Kong Dollar	1,825,537
Brazilian Real	334,247,953	Hungarian Forint	8,517
British Pounds	162,072,737	Indian Rupee	634,550
Canadian Dollar	33,844,604	Indonesian Rupian	94,057
Columbian Peso	7,836,554	Israeli Shekel	9,025
Euro	374,826,023	Japanese Yen	490,632
Hong Kong Dollar	1,376,373	Malaysian Ringgit	377,466
Hungarian Forint	29,649,889	Mexican Peso	93,187
Japanese Yen	159,470,990	Moroccan Dirham	11,783

Investment Type (cont.)	2012 Fair Value	Investment Type	2012 Fair Value
Cash and Cash Equivalents (cont.):		Futures:	
New Zealand Dollar	\$ 3,443	Australian Dollar	\$ (138,728)
Norwegian Kroner	482	Brazilian Real	(2,503,860)
Pakistan Rupee	92	British Pound	(111)
Peruvian Nuevo Sol	826	Canadian Dollar	(20,722)
Philippine Peso	17,231	Euro	19,712
Polish Zloty	193,106	Japanese Yen	34,793
Singapore Dollar	707,017	Total Futures	<u>(2,608,916)</u>
South African Rand	151,078	Foreign Exchange Contracts:	
South Korean Won	803,894	Australian Dollar	(3,604,720)
Swedish Krona	26,757	Brazilian Real	(2,559,535)
Swiss Franc	968	British Pound	674,098
Taiwan Dollar	2,219,697	Canadian Dollar	165,358
Thailand Baht	94,377	Chilean Peso	857,422
Turkish Lira	212,424	Chinese Yuan Renminbi	(1,507,487)
Total Cash and Cash Equivalents	<u>17,450,785</u>	Colombian Peso	78,381
Purchased Options:		Danish Krone	31,278
Australian Dollar	8,204,467	Euro	(3,209,707)
Brazilian Real	963,505	Hong Kong Dollar	(42)
Euro	15,918	Hungarian Forint	(364)
Japanese Yen	5,698,857	Indian Rupee	3,658,263
South Korean Won	34,236,986	Indonesian Rupian	11
Total Purchased Options	<u>49,119,733</u>	Japanese Yen	(3,551,429)
Written Options:		Malaysian Ringgit	52,729
Australian Dollar	(4,180,423)	Mexican Peso	(768,306)
South Korean Won	(16,960,028)	New Zealand Dollar	(660,054)
Total Written Options	<u>(21,140,451)</u>	Norwegian Kroner	10,493
Swaps:		Philippines Peso	50
Australian Dollar	103,875	Polish Zloty	(194,589)
British Pound	(475,603)	Singapore Dollar	6,310
Euro	785	South African Rand	(24,910)
Japanese Yen	(2,457,496)	South Korean Won	1,149,322
Mexican Peso	1,554,264	Swedish Krona	220,732
Total Swaps	<u>(1,274,175)</u>	Swiss Franc	(1,086,646)
		Taiwan Dollar	(872,532)
		Thailand Baht	16,328
		Turkish Lira	(594,468)
		Total Foreign Exchange Contracts	<u>(11,714,014)</u>
		Total	<u>\$ 4,036,090,543</u>

Investment Type	2011 Fair Value	Investment Type	2011 Fair Value
<b>Foreign Common Stock:</b>		<b>Foreign Government &amp; Provincial Obligations (cont.):</b>	
Australian Dollar	\$ 79,798,104	Indonesian Rupian	\$ 25,141,022
Brazilian Real	110,140,655	Japanese Yen	56,992,039
British Pound	233,577,375	Malaysian Ringgit	34,664,032
Canadian Dollar	83,595,228	Mexican Peso	55,925,267
Chilean Peso	5,012,909	New Zealand Dollar	58,465,923
Czech Koruna	3,261,077	Norwegian Kroner	32,140,678
Danish Krone	5,786,383	Polish Zloty	42,610,768
Egyptian Pound	2,248,633	Singapore Dollar	22,033,674
Euro	148,391,603	South African Rand	31,759,386
Hong Kong Dollar	250,711,465	South Korean Won	33,440,710
Hungarian Forint	2,555,878	<b>Total Foreign Government &amp; Provincial Obligations</b>	<b>1,207,697,018</b>
Indian Rupee	47,402,902	<b>Corporate Obligations:</b>	
Indonesian Rupian	24,753,515	Australian Dollar	45,616,168
Israeli Shekel	144,431	British Pound	34,220,883
Japanese Yen	90,103,270	Canadian Dollar	7,437,239
Malaysian Ringgit	35,272,422	Euro	164,898,846
Mexican Peso	31,365,406	Japanese Yen	8,483,132
Moroccan Dirham	1,081,895	<b>Total Corporate Obligations</b>	<b>260,656,268</b>
Norwegian Kroner	5,742,679	<b>Convertible Securities:</b>	
Pakistan Rupee	1,083,526	Brazilian Real	6,731,911
Peruvian Nuevo Sol	60,554	<b>Investment Funds - Emerging Markets:</b>	
Philippines Peso	7,180,457	Brazilian Real	11,919,694
Polish Zloty	17,786,568	<b>Private Investments:</b>	
Russian Ruble	3,183,808	British Pound	15,875,438
Singapore Dollar	28,824,725	Canadian Dollar	20,355,572
South African Rand	58,502,643	Euro	314,976,802
South Korean Won	162,101,964	<b>Total Private Investments</b>	<b>351,207,812</b>
Swedish Krona	30,669,745	<b>Cash and Cash Equivalents:</b>	
Swiss Franc	29,909,814	Australian Dollar	3,778,785
Taiwan Dollar	63,501,969	Brazilian Real	3,247,786
Thai Baht	34,233,294	British Pound	10,689,917
Turkish Lira	24,012,362	Canadian Dollar	650,749
United Arab Emirates Dirham	2,587,742	Chilean Peso	4,141
<b>Total Foreign Common Stock</b>	<b>1,624,585,001</b>	Czech Koruna	1,081
<b>Other Equity Securities:</b>		Danish Krone	1,318
Canadian Dollar	248	Egyptian Pound	16,032
Malaysian Ringgit	4,716	Euro	5,995,635
<b>Total Other Equity Securities</b>	<b>4,964</b>	Hong Kong Dollar	800,686
<b>Foreign Preferred Stock:</b>		Hungarian Forint	840
Brazilian Real	73,630,604	Indian Rupee	1,310,757
South African Rand	38,267	Indonesian Rupian	37,528
South Korean Won	451,461	Israeli Shekel	11,166
<b>Total Foreign Preferred Stock</b>	<b>74,120,332</b>	Japanese Yen	30,952
<b>Foreign Government &amp; Provincial Obligations:</b>		Malaysian Ringgit	728,950
Australian Dollar	65,674,259	Mexican Peso	88,843
Brazilian Real	333,978,142	Moroccan Dirham	44,751
British Pounds	113,388,784	New Zealand Dollar	1,268
Canadian Dollar	38,440,490	Norwegian Kroner	502,296
Euro	243,314,550	Pakistan Rupee	100
Hong Kong Dollar	1,875,615	Peruvian Nuevo Sol	20,148
Hungarian Forint	17,851,679	Philippine Peso	66,255

Investment Type (cont.)	2011 Fair Value	Investment Type	2011 Fair Value
Cash and Cash Equivalents (cont.):		Futures:	
Polish Zloty	\$ 43,421	Australian Dollar	\$ 164,700
Singapore Dollar	7,665	British Pound	(595,373)
South African Rand	51,707	Canadian Dollar	(138,344)
South Korean Won	429,606	Euro	295,282
Swedish Krona	3,253	Total Futures	<u>(273,735)</u>
Swiss Franc	39,700	Foreign Exchange Contracts:	
Taiwan Dollar	1,902,648	Australian Dollar	665,565
Thailand Baht	33,842	Brazilian Real	461,338
Turkish Lira	750	British Pound	149,067
Total Cash and Cash Equivalents	<u>30,542,576</u>	Canadian Dollar	402,474
Purchased Options:		Chilean Peso	415
Australian Dollar	125,835,514	Chinese Yuan Renminbi	601,820
Euro	7,616,935	Czech Koruna	7,514
Japanese Yen	21,528,417	Danish Krone	117,815
South Korean Won	100,681,145	Euro	(2,330,992)
Total Purchased Options	<u>255,662,011</u>	Hong Kong Dollar	(4,228)
Written Options:		Hungarian Forint	(7,871)
Australian Dollar	(77,045,392)	Indian Rupee	579,644
Euro	(100,498)	Indonesian Rupian	664,291
South Korean Won	(65,350,572)	Japanese Yen	(18,309,402)
Total Written Options	<u>(142,496,462)</u>	Malaysian Ringgit	40,969
Swaps:		Mexican Peso	543,460
Australian Dollar	(508,050)	New Zealand Dollar	674,721
British Pound	(583,524)	Norwegian Kroner	(757,393)
Brazilian Real	137,087	Philippines Peso	79,811
Canadian Dollar	104,444	Polish Zloty	(52,283)
Euro	(80,242)	Singapore Dollar	102,025
Japanese Yen	86,198	South African Rand	485,752
Mexican Peso	2,552,800	South Korean Won	1,553,684
Total Swaps	<u>1,708,713</u>	Swedish Krona	102,716
		Swiss Franc	3,090,170
		Taiwan Dollar	(245,055)
		Thailand Baht	51,438
		Turkish Lira	639,359
		Total Foreign Exchange Contracts	<u>(10,693,176)</u>
		Total	<u>\$ 3,671,372,927</u>

(G) *Counterparty (Credit) Risk* – The derivative instruments utilized by the System contain varying degrees of off-balance sheet risk whereby changes in the fair values of securities underlying the financial instruments may exceed the amounts recognized in the balance sheet. The System manages these risks on an aggregate basis along with the risks associated with its other investments as part of its overall risk management process.

The System had gross counterparty exposure as follows as of August 31, 2012 and 2011 for options, swaps, and foreign currency exchange contracts:

#### Options

	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	
	<u>Notional</u>	<u>Notional</u>	<u>Fair Value as of August 31, 2012</u>	<u>Fair Value as of August 31, 2012</u>	<u>Counterparty Rating</u>
\$	21,239,000,284	3,111,531,532	64,460,478	22,849,926	A
\$	<u>21,239,000,284</u>	<u>3,111,531,532</u>	<u>64,460,478</u>	<u>22,849,926</u>	

#### Swaps

	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	
	<u>Notional</u>	<u>Notional</u>	<u>Fair Value as of August 31, 2012</u>	<u>Fair Value as of August 31, 2012</u>	<u>Counterparty Rating</u>
\$	315,121,943	458,224,163	6,323,985	3,084,791	A
	29,289,132	2,851,346	2,530,386	2,554,304	AA
\$	<u>344,411,075</u>	<u>461,075,509</u>	<u>8,854,371</u>	<u>5,639,095</u>	

#### Foreign Currency Exchange Contracts

	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	
	<u>Notional</u>	<u>Notional</u>	<u>Fair Value as of August 31, 2012</u>	<u>Fair Value as of August 31, 2012</u>	<u>Counterparty Rating</u>
\$	908,885,272	1,445,935,866	16,398,923	27,959,144	A
	35,147,253	27,453,755	492,869	646,662	AA
\$	<u>944,032,525</u>	<u>1,473,389,621</u>	<u>16,891,792</u>	<u>28,605,806</u>	



**Options**

	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	
	<u>Notional</u>	<u>Notional</u>	<u>Fair Value as of August 31, 2011</u>	<u>Fair Value as of August 31, 2011</u>	<u>Counterparty Rating</u>
\$	15,062,315,441	4,367,926,490	216,191,487	123,923,914	A
	<u>10,307,489,217</u>	<u>808,700,712</u>	<u>82,302,617</u>	<u>35,465,255</u>	AA
\$	<u><u>25,369,804,658</u></u>	<u><u>5,176,627,202</u></u>	<u><u>298,494,104</u></u>	<u><u>159,389,169</u></u>	

**Swaps**

	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	
	<u>Notional</u>	<u>Notional</u>	<u>Fair Value as of August 31, 2011</u>	<u>Fair Value as of August 31, 2011</u>	<u>Counterparty Rating</u>
\$	250,061,809	974,959,919	5,182,248	70,004,104	A
	<u>83,093,849</u>	<u>12,000,000</u>	<u>3,431,966</u>	<u>207,641</u>	AA
\$	<u><u>333,155,658</u></u>	<u><u>986,959,919</u></u>	<u><u>8,614,214</u></u>	<u><u>70,211,745</u></u>	

**Foreign Currency Exchange Contracts**

	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	
	<u>Notional</u>	<u>Notional</u>	<u>Fair Value as of August 31, 2011</u>	<u>Fair Value as of August 31, 2011</u>	<u>Counterparty Rating</u>
\$	1,577,233,428	1,347,748,541	16,926,044	10,775,269	A
	<u>534,799,803</u>	<u>445,560,860</u>	<u>5,886,435</u>	<u>22,730,387</u>	AA
\$	<u><u>2,112,033,231</u></u>	<u><u>1,793,309,401</u></u>	<u><u>22,812,479</u></u>	<u><u>33,505,656</u></u>	

As of August 31, 2012 and 2011, the System also had investments in futures contracts, options on futures contracts and exchange-cleared swaps. Futures contracts, options on futures contracts and exchange-cleared swaps expose the System to minimal counterparty credit risk since they are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default, and therefore, they are not presented in the previous tables.

Counterparty risk for swaps, options and foreign currency exchange contracts which are traded over-the-counter is mitigated by having master netting arrangements between the System and its counterparties, and by the posting of collateral on a daily basis by the counterparty to the System to cover the System's exposure to a counterparty above the limits set in place in each master netting agreement. Collateral posted by counterparties for net assets is held by the System in one of its accounts at the System's custodian bank. As of August 31, 2012 and 2011, the System held \$42,705,000 and \$162,500,000, respectively, as collateral related to derivative instruments other than futures, and had on deposit with brokers \$77,111,070 and \$162,933,590, respectively, as collateral related to derivative instruments other than futures.

## SECURITIES LENDING

In accordance with the prudent investor investment standards, the System participates in a securities lending program. The System began the program, under a contract with the System's lending agent, on September 1, 1995. The lending agent is authorized to lend any securities held by the System's custodian except those securities, which the policy guidelines prohibit lending. At August 31, 2012 and 2011, there were a total of \$758,027,074.16 and \$376,521,697.57, respectively, of securities out on loan to brokers/dealers. This consisted of \$624,435,099.54 domestic and \$133,591,974.62 international loans at August 31 2012, and \$261,315,720.15 domestic and \$115,205,977.42 international loans at August 31, 2011. A combination of cash and qualified non-cash securities are held as collateral against the outstanding securities on loan. The value of cash collateral held for these securities consisted of \$511,400,510.21 at August 31, 2012 and \$384,553,434.02 at August 31, 2011. These amounts are recorded as assets, with an offsetting liability to return the collateral on the consolidated balance sheet. The qualified non-cash securities received as collateral for securities lending activities are not recorded as assets because these securities remain under the control of the transferor, except in the event of default.

In security lending transactions, the System transfers its securities to brokers/dealers for collateral, which may be cash, securities issued or guaranteed by the United States government or its agencies, and irrevocable bank letters of credit, and simultaneously agrees to return the collateral for the same securities in the future.

Cash received as collateral for securities lending activities is invested and reinvested in a non-commingled pool exclusively for the benefit of the System. The pool is managed in accordance with investment guidelines established in the securities lending contract between the System and its securities lending agent. Pool investments are valued at cost which is indicative of fair value. The maturities of the investments in the pool do not necessarily match the term of the loans, rather the pool is managed to maintain a maximum dollar weighted average maturity of 60 days and an overnight liquidity of 20 percent. The System was collateralized 104 percent on August 31, 2012 and on August 31, 2011 for securities on loan collateralized by cash. The System's collateral pool investments, rating by NRSRO and weighted average maturity in days as of August 31, 2012 and 2011, are shown in the following table:

<u>Description</u>	<u>August 31, 2012</u>			<u>August 31, 2011</u>		
	<u>Fair Value</u>	<u>Rating</u>	<u>Weighted Average</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Weighted Average</u>
Repurchase Agreements	\$ 250,295,163	No Rating	4	136,439,215	No Rating	1
Commercial Paper	110,173,628	P	57	134,213,750	P	28
Discount Notes – U.S. Government Agency	8,716,435	P	3	-	-	-
Corporate Obligations	<u>2,506,690</u>	AA	74	<u>6,217,133</u>	AA	51
Discount Notes – International Obligations	5,239,867	P		-	-	
International Obligations	58,718,365	AA		28,615,088	AA	
International Obligations	<u>17,126,980</u>	A		<u>39,688,248</u>	A	
Total International Obligations	<u>81,085,212</u>		42	<u>68,303,336</u>		32
U.S. Treasury Securities	7,110,638	AA	169	-	-	-
Negotiable Certificates of Deposit	51,550,703	P	65	39,333,891	P	33
Other Receivables/Payables	(37,959)	Not Rated	-	46,109	Not Rated	-
Total Collateral Pool Investment	<u>\$ 511,400,510</u>		30	<u>384,553,434</u>		20

Collateral pool investments are uninsured and are held by the securities lending agent, in its name, on behalf of the System, except for the investments in repurchase agreements, which are held in the securities lending agent's name by a third party custodian not affiliated with the System or the borrower of the associated loaned securities. Therefore, the collateral pool is not exposed to custodial credit risk, because the pool investments are not held by counterparties to the lending transactions or a counterparties' trust department or agent.

Lending income is earned if the returns on those investments exceed the "rebate" paid to borrowers of the securities. The income is then shared with the lending agent based on a contractually negotiated rate split. If the investment of the cash collateral does not provide a return exceeding the rebate or if the investment incurs a loss of principal, part of the payment to the borrower would come from the System's resources and the lending agent based on the rate split.

Loans that are collateralized with securities generate income when the borrower pays a loan premium or fee for the securities loan. This income is split with the same ratio as the earnings for cash collateral. The collateral pledged to the System by the borrower is custodied by the lending agent or through a third party arrangement. These securities held as collateral are not available to the System for selling or pledging unless the borrower is in default of the loan. On August 31, 2012 and 2011, the System was collateralized 104 percent for securities on loan which were collateralized by securities.

The collateral received must have a fair value of 102 percent of the loaned securities of United States issuers. If the fair value of the collateral held in connection with loans of securities of United States issuers is less than 100 percent at the close of trading on any business day, the borrower is required to deliver additional collateral by the close of the next business day to equal 102 percent of the fair value.

For non-U. S. issuers, the collateral should remain at 105 percent of the fair value of the loaned securities at the close of any business day. If it falls below 105 percent, the borrower must deliver additional collateral by the close of the following business day. The System was collateralized 109 percent for international loans on August 31, 2012 and 106 percent for international loans on August 31, 2011.

In the event of default, where the borrower is unable to return the securities loaned, the System has authorized the lending agent to seize the collateral held. The collateral is then used to replace the borrowed securities where possible. Due to some market conditions, it is possible that the original securities cannot be replaced. If the collateral is insufficient to replace the securities, the lending agent has indemnified the System from any loss due to borrower default.

At August 31, 2012 and 2011, the System had no credit risk exposure to borrowers because the securities lending collateral, which are the amounts the System owed to borrowers, of \$511,400,510 and \$384,553,434, respectively, exceeded the securities out on loan to brokers/dealers, which are the amounts the borrowers owed the System, of \$490,078,696 and \$371,014,838, respectively.

There were no significant violations of legal or contractual provisions, no borrower or lending agent default losses and no recoveries of prior period losses during the years ended August 31, 2012 and 2011.

#### DERIVATIVE FINANCIAL INSTRUMENTS

Derivative securities are financial instruments whose value is derived, in whole or in part, from the value of any one or more underlying securities or assets, or index of securities or assets, such as stocks, bonds, commodities or currencies. Derivatives cover a broad range of financial instruments, such as forwards, futures, options and swaps.

(A) *Futures Contracts* – Futures contracts are used to facilitate various trading strategies, primarily as a tool to increase or decrease market exposure to various asset classes. The fair value of the asset positions is included in investments, and the fair value of the liability positions is included in investment derivatives-liability positions on the consolidated balance sheet. Futures contracts are marked to market daily; that is, they are valued at the close of business each day and a gain or loss is recorded between the value of the contracts that day and on the previous day. The daily gain or loss difference is referred to as the daily variation margin, which is settled in cash with the broker each morning for the amount of the previous day's mark to market. The amount that is settled in cash with the broker each morning is the carrying and fair value of the futures contracts.

During the years ended August 31, 2012 and 2011, the asset classes that used futures include domestic and foreign equities, domestic and foreign debt, and commodities. The change in fair value of open futures contracts for the year ending August 31, 2012 was an increase of \$2,782,180. The change in fair value of open futures contracts for the year ending August 31, 2011 was an increase of \$9,953,850 which is included in the net increase in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets. The System had \$79,821,859 and \$111,542,866 on deposit with brokers for collateral as margin for the futures contracts as of August 31, 2012 and 2011, respectively. Short futures may be used by internal managers and a limited number of external managers of the System to hedge the System's interest rate or currency risk associated with security positions. The amount of the net realized loss on the futures contracts was \$39,705,903 for the year ended August 31, 2012. The amount of the net realized gain on the futures contracts was \$180,023,777 for the year ended August 31, 2011. The System executes such contracts either on major exchanges or with major international financial institutions and minimizes market and credit risk associated with these contracts through the managers' various trading and credit monitoring techniques.

During the years ended August 31, 2012 and 2011, two of the System's investment managers trading in commodity futures on the London Metals Exchange (LME) closed out various long contract positions with offsetting short contract positions. For contracts traded and closed on the LME, cash settlement does not occur until the expiration date of the contract. The gross notional value of these long and short positions are shown below with the associated pending cash settlement amounts shown as the carrying and fair value as of August 31, 2012 and 2011.

The following discloses the notional, carrying and fair values of futures contracts at August 31, 2012:

	Notional Value at August 31, 2012		Carrying and Fair Value at August 31, 2012	
	Long	Short	Assets	Liabilities
Foreign Equity Futures	\$ -	471,721	7,384	-
Commodity Futures	578,133,347	41,349,107	5,152,115	5,130,366
Domestic Fixed Income	19,458,101	3,482,344	66,413	21,563
International Fixed Income Futures	382,954,701	310,411,928	75,549	2,692,752
Totals	\$ <u>980,546,149</u>	<u>355,715,100</u>	<u>5,301,461</u>	<u>7,844,681</u>

The following discloses the notional, carrying and fair values of futures contracts at August 31, 2011:

	Notional Value at August 31, 2011		Carrying and Fair Value at August 31, 2011	
	Long	Short	Assets	Liabilities
Domestic Equity Futures	\$ 1,217,700	-	12,900	-
Foreign Equity Futures	6,690,009	-	173,899	-
Commodity Futures	626,203,709	15,109,386	10,240,826	1,867,864
International Fixed Income Futures	77,831,002	26,778,358	1,397,446	3,357
Totals	\$ <u>711,942,420</u>	<u>41,887,744</u>	<u>11,825,071</u>	<u>1,871,221</u>

(B) *Foreign Currency Exchange Contracts* – The System enters into forward foreign currency exchange contracts to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities and to facilitate trading strategies primarily as a tool to increase or decrease market exposure to various foreign currencies. When entering into a forward currency contract, the System agrees to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed future date. These contracts are valued daily and the System's net equity therein, representing unrealized gain or loss on the contracts, as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included in investments for the asset positions and investment derivatives-liability positions for the liability positions. These instruments involve market and/or credit risk in excess of the amount recognized in the consolidated balance sheet. Risks arise from the possible inability of counter-parties to meet the terms of their contracts and from movement in currency and securities values and interest rates.

The following tables summarize, by currency, the contractual amounts of the System's foreign exchange contracts at August 31, 2012 and 2011. Foreign currency amounts are translated at exchange rates as of August 31, 2012 and 2011. The "Net Buy" amounts represent the U. S. dollar equivalent of net commitments to purchase foreign currencies and the "Net Sell" amounts represent the U. S. dollar equivalent of net commitments to sell foreign currencies.

Currency	Net Buy August 31, 2012	Net Sell August 31, 2012	Unrealized Gains on Foreign Exchange Contracts August 31, 2012	Unrealized Losses on Foreign Exchange Contracts August 31, 2012
Australian Dollar	\$ -	270,578,543	1,964,500	5,569,220
Brazilian Real	13,855,739	-	189,304	2,748,839
British Pound	58,647,703	-	1,952,093	1,277,995
Canadian Dollar	-	796,468	516,827	351,469
Chilean Peso	24,599,254	-	857,422	-
Chinese Yuan Renminbi	28,420	1,466	170,315	1,677,802
Columbian Peso	-	7,610,098	78,381	-
Danish Krone	3,173,778	-	32,282	1,004
Euro	-	207,495,158	1,626,311	4,836,018
Hong Kong Dollar	144,212	-	1	43
Hungarian Forint	77,998	-	8	372
Indian Rupee	-	129,367	5,540,594	1,882,331
Indonesian Rupian	8,007	-	11	-
Japanese Yen	54,250,282	15,819,610	1,101,893	4,653,322
Malaysian Ringgit	17,224,602	-	52,891	162
Mexican Peso	38,329,964	-	210,649	978,955
New Zealand Dollar	-	127,285,452	268,529	928,583
Norwegian Kroner	982,343	-	10,493	-
Philippines Peso	9,147	7,786	338	288
Polish Zloty	-	19,398,944	-	194,589
Singapore Dollar	720,573	-	6,310	-
South African Rand	75,032,498	-	282,128	307,038
South Korean Won	71,147,726	-	1,488,675	339,353
Swedish Krona	19,925,316	-	222,556	1,824
Swiss Franc	-	36,373,809	41,732	1,128,378
Taiwan Dollar	59,355,194	-	261,221	1,133,753
Thailand Baht	1,533,124	-	16,328	-
Turkish Lira	31,178,109	-	-	594,468
<b>TOTAL</b>	<b>\$ 470,223,989</b>	<b>685,496,701</b>	<b>16,891,792</b>	<b>28,605,806</b>

The change in fair value of open foreign currency exchange contracts for the year ending August 31, 2012 was a decrease in the amount of \$11,714,014, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets.

Currency	Net Buy	Net Sell	Unrealized Gains	Unrealized Losses
	August 31, 2011	August 31, 2011	on Foreign Exchange Contracts August 31, 2011	on Foreign Exchange Contracts August 31, 2011
Australian Dollar	\$ -	203,312,646	2,218,617	1,553,052
Brazilian Real	-	24,533,958	468,066	6,728
British Pound	12,377,740	1,609,761	701,691	552,624
Canadian Dollar	18,668,867	943,037	569,223	166,749
Czech Koruna	358,535	-	7,514	-
Chilean Peso	21,355	-	415	-
Chinese Yuan Renminbi	41,103,620	-	859,160	257,340
Danish Krone	8,594,129	-	134,014	16,199
Euro	-	181,817,082	969,383	3,300,375
Hong Kong Dollar	-	8,261,673	74	4,302
Hungarian Forint	296,733	-	-	7,871
Indian Rupee	19,876,368	-	603,693	24,049
Indonesian Rupian	9,257,699	-	664,510	219
Japanese Yen	177,236,110	-	5,992,711	24,302,113
Malaysian Ringgit	1,033,850	-	41,643	674
Mexican Peso	9,053,201	5,530,587	1,551,465	1,008,005
New Zealand Dollar	-	86,893,752	988,382	313,661
Norwegian Kroner	-	28,821,840	2,742	760,135
Philippines Peso	665,915	-	283,082	203,271
Polish Zloty	764,597	72,382	581	52,864
Singapore Dollar	1,395,656	-	116,875	14,850
South African Rand	14,942,180	465,045	769,087	283,335
South Korean Won	20,782,839	-	1,602,745	49,061
Swedish Krona	7,754,372	-	122,910	20,194
Swiss Franc	-	45,160,101	3,420,483	330,313
Taiwan Dollar	38,743,194	-	32,609	277,664
Thailand Baht	936,418	-	51,445	7
Turkish Lira	27,191,186	-	639,359	-
<b>TOTAL</b>	<b>\$ 411,054,564</b>	<b>587,421,864</b>	<b>22,812,479</b>	<b>33,505,655</b>

The change in fair value of open foreign currency exchange contracts for the year ending August 31, 2011 was a decrease in the amount of \$10,693,176, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets.

(C) *Written Options* – Written options are used to alter the market (systematic) exposure without trading the underlying cash market securities, and to hedge and control risks, so that the actual risk/return profile is more closely aligned with the target risk/return profile. The fair value is included on the consolidated balance sheet in investment derivatives-liability positions. During the year, the System wrote call options on commodities and interest rate swaps. The following discloses the contracts outstanding, the expiration date and the fair values of the outstanding written call options contracts as of August 31, 2012 and 2011:

<u>Type</u>	<u>Underlying</u>	<u>Contracts</u>	<u>Expiration Date</u>	<u>Fair Value</u>	
				<u>at August 31, 2012</u>	
				<u>Assets</u>	<u>Liabilities</u>
<b>Commodity</b>					
	Corn Futures	7	11/23/12	\$ -	3,676
				-	20,468
<b>Interest Rate Swaps</b>					
	United States 3 month Libor	6,300,000	10/11/12	-	27,002
	United States 3 month Libor	11,700,000	11/14/12	-	120,059
	United States 3 month Libor	46,100,000	03/18/13	-	1,591,807
				-	1,738,868
				\$ -	1,742,544

The change in fair value of open call options for the year ending August 31, 2012, was a decrease in the amount of \$1,232,619, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets. The System recognized gains in the amount of \$34,518 on call options written, which are included in investment income on the consolidated statement of revenues, expenses and changes in net assets for the year ended August 31, 2012.

<u>Type</u>	<u>Underlying</u>	<u>Contracts</u>	<u>Expiration Date</u>	<u>Fair Value</u>	
				<u>at August 31, 2011</u>	
				<u>Assets</u>	<u>Liabilities</u>
<b>Commodity</b>					
	Copper Futures	4	12/7/11	\$ -	16,049
	Corn Futures	7	11/23/12	-	4,419
				-	20,468
<b>Other</b>					
	Forward Volatility Agreement	6,300,000	10/11/11	-	19,636
	Forward Volatility Agreement	11,700,000	11/14/11	-	118,689
				-	138,325
				\$ -	158,793

The change in fair value of open call options for the year ending August 31, 2011, was an increase in the amount of \$32,226, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets. The System recognized gains in the amount of \$368,122 on call options written, which are included in investment income on the consolidated statement of revenues, expenses and changes in net assets for the year ended August 31, 2011.

The System also wrote put options on Treasury note and Euro Bund futures, domestic and international equities and indices, interest rate swaps, currencies, various commodities and other options for the years ended August 31, 2012 and 2011. The following discloses the contracts outstanding, the expiration date and the fair values of the outstanding written put options contracts as of August 31, 2012 and 2011:

Type	Underlying	Contracts	Expiration Date	Fair Value at August 31, 2012	
				Assets	Liabilities
<b>Interest Rate Swap</b>					
	U.S. 3 month LIBOR	6,300,000	10/11/12	\$ -	77
	U.S. 3 month LIBOR	11,700,000	11/14/12	-	671
	U.S. 3 month LIBOR	46,100,000	3/18/13	-	85,697
				-	86,445
<b>Commodity</b>					
	Brent Crude Futures	4	11/12/12	-	39,340
	Corn Futures	50	11/23/12	-	836
	Corn Futures	30	11/22/13	-	66,938
	Copper Futures	8	12/5/12	-	8,656
	Crude Oil Futures	5	11/13/12	-	1,250
	Crude Oil Futures	7	11/17/15	-	40,670
	Natural Gas Futures	23	12/26/12	-	30,360
				-	188,050
<b>Equity</b>					
	Australia S&P/ASX 200 Index	106,750	8/15/13	-	4,095,076
	Australia S&P/ASX 200 Index	245,157	9/20/12	-	85,347
	Korean KOSPI 200 Index	3,915,726,750	6/13/13	-	3,963,393
	Korean KOSPI 200 Index	3,621,169,130	8/8/13	-	12,996,635
				-	21,140,451
<b>Other</b>					
	CPI Urban Consumer Not Seasonally Adjusted	1,300,000	9/29/20	-	1,638
	CPI Urban Consumer Not Seasonally Adjusted	1,400,000	10/13/20	-	3,255
				-	4,893
				\$ -	21,419,839

The change in fair value of open put options for the year ending August 31, 2012, was an increase in the amount of \$51,106,313, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets. The System recognized gains in the amount of \$176,657,711 on put options written which are included in investment income on the consolidated statement of revenues, expenses and changes in net assets for the year ended August 31, 2012.



Type	Underlying	Contracts	Expiration Date	Fair Value at August 31, 2011	
				Assets	Liabilities
<b>Interest Rate Swap</b>					
	U.S. 3 month LIBOR	55,500,000	6/18/12	\$ -	35,026
	U.S. 3 month LIBOR	8,400,000	7/10/12	-	26
	U.S. 3 month LIBOR	70,100,000	9/24/12	-	73,193
				-	108,245
<b>Commodity</b>					
	Brent Crude Futures	18	11/10/11	-	6,334
	Corn Futures	14	11/23/12	-	27,126
	Crude Oil Futures	4	11/15/11	-	4,170
	Crude Oil Futures	7	11/17/15	-	54,601
				-	92,231
<b>Currency</b>					
	U.S. Dollar vs. Euro	9,200,000	9/27/11	-	100,499
<b>Equity</b>					
	Australia S&P/ASX 200 Index	203,774	6/21/12	-	37,513,207
	Australia S&P/ASX 200 Index	85,725	6/20/13	-	23,059,281
	Australia S&P/ASX 200 Index	106,750	8/15/13	-	16,472,905
	Dow Jones U.S. Real Estate Index	4,628,773	2/21/12	-	6,127,271
	MSCI Emerging Markets Index	4,594,561	2/21/12	-	4,944,232
	Korean KOSPI 200 Index	1,568,360,000	6/13/13	-	24,930,686
	Korean KOSPI 200 Index	3,621,169,129	8/8/13	-	40,419,886
	S&P Metals and Mining ETF	2,984,791	2/21/12	-	5,557,719
				-	159,025,187
<b>Fixed Income</b>					
	Euro-BOBL Futures	57	9/30/11	-	-
	U.S. 10 yr Treasury Note Futures	123	9/23/11	-	52,265
				-	52,265
<b>Other</b>					
	CPI Urban Consumer Not Seasonally Adjusted	1,300,000	9/29/10	-	6,113
	CPI Urban Consumer Not Seasonally Adjusted	1,400,000	10/13/20	-	10,799
				-	16,912
				-	159,395,339

The change in fair value of open put options for the year ending August 31, 2011, was a decrease in the amount of \$10,173,869, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets. The System recognized gains in the amount of \$5,523,444 on put options written which are included in investment income on the consolidated statement of revenues, expenses and changes in net assets for the year ended August 31, 2011.

(D) *Swaps* – Swaps are used to adjust interest rate and yield curve exposures. During the year, the System entered into interest rate, equity, credit default, currency and commodity swap contracts. The fair value of the asset positions is included in investments, and the fair value of the liability positions is included in investment derivatives-liability positions on the consolidated balance sheet. The following discloses the notional amount (presented in US dollar equivalents), the coupon rate and the fair values of the outstanding swap contracts as of August 31, 2012:

Currency	USD Notional Value	Maturity Date	Fair Value at August 31, 2012		
			Assets	Liabilities	
<b>Interest Rate (Pay-Fixed Receive-Variable):</b>					
Australian Dollar	Receive 3 month Australian Bank Bill Rate Pay 5.000%	1,033,450	06/15/2022	\$ 103,875	-
British Pound	Receive 6 month British LIBOR Pay 1.250%	28,590,307	9/21/2014	-	277,868
	Receive 6 month British LIBOR Pay 2.500%	8,259,422	9/21/2013	-	187,418
Japanese Yen	Receive 6 month Yen LIBOR Pay 0.300%	51,468,710	12/19/2014	800	-
	Receive 6 month Yen LIBOR Pay 0.350%	10,600,255	06/20/2014	-	8,868
	Receive 6 month Yen LIBOR Pay 1.000%	1,787,995	03/21/2023	15,061	-
	Receive 6 month Yen LIBOR Pay 2.000%	638,570	12/21/2041	53,591	-
Mexican Peso	Receive Mexican Interbank Rate Pay 5.500%	2,587,508	09/13/2017	36,834	-
	Receive Mexican Interbank Rate Pay 6.590%	2,323,476	12/08/2015	114,878	-
	Receive Mexican Interbank Rate Pay 6.750%	19,628,847	06/08/2016	1,192,211	-
	Receive Mexican Interbank Rate Pay 6.960%	2,331,020	07/27/2020	210,341	-
U.S. Dollar	Receive 3 month US Dollar LIBOR Pay 1.250%	1,100,000	06/20/2016	-	30,556
	Receive 3 month US Dollar LIBOR Pay 2.250%	1,100,000	06/20/2022	-	66,645
		<u>131,449,560</u>		<u>1,727,591</u>	<u>571,355</u>
<b>Interest Rate (Pay-Variable Receive-Fixed):</b>					
Japanese Yen	Receive 0.250% Pay 6 month Yen LIBOR	28,224,776	06/20/2014	31,978	-
		<u>28,224,776</u>		<u>31,978</u>	<u>-</u>

(Continued)		Fair Value at August 31, 2012			
Currency		USD Notional Value	Maturity Date	Assets	Liabilities
Credit Default:					
British Pound	0.670%	1,238,913	09/20/2014	-	10,317
Euro	0.250%	2,142,850	03/20/2016	-	849
	0.250%	6,554,600	06/20/2016	-	8,317
	1.000%	756,300	06/20/2017	9,951	-
U.S. Dollar	0.250%	8,400,000	12/20/2016	-	79,116
	0.250%	6,700,000	06/20/2017	-	237,441
	0.460%	1,000,000	12/20/2013	-	5,294
	0.510%	800,000	03/20/2018	-	13,943
	0.590%	1,000,000	09/20/2014	-	8,358
	0.590%	1,000,000	09/20/2016	-	8,705
	0.700%	800,000	12/20/2018	10,425	-
	0.750%	1,000,000	09/20/2017	-	14,271
	0.820%	1,000,000	03/20/2018	-	829
	0.862%	1,800,000	11/20/2016	99,196	-
	0.900%	1,000,000	06/20/2019	-	15,891
	0.990%	200,000	09/20/2015	-	4,433
	1.000%	1,700,000	09/20/2012	3,860	-
	1.000%	2,300,000	12/20/2012	9,699	-
	1.000%	15,100,000	06/20/2015	367,727	-
	1.000%	21,100,000	12/20/2015	84,523	-
	1.000%	8,700,000	03/20/2016	181,561	-
	1.000%	12,500,000	06/20/2016	239,185	-
	1.000%	5,700,000	09/20/2016	131,566	-
	1.000%	2,800,000	12/20/2016	157,158	-
	1.000%	4,800,000	06/20/2017	-	748,475
	1.000%	100,000	09/20/2017	-	14,946
	1.000%	200,000	06/20/2019	-	4,715
	1.000%	4,000,000	12/20/2020	-	229,109
	1.060%	680,000	03/20/2018	54,896	-
	1.135%	500,000	09/20/2013	-	3,071
	1.160%	2,000,000	03/20/2013	-	13,382
	1.350%	200,000	06/20/2016	-	1,238
	1.350%	400,000	03/20/2018	-	19,141
	1.380%	2,000,000	03/20/2017	-	80,324
	1.400%	700,000	03/20/2021	2,741	-
	1.450%	3,000,000	06/20/2013	-	38,103
	1.530%	500,000	09/20/2016	606	-
	1.540%	400,000	06/20/2018	4,283	-
	1.600%	900,000	03/20/2021	4,099	-
	1.630%	1,500,000	03/20/2021	10,013	-
	1.780%	300,000	06/20/2013	-	4,246
	1.920%	1,000,000	03/20/2017	32,259	-
	1.970%	700,000	03/20/2021	18,552	-
	2.150%	1,600,000	03/20/2021	62,596	-
	2.700%	1,000,000	03/20/2019	-	71,797
	2.800%	400,000	03/20/2021	16,384	-
	2.880%	600,000	12/20/2020	27,816	-
	2.920%	400,000	03/20/2021	19,424	-
	2.930%	300,000	06/20/2015	-	19,784
	2.950%	3,100,000	12/20/2020	157,252	-
	5.000%	700,000	09/20/2015	102,249	-
		<u>137,272,663</u>		<u>1,808,021</u>	<u>1,656,095</u>

(Continued)		Fair Value at August 31, 2012		
Currency	USD Notional Value	Maturity Date	Assets	Liabilities
<b>Commodity:</b>				
U.S. Dollar	Uranium	1,030,000	04/30/2013	-
	S&P GSCI Grains	11,131,491	02/28/2013	-
		<u>12,161,491</u>		<u>213,545</u>
<b>Currency:</b>				
	Japanese Yen	2,554,279	05/15/2014	-
	U.S. Dollar	2,500,000	05/15/2014	2,500,000
		<u>5,054,279</u>		<u>2,500,000</u>
<b>Equity:</b>				
U.S. Dollar	MSCI Europe Index	103,137,010	08/14/2013	-
	MSCI Japan Index	56,756,254	08/08/2013	1,087,698
	MSCI Korea Index	26,388,855	05/29/2013	629,579
	U.S. Real Estate Index	87,348,102	08/08/2013	-
	U.S. Real Estate Index	177,999,965	08/20/2013	-
	S&P 500 Index	126,765,559	08/20/2013	957,293
	Taiwan TAIEX Index	18,460,536	09/19/2012	-
		<u>596,856,281</u>		<u>2,674,570</u>
<b>Total</b>		<u>911,019,050</u>		<u>\$ 8,742,160</u>
				<u>6,111,825</u>

The change in fair value of open swap positions for the year ending August 31, 2012, was an increase in the amount of \$880,695, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets.

The following discloses the notional amount (presented in US dollar equivalents), the coupon rate, and the fair values of the outstanding swap contracts as of August 31, 2011:

Currency	USD Notional Value	Maturity Date	Fair Value at August 31, 2011	
			Assets	Liabilities
<b>Interest Rate (Pay-Fixed Receive-Variable):</b>				
Australian Dollar	107,095	12/15/2013	\$ -	1,126
British Pound	45,265,350	9/21/2013	-	1,084,037
Japanese Yen	50,869,624	12/21/2013	86,198	-
U.S. Dollar	1,100,000	06/15/2016	-	73,017
	12,200,000	12/21/2021	-	819,941
	16,100,000	06/15/2021	-	1,754,926
	<u>125,642,069</u>		<u>86,198</u>	<u>3,733,047</u>
<b>Interest Rate (Pay-Variable Receive-Fixed):</b>				
Brazilian Real	3,337,111	01/02/2012	-	10,547
	5,414,935	01/02/2012	-	16,808
	10,011,334	01/02/2012	164,442	-
Canadian Dollar	1,022,652	12/19/2028	104,444	-
Euro	51,544,840	9/21/2016	-	415,725
	6,623,080	9/21/2016	259,347	-
	14,685,960	9/21/2021	180,722	-
Mexican Peso	2,493,624	12/08/2015	128,781	-
	27,737,521	06/08/2016	1,637,769	-
	5,861,636	07/27/2020	289,785	-
	5,796,867	06/02/2021	496,465	-
	<u>134,529,560</u>		<u>3,261,755</u>	<u>443,080</u>

(Continued)					Fair Value at August 31, 2011	
		USD	Maturity			
Currency		Notional Value	Date	Assets	Liabilities	
Credit Default:						
British Pound	0.670%	1,270,035	09/20/2014	-	6,411	
Euro	0.250%	2,447,660	03/20/2016	-	23,689	
	0.250%	7,486,960	06/20/2016	-	80,897	
U.S. Dollar	0.210%	200,000	09/20/2011	-	78	
	0.230%	200,000	03/20/2012	-	143	
	0.250%	14,900,000	12/20/2015	-	728,942	
	0.250%	2,500,000	03/20/2016	-	132,214	
	0.250%	8,500,000	09/20/2016	-	516,056	
	0.450%	1,000,000	09/20/2014	-	4,418	
	0.460%	200,000	09/20/2011	-	160	
	0.460%	1,000,000	12/20/2013	-	5,032	
	0.510%	800,000	03/20/2018	-	3,539	
	0.550%	600,000	09/20/2011	-	618	
	0.590%	1,000,000	09/20/2014	822	-	
	0.590%	1,000,000	09/20/2016	8,780	-	
	0.700%	800,000	12/20/2018	26,436	-	
	0.750%	1,000,000	12/20/2013	-	10,165	
	0.750%	1,000,000	09/20/2017	-	16,099	
	0.770%	800,000	03/20/2012	-	3,315	
	0.820%	1,000,000	03/20/2018	6,464	-	
	0.862%	1,800,000	11/20/2016	121,242	-	
	0.900%	1,000,000	06/20/2019	14,328	-	
	0.990%	1,000,000	09/20/2015	-	8,840	
	1.000%	21,100,000	12/20/2011	68,117	-	
	1.000%	1,700,000	09/20/2012	5,525	-	
	1.000%	11,900,000	12/20/2012	-	132,965	
	1.000%	15,100,000	06/20/2015	251,351	-	
	1.000%	22,000,000	12/20/2015	6,995	78,763	
	1.000%	8,700,000	03/20/2016	100,870	-	
	1.000%	14,700,000	06/20/2016	112,923	-	
	1.000%	8,900,000	09/20/2016	-	126,427	
	1.000%	2,400,000	12/20/2016	349,436	-	
	1.000%	200,000	06/20/2019	1,005	-	
	1.000%	4,000,000	12/20/2020	-	213,502	
	1.060%	780,000	03/20/2018	81,761	-	
	1.160%	2,000,000	03/20/2013	-	20,696	
	1.170%	1,000,000	06/20/2013	-	7,146	
	1.350%	500,000	09/20/2013	5,754	-	
	1.350%	200,000	06/20/2016	-	3,100	
	1.350%	2,000,000	03/20/2017	-	69,226	
	1.350%	400,000	03/20/2018	-	16,464	
	1.400%	700,000	03/20/2021	2,795	-	
	1.450%	3,000,000	06/20/2013	-	51,198	
	1.530%	500,000	09/20/2016	10,704	-	
	1.540%	800,000	12/20/2013	73,365	-	
	1.540%	400,000	06/20/2018	-	944	
	1.600%	900,000	03/20/2021	4,891	-	
	1.620%	1,000,000	06/20/2012	22,194	-	
	1.630%	1,500,000	03/20/2021	11,336	-	
	1.743%	900,000	06/20/2013	-	16,754	
	1.780%	800,000	06/20/2013	-	15,493	
	1.820%	700,000	06/20/2013	-	14,118	
	1.920%	1,000,000	03/20/2017	116,247	-	
	1.970%	700,000	03/20/2021	12,467	-	
	2.150%	1,600,000	03/20/2021	48,229	-	
	2.700%	1,000,000	03/20/2019	-	46,203	
	2.800%	400,000	03/20/2021	21,524	-	
	2.870%	800,000	03/20/2021	22,979	-	
	2.880%	600,000	12/20/2020	35,531	-	
	2.900%	1,100,000	03/20/2021	33,717	-	
	2.920%	400,000	03/20/2021	24,903	-	
	2.930%	300,000	06/20/2015	-	13,349	
	2.950%	3,800,000	12/20/2020	243,490	-	
	5.000%	700,000	09/20/2015	114,439	-	
		<u>192,684,655</u>		<u>1,960,620</u>	<u>2,366,964</u>	

(Continued)		USD Notional Value	Maturity Date	Fair Value at August 31, 2011	
				Assets	Liabilities
Commodity:					
U.S. Dollar	Uranium	1,135,000	04/30/2012	-	188,490
Equity:					
U.S. Dollar	Global Real Estate Index	69,985,055	02/09/2012	-	7,969,731
	MSCI Canada Index	6,185,979	05/16/2012	136,597	-
	MSCI Europe Index	118,999,257	02/22/2012	-	6,724,384
	MSCI Japan Index	29,999,983	02/08/2012	210,399	-
	MSCI Japan Index	38,000,825	02/22/2012	-	1,521,819
	Oil & Gas	74,952,399	09/26/2011	2,958,645	-
	S&P 400 Index	107,999,486	02/21/2012	-	11,993,997
	S&P 500 Index	275,001,286	08/20/2012	-	23,564,638
	U.S. Real Estate Index	145,000,023	08/20/2012	-	11,705,595
		<u>866,124,293</u>		<u>3,305,641</u>	<u>63,480,164</u>
Total		<u>1,320,115,577</u>		<u>\$ 8,614,214</u>	<u>70,211,745</u>

The change in fair value of open swap positions for the year ending August 31, 2011, was a decrease in the amount of \$62,843,692, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets.

(E) *Investment Funds* – The System’s investment funds include exchange traded funds, index funds, Securities and Exchange Commission regulated mutual funds and externally managed funds, limited partnerships and corporate structures, which are generally unrated and may be unregulated. These investments are recorded on System’s balance sheet at fair value.

The System invests in hedge fund pools which are invested in private placements with external investment managers who invest in equity and fixed income securities of both domestic and international issuers. These investment managers may invest in both long and short securities and may utilize leverage in their portfolios. The funds invested may be subject to a lock-up restriction of one or more years before the investment may be withdrawn from the manager without significant penalty. There are certain risks associated with these private placements, some of which include investment manager risk, market risk and liquidity risk, as well as the risk of utilizing leverage in the portfolios. The hedge fund pools have committed \$122,892,459.00 and \$42,371,530.00 of future funding to various hedge fund investments as of August 31, 2012 and 2011, respectively.

The System invests in private investments through private investment pools which are invested in limited partnerships with external investment managers or general partners who invest primarily in private equity securities. These investments, domestic and international, are illiquid and may not be realized for a period of several years after the investments are made. There are certain risks associated with these investments, some of which are liquidity risk, market risk, event risk and investment manager risk. Certain of these investments are held through LLCs, of which UTIMCO is the sole managing member. The System had committed \$3,717,867,684.28 and \$3,086,712,650.63 of future funding to various private investments as of August 31, 2012 and 2011, respectively.

Public market funds are invested in exchange traded funds, index funds and private placements with external investment managers who invest in equity and fixed income securities of both domestic and international issuers. These funds are characterized as public market funds based on individual risk/return characteristics and their relationship to the overall asset mix of the funds. Some of these investment managers may invest in both long and short securities and may utilize modest leverage in their portfolios. Certain of these investments are held through limited liability companies of which UTIMCO is the sole managing member. There are certain risks associated with these investments, some of which are investment manager risk, market risk and liquidity risk, as well as the risk of utilizing leverage in the portfolios. Future fundings in the amount of \$22,000,000.00 have been committed to certain public market funds. Due to the differences between international time zones, it may be necessary for the System to provide funding for certain managers in advance of the desired investment date to facilitate trading in the international market by the investment manager. As of August 31, 2012, \$25,000,000.00 had been funded to a manager for investment on the first business day of September. This amount is included in the investment fund fair value as of August 31, 2012.

Hedge funds, private investments and public market funds include investments in private placement vehicles that are subject to risk, which could result in the loss of invested capital. The risks include the following:

- *Key personnel risk* – The success of certain funds is substantially dependent upon key investment managers and the loss of those individuals may adversely impact the fund's performance.
- *Liquidity risk* – Many of the System's investment funds may impose lock-up periods, which would cause the System to incur penalties to redeem its units or prevent the System from redeeming its shares until a certain period of time has elapsed.
- *Limited transparency* – As private placement investment vehicles, these funds may not disclose the holdings of their portfolios.
- *Investment strategy risk* – These funds often employ sophisticated investment strategies and may use leverage, which could result in the loss of invested capital.

Investments in hedge funds, private investments and public market funds are also subject to the investment risks previously discussed under the heading of Investment Risks. Fixed income investments held by these funds would also be subject to credit risk and interest rate risk; moreover, they may invest in securities whose fair values would be sensitive to changes in interest rates.

The fair values of these various investment funds as of August 31, 2012 and 2011 were \$16,337,048,570 and \$15,382,351,127, respectively.



## 7. Derivative Instruments

Derivatives are financial instruments the value of which is derived, in whole or part, from the value of any one or more underlying assets or index of asset values. Derivatives include forwards, futures, options and swaps. Hedging derivative contracts are entered into for the purpose of reducing the overall cost of borrowing long-term capital and to protect the System against the risk of rising interest rates. The hedging derivatives primarily consist of interest rate swap agreements entered into in connection with long-term bonds. The derivative contracts enable the System to issue bonds at a cost less than what the System would have paid to issue conventional fixed-rate debt. Investment derivatives are entered into with the intention of managing transaction or currency exchange risk in purchasing, selling or holding investments. Ineffective hedges are also reported as investment derivatives. The following disclosures summarize the System's derivative activity as reported in the consolidated financial statements.

	Change in Fair Value (FV) 8/31/11 to 8/31/12		Fair Value at 8/31/12		Notional Amount
	Classification	Amount	Classification	Amount	
<b>Cash Flow Hedges-Interest Rate Swaps</b>					
Hedging Derivative Liabilities			Hedging		
Pay-Fixed Receive-Variable	Def Outflows	\$ (131,836,850.12)	Derivative Liab	\$ (334,084,156.86)	\$ 1,340,650,000.00
Investment Derivative Assets					
Pay-Variable Receive-Variable	Net Incr. (Decr.) in FV of Invest	(3,014,001.35)	Investments	14,508,883.65	495,195,000.00
Investment Derivative Liabilities					
Pay-Fixed Receive-Variable	Net Incr. (Decr.) in FV of Invest	299,514.03	Invest Deriv - Liab Positions	(160,451.36)	3,590,000.00
Investment Derivative Liabilities					
Pay-Variable Receive-Variable	Net Incr. (Decr.) in FV of Invest	2,793,279.93	Invest Deriv - Liab Positions	(6,393,543.14)	394,650,000.00
<b>Investment Derivatives</b>					
<b>Investment Derivative Assets:</b>					
Swaps:					
Pay-Fixed Receive-Variable		(273,510.00)		1,727,591.00	81,799,576.00
Pay-Variable Receive-Fixed		31,978.00		31,978.00	28,224,776.00
Credit Default		428,547.00		1,808,021.00	86,436,300.00
Currency		2,500,000.00		2,500,000.00	2,500,000.00
Equity		2,674,570.00		2,674,570.00	209,910,668.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	5,361,585.00	Investments	8,742,160.00	408,871,320.00
Futures	Net Incr. (Decr.) in FV of Invest	5,301,461.00	Other Accounts Receivable	5,301,461.00	980,546,149.00
Unrealized Gains on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	16,891,792.00	Investments	16,891,792.00	944,032,525.00
Purchased Options	Net Incr. (Decr.) in FV of Invest	(139,090,182.74)	Investments	65,638,563.41	21,250,025,497.98
<b>Investment Derivative Liabilities:</b>					
Swaps:					
Pay-Fixed Receive-Variable		512,683.00		(571,355.00)	49,649,984.00
Pay-Variable Receive-Fixed		-		-	-
Credit Default		(1,109,198.00)		(1,656,095.00)	50,836,363.00
Commodity		(213,545.00)		(213,545.00)	12,161,491.00
Currency		(2,550,058.00)		(2,550,058.00)	2,554,279.00
Equity		(1,120,772.00)		(1,120,772.00)	386,945,613.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	(4,480,890.00)	Invest Deriv - Liab Positions	(6,111,825.00)	502,147,730.00
Futures	Net Incr. (Decr.) in FV of Invest	(7,844,681.41)	Current Accounts Payable	(7,844,681.41)	355,715,100.00
Unrealized Losses on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	(28,605,806.00)	Invest Deriv - Liab Positions	(28,605,806.00)	1,473,389,621.00
Options Written	Net Incr. (Decr.) in FV of Invest	49,873,694.00	Invest Deriv - Liab Positions	(23,162,381.76)	3,140,696,532.01

	Change in Fair Value (FV) 8/31/10 to 8/31/11		Fair Value at 8/31/11		Notional Amount
	Classification	Amount	Classification	Amount	
<b>Cash Flow Hedges-Interest Rate Swaps</b>					
Hedging Derivative Liabilities			Hedging		
Pay-Fixed Receive-Variable	Def Outflows	\$ 2,918,741.71	Derivative Liab	\$ (202,247,306.74)	\$ 1,370,965,000.00
Investment Derivative Assets	Net Incr. (Decr.)		Investments	17,522,885.00	299,505,000.00
Pay-Variable Receive-Variable	in FV of Invest	1,821,933.00			
Investment Derivative Liabilities	Net Incr. (Decr.)		Invest Deriv -		
Pay-Fixed Receive-Variable	in FV of Invest	455,742.26	Liab Positions	(459,965.39)	6,955,000.00
Investment Derivative Liabilities	Net Incr. (Decr.)		Invest Deriv -		
Pay-Variable Receive-Variable	in FV of Invest	2,351,872.72	Liab Positions	(8,636,823.07)	284,065,000.00
<b>Investment Derivatives</b>					
<u>Investment Derivative Assets:</u>					
Swaps:					
Pay-Fixed Receive-Variable		86,198.00		86,198.00	50,869,624.00
Pay-Variable Receive-Fixed		3,213,280.00		3,261,755.00	74,232,674.00
Credit Default		497,007.00		1,960,620.00	96,914,999.00
Equity		3,305,641.00		3,305,641.00	111,138,361.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	7,102,126.00	Investments	8,614,214.00	333,155,658.00
Futures	Net Incr. (Decr.) in FV of Invest	11,825,070.53	Investments	11,825,070.53	711,942,420.00
Unrealized Gains on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	22,812,478.49	Investments	22,812,478.49	2,112,033,231.00
Purchased Options	Net Incr. (Decr.) in FV of Invest	(20,129,401.00)	Investments	298,617,047.88	25,440,169,658.00
<u>Investment Derivative Liabilities:</u>					
Swaps:					
Pay-Fixed Receive-Variable		(3,733,047.00)		(3,733,047.00)	74,772,445.00
Pay-Variable Receive-Fixed		(443,080.00)		(443,080.00)	60,296,886.00
Credit Default		(2,101,037.13)		(2,366,964.00)	95,769,656.00
Commodity		(188,490.00)		(188,490.00)	1,135,000.00
Equity		(63,480,163.87)		(63,480,163.87)	754,985,932.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	(69,945,818.00)	Invest Deriv - Liab Positions	(70,211,744.87)	986,959,919.00
Futures	Net Incr. (Decr.) in FV of Invest	(1,871,221.00)	Invest Deriv - Liab Positions	(1,871,221.00)	41,887,744.00
Unrealized Losses on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	(33,505,655.34)	Invest Deriv - Liab Positions	(33,505,655.34)	1,793,309,401.00
Options Written	Net Incr. (Decr.) in FV of Invest	(10,141,643.00)	Invest Deriv - Liab Positions	(159,554,130.60)	5,286,149,062.00

See Note 12 for more information on Cash Flow Hedges – Interest Rate Swaps and Note 6 for more information on Investment Derivatives.

## 8. Endowments

Restricted investments include \$24,428,660,911.00 and \$21,825,601,578.60 of endowment funds, including annuity and life income funds, as of August 31, 2012 and 2011, respectively. The net asset classifications on the balance sheet related to endowment funds, including annuity and life income funds, as of August 31, 2012 and 2011 are as follows:

Net Asset Classification of Endowments	2012	2011
Restricted, nonexpendable	\$ 15,128,697,353.89	12,233,569,682.48
Restricted, expendable:		
Net Appreciation on True Endowments	7,290,161,740.44	7,685,012,678.67
Funds Functioning as Endowments	286,767,487.26	266,853,805.92
Term Endowments	32,429,517.06	31,010,510.04
Unrestricted:		
Funds Functioning as Endowments	663,548,841.68	689,882,637.65
Total	\$ 23,401,604,940.33	20,906,329,314.76

In the table above, amounts reported as “Net Appreciation” represent net appreciation on investments of donor or constitutionally restricted endowments that are available for authorization for expenditure by the UT System Board of Regents. For donor restricted endowments, pursuant to the Uniform Prudent Management of Institutional Funds Act, as adopted by Texas, the UT System Board of Regents may distribute net appreciation, realized and unrealized, in the fair market value of the assets of endowment holdings over the historic dollar value of the gifts, to the extent prudent. The System’s policy is to retain all undistributed net realized and unrealized appreciation within the endowment funds. The System’s endowment distribution policy is further discussed below.

### ENDOWMENTS AND SIMILAR FUNDS – STATE

These endowments are comprised of: the PUF and the PHF. The PUF was established for the benefit of the System and the Texas A&M University System. A portion of the PHF was established for the benefit of the System’s health-related institutions, as well as for the Texas A&M University Health Science Center, the University of North Texas Health Science Center at Fort Worth, the Texas Tech University Health Science Center and Baylor College of Medicine.

The PUF was established by Chapter 7, Section 11 of the Texas Constitution of 1876 through the appropriation of land grants. Amendments to the Constitution, approved by voters in 1999, were related to the investment of the PUF and the distributions from the PUF to the AUF. The Constitution, as amended, is summarized as follows: (i) The UT System Board of Regents is held to a “prudent investor” rather than a “prudent person” standard; (ii) distributions to the AUF are made from the total return on all PUF investment assets; (iii) the UT System Board of Regents determines the amount of distributions to the AUF, which may not exceed an amount equal to 7% of the average net fair value of investment assets, except as necessary to pay debt service on PUF bonds and notes; (iv) the UT System Board of Regents determines the amount of distributions to the AUF in a manner intended to provide the AUF with a stable and predictable stream of annual distributions and to maintain, over time, the purchasing power of PUF investments and annual distributions to the AUF; and (v) the expenses of managing PUF land and investments are paid by the PUF.

The UT System Board of Regents manages certain permanent funds for health-related institutions of higher education as more fully described in Chapter 63 of the Texas Education Code. Certain funds created by this statute were transferred to the UT System Board of Regents on August 30, 1999, to be managed and invested in the same manner as the UT System Board of Regents manages and invests other endowment funds. The PHF as defined in the statute is classified as Endowment and Similar Funds – State. These endowments provide support for programs that benefit medical research, health education or treatment at health-related institutions. The UT System Board of Regents determines the amount of distributions to support the programs based on the PHF’s investment policy.

The PHF investment policy provides that the annual payout will be adjusted by the average consumer price index of the previous twelve quarters. However, if this inflationary increase results in a distribution rate below 3.5%, the UTIMCO Board may recommend an increase in the distribution amount as long as such increase does not result in a distribution rate of more than 5.5%. If the distribution rate exceeds 5.5%, the board may recommend a reduction in the per unit distribution amount. Notwithstanding any of the forgoing provisions, the UT System Board of Regents may approve a per unit distribution amount that, in their judgment, would be more appropriate than the rate calculated by the policy provisions.

The General Endowment Fund (GEF), created March 1, 2001, is a pooled fund established for the collective investment of long-term funds under the control and management of the UT System Board of Regents. The GEF is organized as a pooled investment and has two participants, the PHF and the LTF. The PHF and LTF initially purchased units of the GEF on March 1, 2001, in exchange for the contribution of their investment assets. The GEF provides for greater diversification of investments than would be possible if each account were managed separately. As provided in the LTF investment policy, distributions from the LTF are determined in the same manner as the PHF described above.

#### ENDOWMENT AND SIMILAR FUNDS - OTHER THAN STATE

Funds subject to restrictions of endowment and trust instruments, requiring that the principal be maintained and that only the income be utilized. Funds may include Endowments, Term Endowments and Funds Functioning as Endowments. Funds Functioning as Endowments consist of amounts that have been internally dedicated by the System for long-term investment purposes. Funds with external donor restrictions are classified as Funds Functioning as Endowments – Restricted. If no external restriction exists, the funds are classified as Funds Functioning as Endowments – Unrestricted. Endowment and Term Endowment holdings may be invested in the LTF, or may be separately invested based upon the following three factors: (i) there are investment restrictions incorporated into the trust or endowment document; (ii) the inability to sell the gifted investment asset; or (iii) they are holdings being migrated upon liquidation into the LTF. Distributions are based upon the actual income received from the separately invested holdings.

#### ANNUITY AND LIFE INCOME FUNDS

The Annuity Funds consist of funds donated to an institution on the condition that the institution pay a stipulated amount of the funds to the donor or designated individual for a specified time or until the time of death of the annuitant. The Life Income Funds consist of funds contributed to an institution subject to the requirement that the institution periodically pay the income earned on the assets, less management expenses, to designated beneficiaries.

#### AVAILABLE UNIVERSITY FUND

The AUF consists of distributions made to it from the total return on the PUF investment assets and surface income from PUF lands. All surface income from the PUF lands (i.e., grazing leases and land easements) is deposited to the AUF. The AUF must be used first to pay debt service on the PUF bonds and notes. After debt service requirements are met, under present Legislative authority, the AUF may be appropriated for the support and maintenance of UT Austin and UT System Administration.

## 9. Capital Assets

A summary of changes in the capital assets for the year ended August 31, 2012, is presented below.

	Balance 09/01/11	Adjustments	Reclassifications Completed CIP
<b>Nondepreciable Assets:</b>			
Land and Land Improvements	\$ 459,641,505.09	-	11,330,142.04
Construction in Progress (CIP)	1,269,282,039.98	(1,734,377.90)	(1,201,036,408.06)
Nondepreciable Collections	247,089,849.70	-	-
Land Use Rights Nonamortizable	3,240,147.60	-	-
<b>Total Nondepreciable/Nonamortizable Assets</b>	<b>1,979,253,542.37</b>	<b>(1,734,377.90)</b>	<b>(1,189,706,266.02)</b>
<b>Depreciable Assets:</b>			
Buildings and Building Improvements	12,655,387,091.90	-	1,010,627,174.29
Infrastructure	277,456,370.30	-	30,981,620.13
Facilities and Other Improvements	582,185,432.62	-	48,103,430.25
Furniture and Equipment	2,707,083,536.81	(21,736,451.45)	30,951,677.50
Vehicles, Boats and Aircraft	64,381,966.73	(206,466.62)	-
Other Depreciable Assets (including Library Books)	645,001,590.89	(417,280.20)	1,907,509.31
<b>Total Depreciable Assets at Historical Cost</b>	<b>16,931,495,989.25</b>	<b>(22,360,198.27)</b>	<b>1,122,571,411.48</b>
<b>Less Accumulated Depreciation for:</b>			
Buildings and Building Improvements	(4,709,058,123.58)	-	-
Infrastructure	(131,407,689.30)	-	-
Facilities and Other Improvements	(249,396,288.90)	-	-
Furniture and Equipment	(1,774,519,703.78)	-	-
Vehicles, Boats and Aircraft	(45,644,739.42)	-	-
Other Depreciable Assets (including Library Books)	(457,605,443.76)	-	-
<b>Total Accumulated Depreciation</b>	<b>(7,367,631,988.74)</b>	<b>-</b>	<b>-</b>
<b>Depreciable Assets, net</b>	<b>9,563,864,000.51</b>	<b>(22,360,198.27)</b>	<b>1,122,571,411.48</b>
<b>Amortizable Intangible Assets:</b>			
Computer Software	719,213,669.05	(296,667.44)	67,134,854.54
<b>Total Amortizable Intangible Assets</b>	<b>719,213,669.05</b>	<b>(296,667.44)</b>	<b>67,134,854.54</b>
<b>Less Accumulated Amortization for:</b>			
Computer Software	(476,895,493.36)	-	-
<b>Total Accumulated Amortization</b>	<b>(476,895,493.36)</b>	<b>-</b>	<b>-</b>
<b>Intangible Capital Assets, net</b>	<b>242,318,175.69</b>	<b>(296,667.44)</b>	<b>67,134,854.54</b>
<b>Capital Assets, net</b>	<b>\$ 11,785,435,718.57</b>	<b>(24,391,243.61)</b>	<b>-</b>

Reclassifications Interagency Transfers - In	Reclassifications Interagency Transfers - Out	Additions	Deletions	Balance 08/31/12
402,560.30	(402,560.30)	24,147,105.19	(721,578.00)	494,397,174.32
-	-	1,182,077,831.56	-	1,248,589,085.58
-	(2,000.00)	6,366,961.98	(4,266,055.32)	249,188,756.36
-	-	-	-	3,240,147.60
<u>402,560.30</u>	<u>(404,560.30)</u>	<u>1,212,591,898.73</u>	<u>(4,987,633.32)</u>	<u>1,995,415,163.86</u>
29,411,050.70	(29,411,050.70)	96,481,276.96	(11,165,978.48)	13,751,329,564.67
-	-	577,665.59	-	309,015,656.02
-	-	67,913,315.90	(6,584,780.87)	691,617,397.90
848,347.30	(1,033,338.21)	298,596,324.90	(98,617,308.15)	2,916,092,788.70
18,520.00	(18,520.00)	11,269,245.51	(2,147,881.53)	73,296,864.09
<u>1,520,606.43</u>	<u>(1,520,606.43)</u>	<u>(41,882,574.43)</u>	<u>(9,077,855.36)</u>	<u>595,531,390.21</u>
<u>31,798,524.43</u>	<u>(31,983,515.34)</u>	<u>432,955,254.43</u>	<u>(127,593,804.39)</u>	<u>18,336,883,661.59</u>
(24,120,171.05)	24,120,171.05	(587,266,609.19)	5,779,933.43	(5,290,544,799.34)
-	-	(9,012,880.26)	-	(140,420,569.56)
-	-	(70,461,274.85)	6,415,369.60	(313,442,194.15)
(532,950.85)	769,641.37	(241,249,784.75)	84,779,181.81	(1,930,753,616.20)
(18,520.00)	18,520.00	(7,222,897.84)	2,036,208.62	(50,831,428.64)
-	-	17,448,517.17	8,267,760.72	(431,889,165.87)
<u>(24,671,641.90)</u>	<u>24,908,332.42</u>	<u>(897,764,929.72)</u>	<u>107,278,454.18</u>	<u>(8,157,881,773.76)</u>
<u>7,126,882.53</u>	<u>(7,075,182.92)</u>	<u>(464,809,675.29)</u>	<u>(20,315,350.21)</u>	<u>10,179,001,887.83</u>
<u>525,980.00</u>	<u>(525,980.00)</u>	<u>57,247,344.34</u>	<u>(7,551,235.58)</u>	<u>835,747,964.91</u>
<u>525,980.00</u>	<u>(525,980.00)</u>	<u>57,247,344.34</u>	<u>(7,551,235.58)</u>	<u>835,747,964.91</u>
<u>(525,980.00)</u>	<u>525,980.00</u>	<u>(117,856,940.39)</u>	<u>7,143,355.14</u>	<u>(587,609,078.61)</u>
<u>(525,980.00)</u>	<u>525,980.00</u>	<u>(117,856,940.39)</u>	<u>7,143,355.14</u>	<u>(587,609,078.61)</u>
<u>-</u>	<u>-</u>	<u>(60,609,596.05)</u>	<u>(407,880.44)</u>	<u>248,138,886.30</u>
<u>7,529,442.83</u>	<u>(7,479,743.22)</u>	<u>687,172,627.39</u>	<u>(25,710,863.97)</u>	<u>12,422,555,937.99</u>

A summary of changes in the capital assets for the year ended August 31, 2011 is presented below.

	Balance 09/01/10	Adjustments	Reclassifications Completed CIP
<u>Nondepreciable Assets:</u>			
Land and Land Improvements	\$ 443,917,278.79	-	8,008.86
Construction in Progress (CIP)	1,898,249,307.36	(731,935.15)	(1,754,621,062.27)
Nondepreciable Collections	238,770,129.92	(405,811.00)	-
Land Use Rights Nonamortizable	3,220,340.10	-	-
<b>Total Nondepreciable/Nonamortizable Assets</b>	<b>2,584,157,056.17</b>	<b>(1,137,746.15)</b>	<b>(1,754,613,053.41)</b>
<u>Depreciable Assets:</u>			
Buildings and Building Improvements	10,791,419,545.66	-	1,670,703,651.38
Infrastructure	254,908,376.93	-	16,667,647.39
Facilities and Other Improvements	721,399,408.45	-	13,345,162.86
Furniture and Equipment	2,493,057,154.56	(79,840.77)	7,038,563.36
Vehicles, Boats and Aircraft	63,715,244.71	-	-
Other Depreciable Assets (including Library Books)	620,752,626.84	-	7,643,628.20
<b>Total Depreciable Assets at Historical Cost</b>	<b>14,945,252,357.15</b>	<b>(79,840.77)</b>	<b>1,715,398,653.19</b>
Less Accumulated Depreciation for:			
Buildings and Building Improvements	(4,202,889,723.46)	-	-
Infrastructure	(120,613,369.01)	-	-
Facilities and Other Improvements	(230,752,615.13)	-	-
Furniture and Equipment	(1,649,295,276.15)	-	-
Vehicles, Boats and Aircraft	(43,107,673.13)	-	-
Other Depreciable Assets (including Library Books)	(435,244,794.51)	-	-
<b>Total Accumulated Depreciation</b>	<b>(6,681,903,451.39)</b>	<b>-</b>	<b>-</b>
<b>Depreciable Assets, net</b>	<b>8,263,348,905.76</b>	<b>(79,840.77)</b>	<b>1,715,398,653.19</b>
<u>Amortizable Intangible Assets:</u>			
Computer Software	567,041,421.17	(56,308.12)	39,214,400.22
<b>Total Amortizable Intangible Assets</b>	<b>567,041,421.17</b>	<b>(56,308.12)</b>	<b>39,214,400.22</b>
Less Accumulated Amortization for:			
Computer Software	(406,578,273.59)	-	-
<b>Total Accumulated Amortization</b>	<b>(406,578,273.59)</b>	<b>-</b>	<b>-</b>
<b>Intangible Capital Assets, net</b>	<b>160,463,147.58</b>	<b>(56,308.12)</b>	<b>39,214,400.22</b>
<b>Capital Assets, net</b>	<b>\$ 11,007,969,109.51</b>	<b>(1,273,895.04)</b>	<b>-</b>

Reclassifications Interagency Transfers - In	Reclassifications Interagency Transfers - Out	Additions	Deletions	Balance 08/31/11
102,557.00	(102,557.00)	15,721,142.49	(4,925.05)	459,641,505.09
-	-	1,126,893,684.89	(507,954.85)	1,269,282,039.98
-	-	9,416,754.62	(691,223.84)	247,089,849.70
-	-	19,807.50	-	3,240,147.60
<u>102,557.00</u>	<u>(102,557.00)</u>	<u>1,152,051,389.50</u>	<u>(1,204,103.74)</u>	<u>1,979,253,542.37</u>
9,023,979.67	(2,889,204.00)	503,538,446.73	(316,409,327.54)	12,655,387,091.90
5,648,272.59	-	232,073.39	-	277,456,370.30
1,769,400.47	-	(154,298,539.16)	(30,000.00)	582,185,432.62
2,164,108.50	(1,891,752.21)	325,602,413.72	(118,807,110.35)	2,707,083,536.81
48,069.41	(79,416.41)	4,083,761.23	(3,385,692.21)	64,381,966.73
<u>2,763,702.10</u>	<u>(2,763,702.10)</u>	<u>24,718,459.37</u>	<u>(8,113,123.52)</u>	<u>645,001,590.89</u>
<u>21,417,532.74</u>	<u>(7,624,074.72)</u>	<u>703,876,615.28</u>	<u>(446,745,253.62)</u>	<u>16,931,495,989.25</u>
(8,227,346.95)	-	(534,258,614.13)	36,317,560.96	(4,709,058,123.58)
(2,479,759.24)	-	(8,314,561.05)	-	(131,407,689.30)
(1,269,480.92)	-	(17,379,192.85)	5,000.00	(249,396,288.90)
(2,093,282.78)	1,618,021.39	(229,090,657.00)	104,341,490.76	(1,774,519,703.78)
(38,115.00)	65,543.63	(5,563,955.67)	2,999,460.75	(45,644,739.42)
-	-	(29,618,195.67)	7,257,546.42	(457,605,443.76)
<u>(14,107,984.89)</u>	<u>1,683,565.02</u>	<u>(824,225,176.37)</u>	<u>150,921,058.89</u>	<u>(7,367,631,988.74)</u>
<u>7,309,547.85</u>	<u>(5,940,509.70)</u>	<u>(120,348,561.09)</u>	<u>(295,824,194.73)</u>	<u>9,563,864,000.51</u>
<u>2,121,000.00</u>	<u>(2,121,000.00)</u>	<u>126,741,476.49</u>	<u>(13,727,320.71)</u>	<u>719,213,669.05</u>
<u>2,121,000.00</u>	<u>(2,121,000.00)</u>	<u>126,741,476.49</u>	<u>(13,727,320.71)</u>	<u>719,213,669.05</u>
<u>(2,107,222.23)</u>	<u>2,107,222.23</u>	<u>(78,166,979.88)</u>	<u>7,849,760.11</u>	<u>(476,895,493.36)</u>
<u>(2,107,222.23)</u>	<u>2,107,222.23</u>	<u>(78,166,979.88)</u>	<u>7,849,760.11</u>	<u>(476,895,493.36)</u>
<u>13,777.77</u>	<u>(13,777.77)</u>	<u>48,574,496.61</u>	<u>(5,877,560.60)</u>	<u>242,318,175.69</u>
<u>7,425,882.62</u>	<u>(6,056,844.47)</u>	<u>1,080,277,325.02</u>	<u>(302,905,859.07)</u>	<u>11,785,435,718.57</u>



The System does not have any impairment losses to report for the years ended August 31, 2012 and 2011. There were no capital assets that were idle as of August 31, 2012 or 2011.

## 10. Leases

### OPERATING LEASES

The System has entered into various operating leases for buildings, equipment, vehicles and land. Rental expenses for operating leases were \$82,784,597.36 in 2012 and \$90,230,541.86 in 2011. Future minimum lease rental payments under noncancelable operating leases having an initial term in excess of one year as of August 31, 2012, were as follows:

<u>Fiscal Year</u>	<u>Lease Payments</u>
2013	\$ 61,405,068.81
2014	46,298,201.34
2015	31,820,839.37
2016	21,826,575.44
2017	17,028,763.13
2018 – 2022	30,737,230.71
2023 – 2027	2,720,865.80
2028 – 2032	2,136,888.50
2033 – 2037	274,440.00
2038 – 2042	281,703.00
2043 and beyond	-
<b>Total Minimum Future Payments</b>	<b>\$ 214,530,576.10</b>

The System has also leased buildings, land, and other capital assets to outside parties under various operating leases. The cost, carrying value and accumulated depreciation of these leased assets as of August 31, 2012 and 2011 were as follows:

<u>Assets Leased</u>	<u>2012</u>	<u>2011</u>
<b>Buildings:</b>		
Cost	\$ 84,047,177.10	100,201,399.59
Less: Accumulated Depreciation	(27,877,464.31)	(31,179,683.97)
Carrying Value of Buildings	<u>56,169,712.79</u>	<u>69,021,715.62</u>
<b>Parking Lot:</b>		
Cost	18,323.90	-
Less: Accumulated Depreciation	(8,533.97)	-
Carrying Value of Parking Lot	<u>9,789.93</u>	<u>-</u>
<b>Land</b>	<u>3,314,268.51</u>	<u>3,308,654.59</u>
<b>Total Carrying Value</b>	<b>\$ <u>59,493,771.23</u></b>	<b><u>72,330,370.21</u></b>

There were no contingent rentals for the period ending August 31, 2012. Minimum future lease rental income under noncancelable operating leases as of August 31, 2012, was as follows:

<u>Fiscal Year</u>	<u>Lease Income</u>
2013	\$ 13,979,151.46
2014	10,285,903.53
2015	8,863,260.13
2016	7,312,213.84
2017	6,677,547.13
2018 and beyond	21,730,157.02
<b>Total</b>	<b>\$ <u>68,848,233.11</u></b>

**CAPITAL LEASES**

Certain leases to finance the purchase of property are capitalized at the present value of future minimum lease payments. The original capitalized cost of all such property under capital lease as of August 31, 2012 and 2011 is as follows:

Assets Under Capital Lease	2012	2011
Furniture and Equipment	\$ 3,248,617.22	3,261,907.26
Less: Accumulated Depreciation	(1,834,310.70)	(1,151,698.18)
Nondepreciable Collections	6,847,302.29	4,039,927.25
Land	883,125.00	-
Total	\$ 9,144,733.81	6,150,136.33

Capital lease obligations are due in annual installments through 2022. The following is a schedule of the future minimum lease payments for leased property and the present value of the net minimum lease payments at August 31, 2012.

Fiscal Year	Principal	Interest	Total
2013	\$ 1,405,982.12	133,427.56	1,539,409.68
2014	934,939.67	64,354.18	999,293.85
2015	743,079.03	35,291.68	778,370.71
2016	347,374.88	14,916.68	362,291.56
2017	328,519.12	9,125.03	337,644.15
2018 – 2022	744,376.08	8,333.36	752,709.44
Total Minimum Lease Payments	4,504,270.90	265,448.49	4,769,719.39
		Less: Interest	(265,448.49)
	Present Value of Net Minimum Lease Payments		4,504,270.90

## 11. Summary of Long-Term Liabilities

Long-term liability activity for the year ended August 31, 2012 is summarized as follows:

	Balance 09/01/11	Additions	Reductions	Balance 08/31/12	Amounts due within one year
<b><u>Bonds Payable:</u></b>					
Permanent University Fund	\$ 1,454,230,000.00	-	23,200,000.00	1,431,030,000.00	410,635,000.00
Revenue Financing System	<u>5,207,680,000.00</u>	<u>433,985,000.00</u>	<u>249,905,000.00</u>	<u>5,391,760,000.00</u>	<u>1,145,280,000.00</u>
Subtotal Bonds Payable – Par	6,661,910,000.00	433,985,000.00	273,105,000.00	6,822,790,000.00	1,555,915,000.00
Unamortized Net Premiums	247,639,819.32	89,289,670.00	25,681,889.36	311,247,599.96	30,146,372.77
Unamortized Net (Losses)	<u>(53,292,659.82)</u>	<u>10,512,720.23</u>	<u>6,235,076.18</u>	<u>(49,015,015.77)</u>	<u>(10,011,690.07)</u>
Total Bonds Payable	<u>6,856,257,159.50</u>	<u>533,787,390.23</u>	<u>305,021,965.54</u>	<u>7,085,022,584.19</u>	<u>1,576,049,682.70</u>
<b><u>Notes &amp; Loans Payable:</u></b>					
Permanent University Fund CP Notes	260,000,000.00	75,000,000.00	13,000,000.00	322,000,000.00	322,000,000.00
Revenue Financing System CP Notes	370,152,000.00	314,106,000.00	400,954,000.00	283,304,000.00	283,304,000.00
Other Notes and Loans	<u>28,427,670.46</u>	-	<u>3,980,881.64</u>	<u>24,446,788.82</u>	<u>2,266,111.26</u>
Subtotal Notes & Loans Payable – Par	658,579,670.46	389,106,000.00	417,934,881.64	629,750,788.82	607,570,111.26
Unamortized Net Premiums	-	-	-	-	-
Total Notes and Loans Payable	<u>658,579,670.46</u>	<u>389,106,000.00</u>	<u>417,934,881.64</u>	<u>629,750,788.82</u>	<u>607,570,111.26</u>
<b><u>Leases Payable:</u></b>					
Lease Obligations	<u>3,179,316.71</u>	<u>2,266,145.83</u>	<u>941,191.64</u>	<u>4,504,270.90</u>	<u>1,405,982.12</u>
Total Notes, Loans and Leases Payable	661,758,987.17	391,372,145.83	418,876,073.28	634,255,059.72	608,976,093.38
Pollution Remediation Obligation	20,000.00	-	20,000.00	-	-
Net Other Postemployment Benefits Obligation	1,766,652,036.00	639,951,778.00	142,737,223.00	2,263,866,591.00	-
Hedging Derivative Liability	202,247,306.74	131,836,850.12	-	334,084,156.86	-
Employee Compensable Leave Incurred But Not Reported Self-Insurance Claims	453,213,101.58	187,972,587.35	167,854,683.91	473,331,005.02	317,132,292.71
	<u>112,488,199.00</u>	<u>802,609,900.61</u>	<u>795,425,447.61</u>	<u>119,672,652.00</u>	<u>93,660,793.79</u>
Total Bonds, Notes, Loans, Leases, and Compensable Leave Payable	<u>\$ 10,052,636,789.99</u>	<u>2,687,530,652.14</u>	<u>1,829,935,393.34</u>	<u>10,910,232,048.79</u>	<u>2,595,818,862.58</u>

Long-term liability activity for the year ended August 31, 2011, is summarized as follows:

	Balance 09/01/10	Additions	Reductions	Balance 08/31/11	Amounts due within one year
<b>Bonds Payable:</b>					
Permanent University Fund	\$ 1,476,380,000.00	-	22,150,000.00	1,454,230,000.00	414,580,000.00
Revenue Financing System	4,735,495,000.00	644,095,000.00	171,910,000.00	5,207,680,000.00	1,148,850,000.00
Subtotal Bonds Payable – Par	6,211,875,000.00	644,095,000.00	194,060,000.00	6,661,910,000.00	1,563,430,000.00
Unamortized Net Premiums	264,041,759.78	4,815,465.40	21,217,405.86	247,639,819.32	21,217,405.77
Unamortized Net (Losses)	(64,173,104.40)	10,880,444.58	-	(53,292,659.82)	(10,200,966.35)
Total Bonds Payable	6,411,743,655.38	659,790,909.98	215,277,405.86	6,856,257,159.50	1,574,446,439.42
<b>Notes &amp; Loans Payable:</b>					
Permanent University Fund CP Notes	260,000,000.00	-	-	260,000,000.00	260,000,000.00
Revenue Financing System CP Notes	294,574,000.00	184,168,000.00	108,590,000.00	370,152,000.00	370,152,000.00
Other Notes and Loans	30,016,781.14	-	1,589,110.68	28,427,670.46	4,594,736.18
Subtotal Notes & Loans Payable – Par	584,590,781.14	184,168,000.00	110,179,110.68	658,579,670.46	634,746,736.18
Unamortized Net Premiums	-	-	-	-	-
Total Notes and Loans Payable	584,590,781.14	184,168,000.00	110,179,110.68	658,579,670.46	634,746,736.18
<b>Leases Payable:</b>					
Lease Obligations	3,681,786.98	868,774.69	1,371,244.96	3,179,316.71	957,921.30
Total Notes, Loans and Leases Payable	588,272,568.12	185,036,774.69	111,550,355.64	661,758,987.17	635,704,657.48
Pollution Remediation Obligation	-	20,000.00	-	20,000.00	20,000.00
Net Other Postemployment Benefits Obligation	1,295,763,104.00	595,169,372.00	124,280,440.00	1,766,652,036.00	-
Hedging Derivative Liability	205,166,048.45	-	2,918,741.71	202,247,306.74	-
Employee Compensable Leave Incurred But Not Reported Self-Insurance Claims	441,023,342.31	175,951,350.77	163,761,591.50	453,213,101.58	300,782,958.22
	117,656,275.00	729,555,984.44	734,724,060.44	112,488,199.00	90,148,468.27
Total Bonds, Notes, Loans, Leases, and Compensable Leave Payable	\$ 9,059,624,993.26	2,345,524,391.88	1,352,512,595.15	10,052,636,789.99	2,601,102,523.39

**PROJECTED BOND DEBT SERVICE REQUIREMENTS**

The principal and interest expense for the next five years and beyond are projected below for bonds issued and outstanding:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	1,555,915,000.00	268,773,626.86	1,824,688,626.86
2014	223,755,000.00	258,872,324.46	482,627,324.46
2015	234,285,000.00	248,324,652.96	482,609,652.96
2016	244,850,000.00	237,154,539.46	482,004,539.46
2017	257,700,000.00	225,311,588.46	483,011,588.46
2018 – 2022	1,313,775,000.00	940,117,628.80	2,253,892,628.80
2023 – 2027	929,035,000.00	656,107,497.03	1,585,142,497.03
2028 – 2032	686,985,000.00	477,662,635.70	1,164,647,635.70
2033 – 2037	760,078,000.00	273,016,969.46	1,033,094,969.46
2038 – 2042	527,747,000.00	90,652,461.76	618,399,461.76
2043 – 2047	88,665,000.00	10,370,832.40	99,035,832.40
<b>Total Requirements</b>	<b>6,822,790,000.00</b>	<b>3,686,364,757.35</b>	<b>10,509,154,757.35</b>

The System's variable rate demand bonds mature at various dates through 2039. Outstanding principal balances on variable rate demand bonds may be classified as non-current liabilities if the issuer has entered into a "take-out agreement" to convert bonds "put" but not resold into some other form of long-term obligation. In the absence of such an agreement, the total outstanding principal balances for these bonds are required to be classified as current liabilities.

Although it is the System's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the bond offering circulars, the System does not have "take-out" agreements in place. Accordingly, the System has classified the total outstanding principal balances on its variable rate demand bonds as current liabilities. The obligations totaled \$1,344,315,000.00 and \$1,378,030,000.00 at August 31, 2012 and 2011, respectively.

Total interest expense for the years ended August 31, 2012 and 2011 was \$318,500,250.82 and \$322,144,238.95, respectively. Interest expense of \$35,959,707.46 and \$50,505,286.99 associated with financing projects during the construction phase was capitalized during the years ended August 31, 2012 and 2011, respectively. Interest expense was also adjusted \$13,684,858.26 and \$8,941,209.69 for the amortization of premiums, issuance costs, and deferred losses on refundings for the years ended August 31, 2012 and 2011, respectively. The remaining amounts of \$268,855,685.10 in 2012 and \$262,697,742.27 in 2011 were reported as interest expense.

Notes and loans payable obligations are due in annual installments through 2018. General information related to notes and loans payable at August 31, 2012, which in substance are not bonds, is summarized as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 607,570,111.26	1,373,987.16	608,944,098.42
2014	1,738,403.34	1,050,806.06	2,789,209.40
2015	1,304,637.18	1,001,781.22	2,306,418.40
2016	17,232,081.99	946,339.41	18,178,421.40
2017	1,418,525.29	52,761.11	1,471,286.40
2018 – 2022	487,029.76	4,263.51	491,293.27
<b>Total Requirements</b>	<b>\$ 629,750,788.82</b>	<b>4,429,938.47</b>	<b>634,180,727.29</b>

### POLLUTION REMEDIATION OBLIGATION

In May, 2011, UT Austin received a request from the Texas Commission for Environmental Quality (TCEQ) for additional information related to the site cleanup under a Voluntary Cleanup Program at the magnesium pits at the Pickle Research Center. The estimated cost was \$20,000 based on the expected cash flow technique. The testing and necessary remediation was complete in 2012 and the System is awaiting the "no further action" letter from TCEQ. The pollution remediation obligation was settled for the amount of the liability of \$20,000.00. There were no estimated recoveries reducing the liability or amounts paid.

UT M. D. Anderson Cancer Center purchased contaminated land in June 2007 with plans to provide a ground lease to the American Cancer Society for a lodging facility for visiting cancer patients with the remaining land to be used for a warehouse with offices and work areas. The land, known as the Almeda property, was previously used by the seller as a solvent storage site and contains solvent contamination. The estimated outlays for the pollution remediation are \$350,000.00 using the expected cash flow technique. The potential for a change in the estimate is unlikely but dependent upon the TCEQ acceptance. These pollution remediation outlays qualify for capitalization and \$335,909.32 and \$305,845.99 were capitalized through August 31, 2012 and 2011 respectively. The purchase price of \$4,287,882.00 and total expected outlays of \$350,000.00 do not exceed the fair market value of the uncontaminated property of \$4,737,882.00, and as such, no pollution remediation liability was established. UT M. D. Anderson Cancer Center received a \$450,000.00 credit against the purchase price for anticipated environmental remediation costs.

### EMPLOYEES' COMPENSABLE LEAVE

Substantially all full-time System employees earn annual leave from eight to twenty-one hours per month depending upon the respective employee's years of State employment. State law permits employees to carry accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 532 for those employees with 35 or more years of State service. Eligible part-time employees' annual leave accrual rate and maximum carryover are proportional to the number of hours appointed to work. Employees with at least six months of continuous State service who terminate their employment are entitled to payment for all accumulated annual leave. Both an expense and a liability are recorded as the benefits accrue to employees. Sick leave, the accumulation of which is unlimited, is earned at the rate of eight hours per month and is paid only when an employee is off due to personal or family illness or to the estate of an employee in the event of his/her death. The maximum sick leave that may be paid to an employee's estate is one-half of the employee's accumulated sick leave or 336 hours, whichever is less. The System's policy is to recognize the cost of sick leave when paid, and the liability is not shown in the consolidated financial statements since experience indicates the expense for sick leave to be minimal. Eligible part-time employees' sick leave accrual rate is proportional to the number of hours appointed to work. This obligation is usually paid from the same funding source(s) as the employee's salary or wage compensation.

## **12. Bonded Indebtedness**

At August 31, 2012 and 2011, the System had outstanding bonds payable of \$6,822,790,000.00 and \$6,661,910,000.00, respectively. Permanent University Fund bonds are secured by and payable from the System's interest in the Available University Fund, which consists of distributions from the investment income of the Permanent University Fund. Revenue Financing System debt is secured by and payable from Pledged Revenues as defined in the Master Resolution establishing the Revenue Financing System. Pledged Revenues consist of all lawfully available revenues, funds and balances, with certain exceptions, pledged to secure revenue-supported indebtedness issued under the Master Resolution.

<u>Bonded Indebtedness</u>	<u>Interest Rates</u>	<u>Maturity Dates</u>	<u>Outstanding Principal</u>
Permanent University Fund	0.130%-5.262%	2013-2039	1,431,030,000.00
Revenue Financing System	0.130%-6.276%	2013-2046	5,391,760,000.00

As of August 31, 2012, the following amounts were authorized, but unissued: Permanent University Fund bonds up to a maximum aggregate amount of \$500 million and Revenue Financing System bonds up to a maximum aggregate amount of \$500 million, each authorized to be issued on or before August 31, 2013. All bonds issued by the System are defined as revenue bonds. Segment information requirements are not applicable, due to the bond indentures' lack of specifically identifiable activities and external party imposed separate accounting requirements. General information related to bonds outstanding as of August 31, 2012, is summarized in the following table.

<b>Bond Series</b>	<b>Purpose</b>	<b>Issue Date</b>	<b>Amount Issued</b>
<b>Permanent University Fund:</b>			
Refunding Bonds Series 2004A	To refund \$61,495,000.00 principal amount of Permanent University Fund Bonds, Series 1997, maturing on July 1 in the years 2009 through 2016, both inclusive	April 6, 2004	60,665,000
Bonds Series 2004B	To refund \$400,000,000.00 principal amount of Permanent University Fund Flexible Rate Notes, Series A	April 6, 2004	396,520,000
Refunding Bonds Series 2005A	To refund \$102,670,000.00 principal amount of Permanent University Fund Bonds, Series 2002B, maturing on July 1 in the years 2012 through 2019, both inclusive	April 5, 2005	100,345,000
Bonds Series 2005B	To refund \$125,000,000.00 principal amount of Permanent University Fund Flexible Rate Notes, Series A	July 7, 2005	124,625,000
Refunding Bonds Series 2006B	To refund \$85,545,000.00 principal amount of Permanent University Fund Bonds, Series 2002B, maturing on July 1 in the years 2020 through 2022, both inclusive; to refund \$172,985,000.00 principal amount of Permanent University Fund Bonds, Series 2004B, maturing on July 1 in the years 2023, 2026 and 2028 through 2030, both inclusive; to refund \$51,905,000.00 principal amount of Permanent University Fund Bonds, Series 2005B, maturing on July 1 in the year 2035	January 24, 2007	284,065,000
Bonds Series 2006C	To refund \$100,000,000.00 principal amount of Permanent University Fund Flexible Rate Notes, Series A	January 24, 2007	97,755,000
Taxable Bonds Series 2009A	To refund \$250,000,000.00 principal amount of Permanent University Taxable Commercial Paper Notes, Series B	September 17, 2009	250,000,000
<b>Revenue Financing System:</b>			
Bonds Series 2001B	To refund \$110,070,000.00 principal of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$76,000,000.00 and pay the cost of issuance	October 2, 2001	179,610,000
Bonds Series 2001C	To refund \$503,000.00 principal of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$87,800,000.00 and pay the cost of issuance	October 2, 2001	84,590,000
Refunding Bonds Series 2002A	To advance refund \$54,575,000.00 principal amount of Revenue Financing System Bonds, Series 1999A maturing from 2010-2016 and 2020 to achieve debt service savings and pay the cost of issuance	September 27, 2002	54,430,000

(Continued)

<b>Bond Series</b>	<b>Purpose</b>	<b>Issue Date</b>	<b>Amount Issued</b>
<b>Revenue Financing System:</b> (continued)			
Refunding Bonds Series 2002B	To advance refund \$109,240,000.00 principal amount of Revenue Financing System Bonds, Series 1999B maturing from 2010-2017 and 2020 to achieve debt service savings and pay the cost of issuance	September 27, 2002	108,855,000
Bonds Series 2003A	To refund \$39,050,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$80,798,250 and pay the cost of issuance	January 23, 2003	112,040,000
Bonds Series 2003B	To refund \$201,039,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$296,078,000 and pay the cost of issuance	January 23, 2003	481,060,000
Refunding Bonds Series 2004A	To refund \$143,155,000.00 principal amount of portions of Revenue Financing System Bonds, Series 1995A, 1996A, 1998A, 1998C, 1999A and 2001C, and pay the cost of issuance	March 9, 2004	137,915,000
Refunding Bonds Series 2004B	To refund \$310,460,000.00 principal amount of portions of Revenue Financing System Bonds, Series 1996B, 1998B, 1998D, 1999B and 2001B, and pay the cost of issuance	March 9, 2004	300,330,000
Bonds Series 2004C	To refund \$147,012,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$88,800,000.00 and pay the cost of issuance	November 4, 2004	218,610,000
Bonds Series 2004D	To refund \$201,512,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$172,544,000.00 and pay the cost of issuance	November 4, 2004	352,170,000
Bonds Series 2006A	To refund \$24,485,000.00 principal amount of Revenue Financing System Bonds, Series 1996A, and pay the cost of issuance	May 17, 2006	20,315,000
Bonds Series 2006B	To refund \$413,161,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$147,764,140.00 and pay the cost of issuance	May 10, 2006	540,570,000
Refunding Bonds Series 2006C	To refund \$177,835,000.00 principal amount of portions of Revenue Financing System Bonds, 2001C, 2003A and 2004C and pay the cost of issuance	January 4, 2007	175,115,000
Refunding Bonds Series 2006D	To refund \$340,735,000.00 principal amount of portions of Revenue Financing System Bonds, 2001B, 2003B and 2004D and pay the cost of issuance	January 4, 2007	346,840,000
Bonds Series 2006E	To refund \$58,300,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A and pay the cost of issuance	January 4, 2007	55,985,000



(Continued)

<b>Bond Series</b>	<b>Purpose</b>	<b>Issue Date</b>	<b>Amount Issued</b>
<b>Revenue Financing System:</b>			
<b>(continued)</b>			
Bonds Series 2006F	To refund \$330,187,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A and pay the cost of issuance	January 4, 2007	318,525,000
Bonds Series 2008A	To refund \$265,386,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A and pay the cost of issuance	January 6, 2009	256,735,000
Taxable Bonds Series 2009B	To refund \$96,639,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$230,860,000.00 and pay the cost of issuance	June 17, 2009	330,545,000
Bonds Series 2009D	To refund \$258,995,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to refund \$16,115,000 principal amount of Revenue Financing System Bonds, 1998B and pay the cost of issuance	July 15, 2009	260,005,000
Bonds Series 2010A	To refund \$258,392,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$134,369,000.00 and pay the cost of issuance	March 25, 2010	331,415,000
Refunding Bonds Series 2010B	To refund \$393,690,000.00 principal amount of portions of Revenue Financing System Bonds, 2006B, 2006D and 2006F and pay the cost of issuance	April 14, 2010	385,380,000
Taxable Bonds Series 2010D	To refund \$349,415,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$163,441,000.00 and pay the cost of issuance	June 30, 2010	516,245,000
Taxable Bonds Series 2010C	To provide new money of \$600,741,595.93 and pay the cost of issuance	September 23, 2010	604,310,000
Bonds Series 2010E	To refund \$21,328,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$23,080,404.07 and pay the cost of issuance	September 23, 2010	39,785,000
Refunding Bonds Series 2012A	To refund \$53,990,000.00 principal amount of portions of Revenue Financing System Bonds, 2003A and 2004C, to refund \$186,296,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A and pay the cost of issuance	March 1, 2012	195,850,000
Bonds Series 2012B	To refund \$96,542,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of \$184,128,000.00 and pay the cost of issuance	March 21, 2012	238,135,000

**DEMAND BONDS**

Revenue Financing System Refunding Bonds, Series 2001A, Revenue Financing System Refunding Bonds, Series 2007B, Revenue Financing System Bonds, Series 2008B, and Permanent University Fund Bonds, Series 2008A are variable rate demand bonds with an option to tender on seven days' notice. The System has entered into corresponding interest rate swap agreements to convert the System's interest rate exposure to a fixed rate. The Revenue Financing System Refunding Bonds, Series 2001A and the corresponding swap agreement extend to August 15, 2013. The Revenue Financing System Refunding Bonds, Series 2007B and the corresponding swap agreements extend to August 15, 2034. The Revenue Financing System Bonds, Series 2008B and the corresponding swap agreements extend to August 15, 2039. The Permanent University Fund Bonds, Series 2008A and the corresponding swap agreements extend to July 1, 2038. The Board of Regents is obligated to pay the purchase price of demand bonds tendered for purchase and not remarketed by using lawfully available funds. General information related to these demand bonds is summarized in the following table:

<b>Bond Series</b>	<b>Purpose</b>	<b>Issue Date</b>	<b>Amount Issued</b>
<b>Permanent University Fund:</b>			
Bonds Series 2008A	To refund \$400,000,000.00 of Permanent University Fund Flexible Notes, Series A and pay costs of issuance	October 30, 2008	400,905,000
<b>Revenue Financing System:</b>			
Bonds Series 2001A	To refund \$38,500,000.00 of Revenue Financing System Refunding Bonds, Series 1991A and \$42,030,000 of Revenue Financing System Refunding Bonds, Series 1991B, and pay costs of issuance	May 17, 2001	81,665,000
Bonds Series 2007B	To refund \$169,015,000.00 of Revenue Financing System Bonds, Series 2003B and \$149,860,000 of Revenue Financing System Bonds, Series 2004D, and pay costs of issuance	December 20, 2007	345,460,000
Bonds Series 2008B	To refund \$461,922,000.00 of Revenue Financing System Commercial Paper Notes, Series A and \$34,715,000.00 of Revenue Financing System Bonds, Series 1998B, provide \$182,590,000.00 of new money to finance the costs of campus improvements, and pay costs of issuance	March 18, 2008	685,485,000

**PLEDGED FUTURE REVENUES**

GASB guidance makes a basic distinction between sales of receivables and future revenues, on the one hand, and the pledging receivables or future revenues to repay a borrowing (a collateralized borrowing), on the other. The following table provides the pledged future revenue information for the System's bonds:

	<u>2012</u>	<u>2011</u>
Pledged Revenue Required for Future Principal and Interest on Existing Bonds	\$ 10,509,154,757.35	10,314,192,579.46
Term of Commitment Year Ending 8/31	2046	2046
Percentage of Revenue Pledged	74.3%	71.5%
Current Year Pledged Revenue	\$ 7,804,126,447.57	7,371,201,321.11
Current Year Principal and Interest Paid	\$ 531,956,792.00	508,357,618.97

**BUILD AMERICA BONDS**

The American Recovery and Reinvestment Act of 2009 authorized the issuance of Build America Bonds (BABs), whereby certain issuers are authorized to issue taxable bonds and receive from the federal government a subsidy equal to 35% of the interest payments on Direct Payment BABs. The System did not issue any BABs during 2012 and issued \$604,310,000.00 of BABs during 2011. The System had \$1,695,155,000.00 and \$1,699,030,000.00 outstanding at August 31, 2012 and 2011, respectively.

### EARLY EXTINGUISHMENTS IN FISCAL YEAR 2012

Revenue Financing System Refunding Bonds, Series 2012A were issued March 1, 2012 to current refund \$186,296,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to advance refund \$5,470,000 principal amount of Revenue Financing System Bonds, Series 2003A, maturing on August 15, 2014, to advance refund \$48,520,000 principal amount of Revenue Financing System Refunding Bonds, Series 2004C, maturing on August 15 in the years 2022 and 2023, and to pay the costs of issuance related thereof.

- Net proceeds from the refunding series (including a premium of \$45,602,626.60 and an issuer equity contribution of \$6,016,000.00) were \$246,818,719.14 – after the payment of \$649,907.46 in underwriting fees. The net proceeds were used to pay costs of issuance of \$297,635.15, purchase \$60,194,067.00 of eligible defeasance securities, deposit \$7.81 with the refunded bonds escrow agent, and deposit \$186,327,009.18 with the refunded notes escrow agent. These funds and securities were deposited in irrevocable trusts with the respective escrow agents to provide for all future debt service payments on the refunded bonds and notes.
- The advance refunding resulted in gross debt service savings through 2023 of \$12,030,364.13.
- The refunded debt is considered fully defeased and the liability for these obligations has been removed from the consolidated balance sheet.
- An accounting loss of \$6,235,076.18 resulted from the transaction as the reacquisition price of \$246,521,076.18 exceeded the net carrying amount of \$240,286,000 par value.
- An economic gain from the transaction resulted in a net present value savings of \$9,544,769.07 between the old and new debt service payments.

Revenue Financing System Bonds, Series 2012B were issued March 23, 2012, to current refund \$96,542,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to provide \$184,128,000.00 of new money to finance the costs of campus improvements, and to pay the costs of issuance related thereof.

- Net proceeds from the refunding series (including a premium of \$43,687,043.40) were \$280,894,142.66 – after the payment of \$927,900.74 in underwriting fees. The net proceeds were used to pay cost of issuance of \$211,342.79, and deposit \$96,554,799.87 with the escrow agent. These funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded notes.
- An accounting loss of \$12,799.87 resulted from the transaction as the reacquisition price of \$96,554,799.87 exceeded the net carrying amount of \$96,542,000.00 par value.

On August 1, 2012, \$3,400,000.00 of outstanding Revenue Financing System Bonds, Series 2001A were optionally redeemed. The liability for these obligations has been removed from the consolidated balance sheet. No accounting gain or loss resulted from the transaction.

### EARLY EXTINGUISHMENTS IN FISCAL YEAR 2011

Revenue Financing System Bonds, Series 2010E were issued September 23, 2010 to current refund \$21,328,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to provide \$23,080,404.07 of new money to finance the costs of campus improvements, and to pay the costs of issuance related thereof.

- Net proceeds from the refunding series (including a premium of \$4,815,465.40) were \$44,442,204.82 – after the payment of \$158,260.58 in underwriting fees. The net proceeds were used to pay cost of issuance of \$30,586.94, and deposit \$21,331,213.81 with the escrow agent. These funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded notes.
- An accounting loss of \$3,213.81 resulted from the transaction as the reacquisition price of \$21,331,213.81 exceeded the net carrying amount of \$21,328,000.00 par value.

On August 1, 2011, \$4,600,000.00 of outstanding Revenue Financing System Bonds, Series 2001A were optionally redeemed. The liability for these obligations has been removed from the consolidated balance sheet. No accounting gain or loss resulted from the transaction.

**CASH FLOW HEDGES – INTEREST RATE SWAPS**

The following table outlines the terms of the System's interest rate swap agreements in effect at August 31, 2012:

Interest Rate Swaps - by type	Hedgeable Item	Current Notional	Effective Date	Maturity Date	Terms*	Embedded Options?	Cash Paid or Received	Counterparty Credit Rating (Moody's/S&P)	Weighted Average Maturity As of 8/31/12	
Pay Fixed; receive variable	PUF Bonds 2008A	\$195,690,000.00	11/3/2008	7/1/2038	Pay 3.696%; receive SIFMA	No	No	Baa1/A-	19.71 yrs	
	PUF Bonds 2008A	195,690,000.00	11/3/2008	7/1/2038	Pay 3.6575%; receive SIFMA	No	No	Aa1/AA-	19.71 yrs	
	RFS Bonds 2001A	3,590,000.00	8/15/2001	8/15/2013	Pay 4.633%; receive 67% of 1M LIBOR	No	No	Aa1/A+	0.96 yrs	
	RFS Bonds 2007B	166,850,000.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa1/A+	15.81 yrs	
	RFS Bonds 2007B	166,850,000.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa2/A+	15.81 yrs	
	RFS Bonds 2008B	141,725,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	Aa1/A+	14.98 yrs	
	RFS Bonds 2008B	141,725,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	Baa1/A-	14.98 yrs	
	RFS Bonds 2008B	332,120,000.00	3/18/2008	8/1/2039	Pay 3.614%; receive SIFMA	No	No	Aa1/A+	12.84 yrs	
	Pay variable; receive variable	PUF Bonds 2006B	284,065,000.00	1/1/2009	7/1/2035	Pay SIFMA; receive 82.04% of 1M LIBOR	No	No	Aa2/A	14.71 yrs
		PUF Bonds 2008A	195,690,000.00	11/1/2011	7/1/2038	Pay SIFMA; receive 93.4% of 3M LIBOR	No	No	A2/A+	19.71 yrs
PUF Bonds 2008B		110,585,000.00	2/1/2014	8/1/2026	Pay SIFMA; receive 90.0% of 3M LIBOR	Yes	Yes	A2/A+	N/A	
RFS Bonds 2008B		90,270,000.00	8/1/2009	8/1/2039	Pay SIFMA; receive 102.5% of 3M LIBOR	No	No	Aa3/A-	25.16 yrs	
RFS Bonds 2008B		92,045,000.00	8/1/2009	8/1/2030	Pay SIFMA; receive 96% of 3M LIBOR	No	No	Aa3/A	16.34 yrs	
RFS Bonds 2008B		117,190,000.00	8/1/2009	8/1/2035	Pay SIFMA; receive 103% of 3M LIBOR	No	No	Aa3/A	21.00 yrs	
<b>TOTAL</b>			<b>\$2,234,085,000.00</b>							

\*London Interbank Offer Rate (LIBOR)

\*Securities Industry and Financial Markets Association (SIFMA)

The following table outlines the terms of the System's interest rate swap agreements in effect at August 31, 2011:

Interest Rate Swaps - by type	Hedgeable Item	Current Notional	Effective Date	Maturity Date	Terms*	Embedded Options?	Cash Paid or Received	Counterparty Credit Rating (Moody's/S&P)	Weighted Average Maturity As of 8/31/11	
Pay Fixed; receive variable	PUF Bonds 2008A	\$198,112,500.00	11/3/2008	7/1/2038	Pay 3.696%; receive SIFMA	No	No	A2/A	20.23 yrs	
	PUF Bonds 2008A	198,112,500.00	11/3/2008	7/1/2038	Pay 3.6575%; receive SIFMA	No	No	Aa1/AA-	20.23 yrs	
	RFS Bonds 2001A	6,955,000.00	8/15/2001	8/15/2013	Pay 4.633%; receive 67% of 1M LIBOR	No	No	Aa1/AA	0.36 yrs	
	RFS Bonds 2007B	167,387,500.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa1/AA	16.61 yrs	
	RFS Bonds 2007B	167,387,500.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa3/A+	16.61 yrs	
	RFS Bonds 2008B	145,530,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	Aa1/AA-	14.58 yrs	
	RFS Bonds 2008B	145,530,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	A2/A	14.58 yrs	
	RFS Bonds 2008B	348,905,000.00	3/18/2008	8/1/2039	Pay 3.614%; receive SIFMA	No	No	Aa1/AA-	12.21 yrs	
	Pay variable; receive variable	PUF Bonds 2006B	284,065,000.00	1/1/2009	7/1/2035	Pay SIFMA; receive 82.04% of 1M LIBOR	No	No	Aa3/A+	15.72 yrs
		RFS Bonds 2008B	90,270,000.00	8/1/2009	8/1/2039	Pay SIFMA; receive 102.5% of 3M LIBOR	No	No	Aa1/AA-	26.16 yrs
RFS Bonds 2008B		92,045,000.00	8/1/2009	8/1/2030	Pay SIFMA; receive 96% of 3M LIBOR	No	No	Aa1/AA-	17.35 yrs	
RFS Bonds 2008B		117,190,000.00	8/1/2009	8/1/2035	Pay SIFMA; receive 103% of 3M LIBOR	No	No	Aa1/AA-	22.00 yrs	
<b>TOTAL</b>		<b>\$1,961,490,000.00</b>								

\*London Interbank Offer Rate (LIBOR)

\*Securities Industry and Financial Markets Association (SIFMA)

The following is the fair market value of the swap agreements in effect at August 31, 2012 based on the zero-coupon method and the classification of change in fair value from the previous fiscal year:

Interest Rate Swaps by type	Hedgeable Item	Current Notional	Accrued Interest (through 8/31/12)	Swap MTM (8/31/12)	Swap MTM net of Accrued Interest	Fair Value as of 8/31/11	Change in Fair Value 8/31/11 - 8/31/12	Change in Fair Value Recorded as
<b>Hedging Derivative Liabilities</b>	PUF Bonds 2008A	\$195,690,000.00	1,162,529.06	(52,751,354.57)	(51,588,825.51)	(28,983,421.13)	(23,767,933.44)	Def Outflow
	PUF Bonds 2008A	195,690,000.00	1,150,181.56	(50,560,705.00)	(49,410,523.44)	(27,372,115.00)	(23,188,590.00)	Def Outflow
	RFS Bonds 2007B	166,850,000.00	509,587.98	(44,748,281.08)	(44,238,693.10)	(27,236,195.75)	(17,512,085.33)	Def Outflow
	RFS Bonds 2007B	166,850,000.00	509,587.98	(44,469,595.73)	(43,960,007.75)	(27,105,814.11)	(17,363,781.62)	Def Outflow
	RFS Bonds 2008B	141,725,000.00	444,071.90	(36,759,286.32)	(36,315,214.42)	(23,949,461.70)	(12,809,824.62)	Def Outflow
	RFS Bonds 2008B	141,725,000.00	444,071.90	(37,237,478.10)	(36,793,406.20)	(24,254,480.34)	(12,982,997.76)	Def Outflow
	RFS Bonds 2008B	332,120,000.00	961,487.94	(67,557,456.06)	(66,595,968.12)	(43,345,818.71)	(24,211,637.35)	Def Outflow
		<u>1,340,650,000.00</u>	<u>5,181,518.32</u>	<u>(334,084,156.86)</u>	<u>(328,902,638.54)</u>	<u>(202,247,306.74)</u>	<u>(131,836,850.12)</u>	
<b>Investment Derivatives-Asset Positions</b>	RFS Bonds 2008B	90,270,000.00	(23,589.13)	4,354,287.00	4,330,697.87	6,242,386.00	(1,888,099.00)	Dec. in Fair Value of Inv
	RFS Bonds 2008B	92,045,000.00	(21,846.67)	2,574,090.00	2,552,243.33	3,074,296.00	(500,206.00)	Dec. in Fair Value of Inv
	RFS Bonds 2008B	117,190,000.00	(30,839.87)	6,042,567.00	6,011,727.13	8,206,203.00	(2,163,636.00)	Dec. in Fair Value of Inv
	RFS Bonds 2008B	195,690,000.00	(93,899.76)	1,537,939.65	1,444,039.89	-	1,537,939.65	Incr. in Fair Value of Inv
			<u>495,195,000.00</u>	<u>(170,175.43)</u>	<u>14,508,883.65</u>	<u>14,338,708.22</u>	<u>17,522,885.00</u>	<u>(3,014,001.35)</u>
<b>Investment Derivatives-Liability Positions</b>	RFS Bonds 2001A	3,590,000.00	7,453.43	(160,451.36)	(152,997.93)	(459,965.39)	299,514.03	Incr. in Fair Value of Inv
	PUF Bonds 2006B	284,065,000.00	(14,128.12)	(5,729,441.29)	(5,743,569.41)	(8,636,823.07)	2,907,381.78	Incr. in Fair Value of Inv
	RFS Bonds 2008B	110,585,000.00	-	(664,101.85)	(664,101.85)	-	<sup>(a)</sup> (114,101.85)	Dec. in Fair Value of Inv
			<u>398,240,000.00</u>	<u>(6,674.69)</u>	<u>(6,553,994.50)</u>	<u>(6,560,669.19)</u>	<u>(9,096,788.46)</u>	<u>3,092,793.96</u>
<b>TOTAL</b>		<u>\$2,234,085,000.00</u>	<u>5,004,668.20</u>	<u>(326,129,267.71)</u>	<u>(321,124,599.51)</u>	<u>(193,821,210.20)</u>	<u>(131,758,057.51)</u>	

- (a) The negative \$114,101.85 included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets does not agree to the change in fair value of this interest rate swap from August 31, 2011 to August 31, 2012 due to the \$550,000.00 payment received upon executing this swaption.

The following is the fair market value of the swap agreements in effect at August 31, 2011 based on the zero-coupon method and the classification of change in fair value from the previous fiscal year:

Interest Rate Swaps by type	Hedgeable Item	Current Notional	Accrued Interest (through 8/31/11)	Swap MTM (8/31/11)	Swap MTM net of Accrued Interest	Fair Value as of 8/31/10	Change in Fair Value 8/31/10 - 8/31/11	Change in Fair Value Recorded as
<b>Hedging Derivative Liabilities</b>	PUF Bonds 2008A	\$198,112,500.00	1,189,814.83	(28,983,421.13)	(27,793,606.30)	(29,737,018.00)	753,596.87	Def Outflow
	PUF Bonds 2008A	198,112,500.00	1,177,102.61	(27,372,115.00)	(26,195,012.39)	(28,485,992.00)	1,113,877.00	Def Outflow
	RFS Bonds 2007B	167,387,500.00	504,939.33	(27,236,195.75)	(26,731,256.42)	(27,158,629.41)	(77,566.34)	Def Outflow
	RFS Bonds 2007B	167,387,500.00	504,939.33	(27,105,814.11)	(26,600,874.78)	(26,985,993.53)	(119,820.58)	Def Outflow
	RFS Bonds 2008B	145,530,000.00	450,525.35	(23,949,461.70)	(23,498,936.35)	(24,433,429.33)	483,967.63	Def Outflow
	RFS Bonds 2008B	145,530,000.00	450,525.00	(24,254,480.34)	(23,803,955.34)	(24,336,763.00)	82,282.66	Def Outflow
	RFS Bonds 2008B	348,905,000.00	996,969.02	(43,345,818.71)	(42,348,849.69)	(44,028,223.18)	682,404.47	Def Outflow
		<u>1,370,965,000.00</u>	<u>5,274,815.47</u>	<u>(202,247,306.74)</u>	<u>(196,972,491.27)</u>	<u>(205,166,048.45)</u>	<u>2,918,741.71</u>	
<b>Investment Derivatives-Asset Positions</b>	RFS Bonds 2008B	90,270,000.00	(8,566.42)	6,242,386.00	6,233,819.58	5,727,236.00	515,150.00	Incr. in Fair Value of Inv
	RFS Bonds 2008B	92,045,000.00	(7,280.61)	3,074,296.00	3,067,015.39	2,520,338.00	553,958.00	Incr. in Fair Value of Inv
	RFS Bonds 2008B	117,190,000.00	(11,263.50)	8,206,203.00	8,194,939.50	7,453,378.00	752,825.00	Incr. in Fair Value of Inv
			<u>299,505,000.00</u>	<u>(27,110.53)</u>	<u>17,522,885.00</u>	<u>17,495,774.47</u>	<u>15,700,952.00</u>	<u>1,821,933.00</u>
<b>Investment Derivatives-Liability Positions</b>	RFS Bonds 2001A	6,955,000.00	14,551.77	(459,965.39)	(445,413.62)	(915,707.65)	455,742.26	Incr. in Fair Value of Inv
	PUF Bonds 2006B	284,065,000.00	2,504.28	(8,636,823.07)	(8,634,318.79)	(10,988,695.79)	2,351,872.72	Incr. in Fair Value of Inv
			<u>291,020,000.00</u>	<u>17,056.05</u>	<u>(9,096,788.46)</u>	<u>(9,079,732.41)</u>	<u>(11,904,403.44)</u>	<u>2,807,614.98</u>
<b>TOTAL</b>		<u>\$1,961,490,000.00</u>	<u>5,264,760.99</u>	<u>(193,821,210.20)</u>	<u>(188,556,449.21)</u>	<u>(201,369,499.89)</u>	<u>7,548,289.69</u>	

### Derivative Instrument Objectives

<b>Interest Rate Swaps - by type</b>	<b>Hedgeable Item</b>	<b>Current Notional</b>	<b>Objective</b>	<b>Effective at 8/31/12?</b>	<b>Evaluation for Effectiveness</b>
<b>Hedging Derivative Liabilities</b>	PUF Bonds 2008A	\$195,690,000.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	PUF Bonds 2008A	195,690,000.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	166,850,000.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	166,850,000.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	141,725,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	141,725,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	332,120,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
<b>Investment Derivatives</b>	RFS Bonds 2001A	3,590,000.00	Hedge changes in cash flows on Series 2001A bonds	No	N/A
	PUF Bonds 2006B	284,065,000.00	Hedge changes in cash flows on Series 2006B bonds	N/A	N/A
	PUF Bonds 2008A	195,690,000.00	Hedge changes in cash flows on Series 2008A bonds	No	N/A
	RFS Bonds 2008B	90,270,000.00	Hedge changes in cash flows on Series 2008B bonds	No	N/A
	RFS Bonds 2008B	92,045,000.00	Hedge changes in cash flows on Series 2008B bonds	No	N/A
	RFS Bonds 2008B	117,190,000.00	Hedge changes in cash flows on Series 2008B bonds	No	N/A
	RFS Bonds 2008B	110,585,000.00	Hedge changes in cash flows on Series 2008B bonds	N/A	N/A
<b>TOTAL</b>		<b><u>\$2,234,085,000.00</u></b>			



### Derivative Instrument Objectives

Interest Rate Swaps - by type	Hedgeable Item	Current Notional	Objective	Effective at 8/31/11?	Evaluation for Effectiveness
<b>Hedging Derivative Liabilities</b>	PUF Bonds 2008A	\$198,112,500.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	PUF Bonds 2008A	198,112,500.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	167,387,500.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	167,387,500.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	145,530,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	145,530,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	348,905,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
<b>Investment Derivatives</b>	RFS Bonds 2001A	6,955,000.00	Hedge changes in cash flows on Series 2001A bonds	No	N/A
	PUF Bonds 2006B	284,065,000.00	Hedge changes in cash flows on Series 2006B bonds	N/A	N/A
	RFS Bonds 2008B	90,270,000.00	Hedge changes in cash flows on Series 2008B bonds	No	N/A
	RFS Bonds 2008B	92,045,000.00	Hedge changes in cash flows on Series 2008B bonds	No	N/A
	RFS Bonds 2008B	117,190,000.00	Hedge changes in cash flows on Series 2008B bonds	No	N/A
<b>TOTAL</b>		<u><u>\$1,961,490,000.00</u></u>			

No derivative instruments were reclassified from a hedging derivative instrument to an investment derivative instrument in 2012 or 2011. The fair value of interest rate swaps reported as investment derivatives-asset positions of \$14,508,883.65 and \$17,522,885.00 as of August 31, 2012 and 2011, respectively, is included on the consolidated balance sheet as noncurrent unrestricted investments and in the summary of investments in Note 6. The fair value of interest rate swaps reported as investment derivatives-liability positions of \$6,553,994.50 and \$9,096,788.46 as of August 31, 2012 and 2011, respectively, are included on the consolidated balance sheet as investment derivatives-liability positions. The change in fair value of interest rate swaps reported as investment derivatives included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net assets, was an increase in the amount of \$78,792.61 and an increase in the amount of \$4,629,547.98 for the years ending August 31, 2012 and 2011, respectively.

### **Hedging Derivative Instrument and Investment Derivative Risks**

**Credit Risk:** The System is exposed to credit risk if the counterparty to an interest rate swap fails to meet the terms and obligations of its contracts. Contracts with a positive fair value expose the System to credit risk. The System faces a maximum possible loss equivalent to the amount of the swap contract's fair value, less any collateral held by the System provided by the counterparty. Contracts with a negative fair value do not expose the System to credit risk. All of the counterparties associated with swap contracts with the System are creditworthy financial institutions. Additionally, each of the System's swap counterparties has agreed to provide collateral to the System to the extent the positive fair value exceeds certain threshold amounts. Should a counterparty fail to meet its contractual agreements, or if the System's credit rating falls below investment grade (Baa2 by Moody's or BBB by S&P), the System could be required to pay or receive a substantial termination payment. As of August 31, 2012, the System's credit ratings were Aaa by Moody's and AAA by S&P. The System does not have to post collateral due to changes in fair value of its swap agreements. As of August 31, 2012, the maximum loss due to credit risk is \$12,894,668.33. It is the System's policy to require counterparty collateral posting provisions in its non-exchange-traded derivative instruments. These terms require collateralization of the aggregate fair value of derivative instruments in asset positions, net of the effect of applicable threshold amounts based on each counterparty's credit rating. Collateral posted is in the form of cash, U.S. Treasury or U.S. agency securities held directly by the System or by a third-party custodian approved by the System. The System has not entered into master netting arrangements.

**Interest Rate Risk:** Interest rate risk involves the risk that the value of the System's interest rate swaps will fluctuate because of changes in interest rates. The value of interest rate swap agreements with a longer weighted average maturity tend to be more sensitive to changing interest rates, and therefore, more volatile than those with shorter maturities.

**Basis Risk:** The System is exposed to basis risk when the variable rate received under an interest rate swap does not match the variable rate paid on hedged bonds. The interest rate on the System's variable rate bonds is a tax-exempt interest rate based on the System's credit ratings. The variable receipt on the System's interest rate swaps is based on either a tax-exempt index (SIFMA) or a taxable index (LIBOR). Tax-exempt interest rates can change without a corresponding change in taxable interest rates due to factors affecting the tax-exempt market that do not have a similar effect on the taxable market.

**Termination Risk:** Termination risk is the risk that the swap may be terminated prior to its scheduled maturity date as a result of certain specified events. None of the System's interest rate swaps are subject to automatic early termination. The System is subject to termination risk if the System's credit rating falls below investment grade (Baa2 by Moody's or BBB by S&P), or if the System commits a specified event of default or other specified event of termination. As of August 31, 2012, the System's credit ratings were Aaa by Moody's and AAA by S&P. The System has the right to optionally terminate any of its swaps at any time. At termination, if the fair value of the swap is negative, the System would be liable to pay a termination payment to the appropriate counterparty in the amount of the swap's fair value. If the fair value of the swap is positive at termination, the counterparty would owe a termination payment to the System in the amount of the swap's fair value.

**Rollover Risk:** Rollover risk is the risk caused by a mismatch between the amortization of a derivative contract and the underlying hedged bonds. The System is not exposed to rollover risk by exactly matching the notional amounts and amortization schedules of its swap contracts with the principal amounts and amortization schedules of the associated hedged bonds.

**Market Access Risk:** Each swap associated with underlying variable rate debt that is subject to tender at the option of the bondholder is subject to market access risk. In the event the System is unable to remarket its variable rate bonds, the System may choose to refund the variable rate bonds with fixed-rate bonds and optionally terminate the related interest rate swap agreements. Should an early termination event occur, the System could be required to pay or to receive a substantial termination payment. As of August 31, 2012, the System had market risk associated with \$1,344,315,000.00 aggregate notional amount of pay-fixed, receive-variable interest rate swaps used to hedge interest rate risk on variable rate bonds subject to tender. As of August 31, 2012, the System's variable rate bonds carried the highest short term ratings from Moody's and S&P of VMIG1 and A-1+, respectively.

**Swap Scheduled Payments**

The following tables reflect the scheduled payments on the swap agreements which differ from the presentation in the projected bond debt service requirements table for the related demand bonds. The debt service requirements reflect the entire outstanding balance of the demand bonds in 2013 because the bonds are supported by internal liquidity.

As of August 31, 2012

Fiscal Year	Associated Variable Rate Bonds		Pay-Fixed Receive-Variable Interest Rate	Total
	Principal <sup>1</sup>	Interest <sup>2</sup>	Swaps <sup>3</sup>	
2013	\$ 35,105,000.00	1,879,522.75	48,028,221.02	85,012,743.77
2014	32,610,000.00	1,830,204.75	46,754,911.91	81,195,116.66
2015	33,830,000.00	1,784,753.50	45,601,466.19	81,216,219.69
2016	35,095,000.00	1,737,601.25	44,404,314.43	81,236,915.68
2017	26,175,000.00	1,688,685.25	43,161,948.20	71,025,633.45
2018-2022	183,015,000.00	9,567,131.25	244,533,666.05	437,115,797.30
2023-2027	239,085,000.00	4,759,881.25	121,880,034.30	365,724,915.55
2028-2032	307,955,000.00	4,431,914.00	113,865,819.03	426,252,733.03
2033-2037	339,775,000.00	2,319,804.00	59,895,095.96	401,989,899.96
2038-2042	111,670,000.00	165,552.75	4,210,826.40	116,046,379.15

<sup>1</sup>Reflects scheduled principal and interest payments of Revenue Financing System Refunding Bonds, Series 2001A, Revenue Financing System Refunding Bonds, Series 2007B, Revenue Financing System Bonds, Series 2008B, and Permanent University Fund Bonds, Series 2008A to be optionally or mandatorily redeemed in the fiscal years reflected.

<sup>2</sup>Annual debt service requirements are computed using the System's interest rates in effect on August 31, 2012 on its Series 2008A Bonds, Series 2001A Bonds, Series 2007B Bonds, and Series 2008B Bonds.

<sup>3</sup>Reflects net payments on pay-fixed, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2012 and applied on the respective notional amounts of the swaps through their respective termination dates.

As of August 31, 2012

Fiscal Year	Associated Variable Rate Bonds		Pay-Variable Receive-Variable Interest Rate	Total
	Principal <sup>1</sup>	Interest <sup>2</sup>	Swaps <sup>3</sup>	
2013	\$ -	419,306.50	(752,265.30)	(332,958.80)
2014	-	419,306.50	(752,265.30)	(332,958.80)
2015	-	419,306.50	(752,265.30)	(332,958.80)
2016	-	419,306.50	(752,265.30)	(332,958.80)
2017	-	419,306.50	(752,265.30)	(332,958.80)
2018-2022	-	2,515,839.00	(4,513,591.80)	(1,997,752.80)
2023-2027	24,605,000.00	1,677,226.00	(3,009,061.20)	23,273,164.80
2028-2032	112,000,000.00	1,604,173.50	(2,940,705.36)	110,663,468.14
2033-2037	125,630,000.00	800,944.50	(1,483,139.44)	124,947,805.06
2038-2042	37,270,000.00	65,113.00	(120,324.28)	37,214,788.72

<sup>1</sup>Principal and interest requirements on a portion of the outstanding Revenue Financing System Bonds, Series 2008B are reflected in both tables above as a portion of the Series 2008B bonds have associated pay-fixed, receive-variable and pay-variable, receive-variable interest rate swaps that modify the System's interest rate exposure on the related Series 2008B bonds.

<sup>2</sup>Annual debt service requirements are computed using the System's interest rates in effect on August 31, 2012 on its Series 2008B Bonds.

<sup>3</sup>Reflects net payments on pay-fixed, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2012 and applied on the respective notional amounts of the swaps through their respective termination dates.

## As of August 31, 2012

Fiscal Year	Associated Fixed Rate Bonds		Pay-Variable Receive-Variable Interest Rate	Total
	Principal <sup>1</sup>	Interest <sup>1</sup>	Swaps <sup>2</sup>	
2013	\$ -	14,851,562.50	(54,262.66)	14,797,299.84
2014	-	14,851,562.50	(54,262.66)	14,797,299.84
2015	-	14,851,562.50	(54,262.66)	14,797,299.84
2016	-	14,851,562.50	(54,262.66)	14,797,299.84
2017	-	14,851,562.50	(54,262.66)	14,797,299.84
2018-2022	78,055,000.00	85,271,425.00	(311,161.45)	163,015,263.55
2023-2027	55,405,000.00	32,275,850.00	(117,211.11)	87,563,638.89
2028-2032	104,045,000.00	23,332,837.50	(84,896.86)	127,292,940.64
2033-2037	46,560,000.00	6,142,237.50	(22,348.61)	52,679,888.89

<sup>1</sup>Reflects scheduled principal and interest payments of Permanent University Fund Bonds, Series 2006B.

<sup>2</sup>Reflects net payments on pay-variable, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2012 and applied on the respective notional amounts of the swaps through its respective termination dates.

## As of August 31, 2011

Fiscal Year	Associated Variable Rate Bonds		Pay-Fixed Receive-Variable Interest Rate Swaps <sup>3</sup>	Total
	Principal <sup>1</sup>	Interest <sup>2</sup>		
2012	\$ 33,715,000.00	1,688,772.25	48,703,441.34	84,107,213.59
2013	35,105,000.00	1,648,698.25	47,492,106.06	84,245,804.31
2014	32,610,000.00	1,606,998.25	46,231,227.91	80,448,226.16
2015	33,830,000.00	1,567,548.00	45,090,826.19	80,488,374.19
2016	35,095,000.00	1,526,622.25	43,907,206.43	80,528,828.68
2017-2021	136,590,000.00	7,093,759.75	203,918,864.32	347,602,624.07
2022-2026	252,080,000.00	5,993,496.75	172,130,362.85	430,203,859.60
2027-2031	302,680,000.00	4,304,202.75	123,357,939.81	430,342,142.56
2032-2036	305,815,000.00	2,464,558.00	70,135,576.80	378,415,134.80
2037-2041	210,510,000.00	408,730.75	11,419,960.16	222,338,690.91

<sup>1</sup>Reflects scheduled principal and interest payments of Revenue Financing System Refunding Bonds, Series 2001A, Revenue Financing System Refunding Bonds, Series 2007B, Revenue Financing System Bonds, Series 2008B, and Permanent University Fund Bonds, Series 2008A to be optionally or mandatorily redeemed in the fiscal years reflected.

<sup>2</sup>Annual debt service requirements are computed using the System's interest rates in effect on August 31, 2011 on its Series 2008A Bonds, Series 2001A Bonds, Series 2007B Bonds, and Series 2008B Bonds.

<sup>3</sup>Reflects net payments on pay-fixed, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2011 and applied on the respective notional amounts of the swaps through their respective termination dates.

## As of August 31, 2011

Fiscal Year	Associated Variable Rate Bonds		Pay-Variable Receive-Variable Interest Rate Swaps <sup>3</sup>	Total
	Principal <sup>1</sup>	Interest <sup>2</sup>		
2012	\$ -	359,404.50	(357,920.78)	1,483.72
2013	-	359,404.50	(357,920.78)	1,483.72
2014	-	359,404.50	(357,920.78)	1,483.72
2015	-	359,404.50	(357,920.78)	1,483.72
2016	-	359,404.50	(357,920.78)	1,483.72
2017-2021	-	1,797,022.50	(1,789,603.90)	7,418.60
2022-2026	-	1,797,022.50	(1,789,603.90)	7,418.60
2027-2031	113,905,000.00	1,511,686.50	(1,542,000.74)	113,874,685.76
2032-2036	121,285,000.00	832,060.50	(873,474.53)	121,243,585.97
2037-2041	64,315,000.00	132,985.50	(138,975.11)	64,309,010.39

<sup>1</sup>Principal and interest requirements on a portion of the outstanding Revenue Financing System Bonds, Series 2008B are reflected in both tables above as a portion of the Series 2008B bonds have associated pay-fixed, receive-variable and pay-variable, receive-variable interest rate swaps that modify the System's interest rate exposure on the related Series 2008B bonds.

<sup>2</sup>Annual debt service requirements are computed using the System's interest rates in effect on August 31, 2011 on its Series 2008B Bonds.

<sup>3</sup>Reflects net payments on pay-fixed, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2011 and applied on the respective notional amounts of the swaps through their respective termination dates.

## August 31, 2011

Fiscal Year	Associated Fixed Rate Bonds		Pay-Variable Receive- Variable Interest Rate Swaps <sup>2</sup>	Total
	Principal <sup>1</sup>	Interest <sup>1</sup>		
2012	\$ -	14,851,562.50	80,337.56	14,931,900.06
2013	-	14,851,562.50	80,337.56	14,931,900.06
2014	-	14,851,562.50	80,337.56	14,931,900.06
2015	-	14,851,562.50	80,337.56	14,931,900.06
2016	-	14,851,562.50	80,337.56	14,931,900.06
2017-2021	50,720,000.00	73,020,812.50	394,690.98	124,135,503.48
2022-2026	82,740,000.00	51,471,262.50	277,272.24	134,488,534.74
2027-2031	104,045,000.00	28,795,200.00	155,117.82	132,995,317.82
2032-2036	46,560,000.00	8,586,637.50	46,255.64	55,192,893.14

<sup>1</sup>Reflects scheduled principal and interest payments of Permanent University Fund Bonds, Series 2006B.

<sup>2</sup>Reflects net payments on pay-variable, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2011 and applied on the respective notional amounts of the swaps through its respective termination dates.

### 13. Note Indebtedness

The System had RFS Commercial Paper Notes, Series A and PUF Taxable Commercial Paper Notes, Series B, outstanding at August 31, 2012 and 2011. The notes are issued to provide interim financing for capital improvements and to finance equipment purchases. While the interest is payable on these notes in periodic installments not to exceed 270 days, they are generally intended to be refinanced with long-term debt. Information pertaining to the balances and activity of these notes is reflected in Note 11.

General information related to notes and loans payable at August 31, 2012, which in substance are not bonds, is summarized as follows:

- Note or loan payable issue name: Permanent University Fund Commercial Paper Notes, Series A and Taxable Commercial Paper Notes, Series B  
 Purpose: To provide new money  
 Issue Date: September 1, 2011 through August 31, 2012  
 Authorized Amount: Aggregate principal amount not to exceed \$500 million  
 Source of revenue for debt service: Available University Fund
- Note or loan payable issue name: Revenue Financing System (RFS) Commercial Paper Notes, Series A and Taxable Commercial Paper Notes, Series B  
 Purpose: To provide new money  
 Issue Date: September 1, 2011 through August 31, 2012  
 Authorized Amount: Aggregate principal amount not to exceed \$1.25 billion  
 Source of revenue for debt service: All pledged revenues, subject to the provisions of the Prior Encumbered Obligations, collectively: (a) the pledged tuition fee; (b) the pledged General Fee; and (c) any or all of the revenues, funds, and balances lawfully available to the Board and derived from and attributable to any Member of the Revenue Financing System, which are lawfully available to the Board for payments on parity debt.  
 Terms: Interest payable in periodic installments not to exceed 270 days at a variable rate

Other Notes Payable includes:

- Note or loan payable issue name: Charitable Remainder Trust  
 Purpose: Fine Arts Foundation (a blended component unit) purchase of the Suida Manning Art Collection  
 Component Unit: UT Austin's Blended Component Unit  
 Issue Date: January 4, 1999  
 Authorized Amount: \$12,000,000.00  
 Source of revenue for debt service: Gift  
 Terms: January 4, 1999 through April 17, 2016
- Note or loan payable issue name: Charitable Lead Trust  
 Purpose: Fine Arts Foundation (a blended component unit) purchase of the Suida Manning Art Collection  
 Component Unit: UT Austin's Blended Component Unit  
 Issue Date: January 4, 1999  
 Authorized Amount: \$10,713,200  
 Source of revenue for debt service: Gift  
 Terms: January 4, 1999 through April 17, 2016
- Note or loan payable issue name: City of Shavano Park Health Facilities Development Corporation  
 Purpose: Purchase EPIC Patient and Sales Tracking Software Package  
 Institution: UT Health Science Center at San Antonio  
 Issue Date: December 1, 2006  
 Authorized Amount: \$9,000,000  
 Source of revenue for debt service: Patient service from MSRDP Designated Funds collected by UT Medicine San Antonio  
 Terms: February 1, 2007 through January 1, 2018. Interest is computed at 4.13% annually.
- Note or loan payable issue name: City of Shavano Park Health Facilities Development Corporation  
 Purpose: Purchase EPIC Patient and Sales Tracking Software Package  
 Institution: UT Health Science Center at San Antonio  
 Issue Date: January 1, 2007  
 Authorized Amount: \$3,000,000  
 Source of revenue for debt service: Patient service from MSRDP Designated Funds collected by UT Medicine San Antonio  
 Terms: February 1, 2007 through January 1, 2018. Interest is computed at 4.15% annually.

General information related to notes and loans payable retired in 2012 is summarized as follows:

- Note or loan payable issue name: Memorial Hermann Hospital System  
 Purpose: Reimburse Memorial Hermann Hospital System for equipment purchased and operating funds advanced in association with the transfer of clinics from Memorial Hermann Hospital System to UT Physicians  
 Component Unit: UT Health Science Center at Houston's Blended Component Unit  
 Issue Date: July 10, 2000  
 Authorized Amount: \$7,000,000  
 Source of revenue for debt service: Debt and interest to be forgiven upon attainment of specified performance goals.  
 Terms: July 2000 through June 2012

#### 14. Stewardship, Compliance and Accountability

The System had no significant violations of bond or note covenants. Per State law, the System cannot spend amounts in excess of appropriations granted by the Texas Legislature. There are no deficits reported in net assets.

## 15. Risk Management and Related Insurance

The System has seven funded self-insurance plans providing coverage in the following areas: employee health and dental, unemployment compensation, workers' compensation, professional medical liability, property protection, directors and officers/employment practices liability, and construction contractor insurance.

### EMPLOYEE AND RETIREE INSURANCE BENEFITS

The UT System Employee Benefits program provides health insurance, dental insurance, vision insurance, life insurance, accidental death and dismemberment (AD&D), long-term disability, short-term disability, long-term care and flexible spending account coverage to all benefits-eligible employees and retirees of the System and its fifteen institutions. These insurance benefits are provided through both self-funded and fully-insured arrangements. A portion of the System's cost of providing group health and basic life insurance coverage is paid by the State as specified in the General Appropriations Act. The System's Office of Employee Benefits (OEB) is responsible for the overall administration of the insurance plans. OEB was established by Chapter 1601 of the *Texas Insurance Code* and complies with State laws and statutes pertinent to employee benefits for the System.

Effective January 1, 2006, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries under Medicare Part D. Medicare Part D provides sponsors of postemployment healthcare plans with a subsidy of up to 28 percent of the amount of eligible prescription drug benefit costs of retirees who are eligible for, but not enrolled in, Medicare Part D, if the sponsor's plan provides a prescription drug benefit that is actuarially equivalent to the Medicare Part D benefit. The System recognized \$9,756,576.44 and \$10,046,781.72 of Medicare Part D payments from the federal government in 2012 and 2011, respectively.

### UNEMPLOYMENT COMPENSATION INSURANCE

The General Appropriations Act requires the System to reimburse the Texas Workforce Commission (TWC) for 50% of the unemployment benefits paid to former employees that were paid from general revenue funds. The System reimburses the TWC 100% of the unemployment benefits paid to former employees that were paid from local funds.

### WORKERS' COMPENSATION INSURANCE

The University of Texas System Workers' Compensation Insurance (WCI) program provides coverage to all employees of the System and its fifteen institutions. Under the oversight of the System's Office of Risk Management (ORM), the System self-insures and administers the program. The WCI staff is responsible for administering all aspects of the system-wide program, which provides income and medical benefits to all employees who have sustained job-related injuries or occupational diseases. The program's statutory authority is embodied in Chapter 503 of the *Texas Labor Code*.

### PROFESSIONAL MEDICAL LIABILITY BENEFIT PLAN

The coverage provided under the Professional Medical Liability Benefit Plan (Plan) is on an occurrence basis; thus, a participant is covered by the Plan for claims and lawsuits relating to events that occurred while enrolled in the Plan, including those filed after the participant has left the System's employment or training. The Plan covers all of the System staff physicians, dentists, residents, fellows, and medical students who have been enrolled. The limits of liability of the Plan include an annual policy aggregate of \$30 million, an annual aggregate of \$1.5 million for each staff physician (\$500,000.00 per claim), an annual aggregate of \$300,000.00 for each resident or fellow (\$100,000.00 per claim) and a \$75,000.00 annual aggregate for each medical student (\$25,000.00 per claim). Other coverage is available for medical student externships outside of Texas and for approved international activities.

Liability is limited to \$2 million per incident, regardless of the number of claimants or physicians involved in an incident. As of September 1, 2003, the limits of liability are prescribed by law as \$100,000.00 per claim per physician. Also effective September 1, 2003, UT institutions are covered under the Plan for actions that could have been brought against an individual plan participant. The liability of a UT institution is limited by law to \$250,000.00 per claimant and \$500,000.00 per occurrence for bodily injury or death.

### COMPREHENSIVE PROPERTY PROTECTION PROGRAM

The Comprehensive Property Protection Plan (CPPP) uses a combination of interim financing and commercial insurance to provide Fire and All Other Perils (Fire and AOP) coverage, as well as coverage for Named Windstorm and Flood (Wind and Flood). All coverage is subject to the terms, exclusions, limits and conditions of the Insurance Policies. The Fire and AOP program provides a \$1 billion per occurrence limit for most perils, with sub-limits that do apply. The first \$150 million is covered by insurance on a quota share basis with the System retaining twenty-five percent (25%) of the layer for losses associated with the perils of Earthquake and Flood. Deductibles for Fire and AOP are \$5 million per occurrence with a \$15 million annual aggregate limit. Coverage for Named Windstorm and resulting perils provides a



\$150 million per occurrence limit also on a twenty-five percent (25%) quota share basis. Deductibles for Wind and Flood are \$100 million per occurrence for UT Medical Branch at Galveston (locations in Galveston only) and \$50 million per occurrence for UT Health Science Center at Houston (locations in Texas Medical Center only) and UT M. D. Anderson Cancer Center (locations in Texas Medical Center Only). Named Windstorm coverage is provided for other locations with a lower deductible.

In addition, primary policies are purchased on certain flood and wind exposed properties. These policies provide underlying limits (up to \$4.4 million per building/contents for wind and \$1 million maximum building/contents for flood) and are purchased through the Texas Windstorm Insurance Association (TWIA) and the National Flood Insurance Program (NFIP) for facilities in Tier 1 seacoast territories and for properties located in various flood zones. UT Medical Branch at Galveston also purchased a three-year aggregate, campus-specific \$50 million Named Windstorm policy with reinstatement of limit protection to reduce the \$100 million Wind and Flood deductible for locations in Galveston only. The interim financing component of the program participates in losses resulting from physical damage that exceeds the coverage available under these primary policies and the institution's deductible. The interim financing for the Wind and Flood program is funded by annual contributions made by each institution in addition to the payment of insurance premiums.

#### DIRECTORS AND OFFICERS/EMPLOYMENT PRACTICES LIABILITY SELF-INSURANCE PLAN

The Directors and Officers Liability (D&O) and Employment Practices Liability (EPL) Self-insurance Plan (the "Plan") provides coverage for claims arising from actual or alleged wrongful acts performed by the plan beneficiaries. The plan also provides coverage for EPL claims, such as wrongful termination, failure to promote, and wrongful discipline. In 2003, the UT System Board of Regents allocated \$3.7 million from the Available University Fund to establish the D&O/EPL loss reserve fund. Institutions make annual premium contributions to this fund.

Coverage applies to individual board members, employees, faculty, etc., as well as to the System itself. The limit of liability is a \$10 million annual aggregate (Coverages A, B and C combined), except for \$5 million annual aggregate sublimit for Coverage C. Coverage A applies to non-indemnifiable claims made against individuals and it has no deductible. Coverage B applies to a UT institution that is required to indemnify a covered individual with deductibles of \$100,000 per individual and \$300,000 per occurrence. Coverage C applies to a UT institution and related entities with a \$300,000 deductible. An excess coverage commercial insurance policy provides \$10 million limit of liability in excess of a \$5 million aggregate retention which is satisfied by payment of losses under the Plan.

#### ROLLING OWNER CONTROLLED INSURANCE PROGRAM

The Rolling Owner Controlled Insurance Program (ROCIP) was established for the centralized purchase of construction contractor insurance on various capital projects. This program provides workers' compensation and general liability insurance coverage for all contractors enrolled on projects participating in the program. Each coverage carries a \$250,000.00 per occurrence deductible with a maximum \$375,000.00 per occurrence clash deductible, if both a workers' compensation and general liability claim are triggered by the same occurrence. Deductibles are paid through the program's self-insurance fund.

#### INCURRED BUT NOT REPORTED SELF-INSURANCE CLAIMS

Insurance claims that were Incurred But Not Reported (IBNR) were actuarially determined for the employee's health and dental, workers' compensation, professional medical liability, directors and officers/employment practices liability, and rolling owner controlled self-insurance plans. IBNR figures for the workers' compensation, professional medical liability, directors and officers/employment practices liability, and rolling owner controlled self-insurance plans include liabilities for unpaid reported claims and are reported on an undiscounted basis. The IBNR liability for the property protection self-insurance plan is not actuarially determined but rather estimated based on unpaid reported claims. Since an annual accrual is recorded for the third quarter TWC billing, no IBNR liability is recorded for Unemployment Compensation Insurance. No settlements exceeded insurance coverage in the past three fiscal years.

Since the responsibility for processing all claims for employee health and dental benefits has been fully delegated to third parties, the IBNR claims liability for those benefits does not include a provision for unallocated loss adjustment expenses (ULAE). However, it does include a provision of 5% of the projected incurred but unpaid claims for the administrative expenses associated with processing those claims. The IBNR claims liability for the workers' compensation, professional medical liability, directors and officers/employment practices liability, and rolling owner controlled self-insurance plans includes a related accrual for allocated loss adjustment expenses (ALAE), which are the claim-specific defense and settlement costs associated with the ultimate settlement of those claims. They do not include a provision for ULAE, which are general administrative expenses associated with claims settlement, but are not specifically attributable to individual claims.

Changes in the System's claims liabilities for the various self-insurance plans during fiscal years 2012 and 2011 were as follows:

<u>Fiscal Year 2012</u> Plan	IBNR Liability 09/01/11	Current Year Claims and Changes in Estimates	Claims Payments	IBNR Liability 08/31/12
Employee Health and Dental	\$ 78,600,000.00	787,012,309.06	(784,712,309.06)	80,900,000.00
Workers' Compensation	7,985,000.00	5,208,874.53	(5,179,874.53)	8,014,000.00
Professional Medical Liability	16,454,961.00	4,917,970.40	(2,733,260.40)	18,639,671.00
Property Protection – Fire & AOP	400,543.00	140,340.23	(295,553.23)	245,330.00
Directors and Officers/EPL	3,307,982.00	259,507.30	(256,026.30)	3,311,463.00
ROCIP I, II, III, IV and V	5,739,713.00	5,070,899.09	(2,248,424.09)	8,562,188.00
<b>TOTAL</b>	<b>\$ 112,488,199.00</b>	<b>802,609,900.61</b>	<b>(795,425,447.61)</b>	<b>119,672,652.00</b>

  

<u>Fiscal Year 2011</u> Plan	IBNR Liability 09/01/10	Current Year Claims and Changes in Estimates	Claims Payments	IBNR Liability 08/31/11
Employee Health and Dental	\$ 78,100,000.00	724,940,158.87	(724,440,158.87)	78,600,000.00
Workers' Compensation	8,388,000.00	3,865,871.79	(4,268,871.79)	7,985,000.00
Professional Medical Liability	19,409,054.00	178,505.68	(3,132,598.68)	16,454,961.00
Property Protection – Fire & AOP	82,000.00	327,529.81	(8,986.81)	400,543.00
Directors and Officers/EPL	4,294,292.00	(986,310.00)	-	3,307,982.00
ROCIP I, II, III, IV and V	7,382,929.00	1,230,228.29	(2,873,444.29)	5,739,713.00
<b>TOTAL</b>	<b>\$ 117,656,275.00</b>	<b>729,555,984.44</b>	<b>(734,724,060.44)</b>	<b>112,488,199.00</b>

#### 16. Postemployment Health Care and Life Insurance Benefits

In addition to providing pension benefits, the State provides certain health and life insurance benefits for retired employees (OPEB), in accordance with State statutes. Many employees may become eligible for the health and life insurance benefits as a retired employee if they meet certain age and service requirements as defined by the State. Similar benefits for active employees are provided through the same self-funded plan. For the years ended August 31, 2012 and 2011, the contributions for the self-funded plan by the State per full-time retired employee are shown in the following table. The retiree contributes any premium over and above the State contributions.

<u>Level of Coverage</u>	<u>2012</u>	<u>2011</u>
Retiree Only	\$ 462.26	\$ 440.25
Retiree/Spouse	704.58	671.03
Retiree/Children	617.30	587.90
Retiree/Family	861.07	820.06

The number of systemwide retired employees who were eligible for these benefits, as well as the cost of providing the benefits for the years ended August 31, 2012 and 2011 are provided in the following table.

	<u>2012</u>	<u>2011</u>
Number of Retirees	21,188	19,687
Cost to the State	\$ 56,859,760.57	54,867,673.03
Cost to the System	67,758,291.25	58,052,246.64

PLAN DESCRIPTION AND FUNDING POLICY

OPEB are provided to the System's retirees under the UT System Employee Group Insurance Program (EGIP). The EGIP is a single-employer defined benefit OPEB plan. The authority under which the obligations of the plan members and the System are established and may be amended is Chapter 1601, *Texas Insurance Code*.

The System and member contribution rates are determined annually by the System based on the recommendations of the OEB staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs expected to be incurred and (i) the funds appropriated and (ii) the funding policy established by the Texas Legislature in connection with benefits provided through the EGIP. The System revises benefits when necessary to match expected benefit and administrative costs with available revenue. The plan is operated on a pay-as-you-go basis.

The OPEB plan described herein is not administered through a trust.

2012 ANNUAL OPEB COST, EMPLOYER CONTRIBUTIONS AND NET OPEB OBLIGATION							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ARC	Interest on Net OPEB Obligation	Adjustment to the ARC	Annual OPEB Cost $\{(1) + (2) - (3)\}$	Employer Contributions	Increase (Decrease) in Net OPEB Obligation $\{(4) - (5)\}$	Net OPEB Obligation at Beginning of Year	Net OPEB Obligation at End of Year $\{(6) + (7)\}$
\$607,826,687	123,665,643	91,540,552	639,951,778	142,737,223	497,214,555	1,766,652,036	2,263,866,591

THREE-YEAR HISTORY OF ANNUAL OPEB COST AND NET OPEB OBLIGATION

(1)	(2)	(3)	(4)	(5)
Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed $\{(3)/(2)\}$	Net OPEB Obligation at End of Year
August 31, 2010	\$571,760,895	117,023,081	20.5%	1,295,763,104
August 31, 2011	595,169,372	124,280,440	20.9%	1,766,652,036
August 31, 2012	639,951,778	142,737,223	22.3%	2,263,866,591

The OPEB expense (cost) reflected on the Statement of Revenues, Expenses and Changes in Net Assets is net of the employer contributions as these costs are reflected as a portion of payroll related costs.

SCHEDULE OF FUNDING PROGRESS OF THE PLAN AS OF DECEMBER 31, 2010

The Schedule of Funding Progress presents information as of the current valuation date and the two preceding valuation dates.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL) $\{(3) - (2)\}$	Funded Ratio $\{(2)/(3)\}$	Annual Covered Payroll	Ratio of UAAL to Covered Payroll $\{(4)/(6)\}$
December 31, 2008	\$-	5,102,764,529	5,102,764,529	0.0%	4,820,567,837	105.9%
December 31, 2009	-	5,676,867,734	5,676,867,734	0.0%	5,026,491,379	112.9%
December 31, 2010	-	5,956,797,788	5,956,797,788	0.0%	5,309,413,147	112.2%

### ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The Schedule of Funding Progress shown above presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the projection of benefits for financial reporting purposes *does not* explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Actuarial calculations reflect a long-term perspective. In addition, consistent with that perspective, actuarial methods and assumptions used in developing the figures include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities.

The information presented herein was determined as part of the actuarial valuation using the actuarial methods and assumptions summarized below.

<b>Summary of Actuarial Methods and Assumptions</b>	
Actuarial cost method	Entry Age Normal (Level percent of pay)
Asset valuation method	Market
Actuarial assumptions:	
Annual investment return assumption (discount rate) <sup>1</sup>	7.00%
Projected annual salary increases <sup>1</sup>	4.75% to 7.75%
Weighted-average at valuation date <sup>1</sup>	6.42%
Annual Healthcare Trend Rates <sup>1</sup>	8.00% in FYE 2012 Declining to 5.50% in FYE 2018
Amortization method	Level percent
Amortization period	30 year open period

<sup>1</sup>Includes inflation assumption of 3.50%

### SIGNIFICANT FACTORS AFFECTING THE COMPARABILITY OF AMOUNTS REPORTED

The following assumptions used in the most recent valuation (as of December 31, 2010) were changed from those used in the prior valuation (as of December 31, 2009):

- the Assumed Per Capita Health Benefit Costs and Assumed Expenses for retirees and dependents have been updated to reflect claims and expense experience in the twelve months following the date as of which the prior valuation's assumptions were determined;
- the Health Benefit Cost Trend has been updated to reflect changes in short-term expectations of the annual rate of increase of the Assumed Per Capita Health Benefit Costs;
- the assumption for General Price Inflation has been updated to reflect the actuary's best expectation of increases in the general price levels over the long-term;
- General Price Inflation is a component of the Salary Increase and the Health Benefit Cost Trend assumptions, and these assumptions were correspondingly adjusted to reflect the change in the General Price Inflation assumption; and
- Demographic assumptions for Retirement Rates, Salary Increases and Inactive Member Mortality were updated since the prior valuation to be consistent with the assumptions used in the actuarial valuation of the TRS retirement plan as of August 31, 2011; these demographic assumptions were based on an experience study and were previously approved by the TRS Board for use in the retirement plan valuation.

The benefit and eligibility provisions used in the most recent valuation were changed from those used in the prior valuation in order to meet the requirements of the Affordable Care Act. These changes became effective September 1, 2011 and are incorporated into this valuation in accordance with GAAP. Through elimination of deductibles, copayments and coinsurance related to certain preventive care services and extension of coverage to age 26 for children, these benefit and eligibility changes will increase plan cost for retirees. The increased plan cost will increase the employer's Annual OPEB Cost and Actuarial Accrued Liability above the levels they would have otherwise been in the absence of these changes to the benefit and eligibility provisions.

Furthermore, the effects of the Affordable Care Act's addition of the new Cadillac Tax under Internal Revenue Code Section 4980I have been included in this valuation. The present value of the estimated Cadillac Taxes in future years will increase the employer's Annual OPEB Cost and Actuarial Accrued Liability above the levels they would have otherwise been in the absence of this change to the law.

The plan benefit obligations as of December 31, 2011, have been determined based on an actuarial roll-forward of the December 31, 2010 valuation results.

## 17. Pension Plans

### TEACHER RETIREMENT SYSTEM (TRS)

The State of Texas has joint contributory retirement plans for substantially all its employees. One of the primary plans in which the System participates is a cost-sharing multi-employer defined benefit pension plan administered by the Teacher Retirement System of Texas. TRS is primarily funded through State and employee contributions. Depending upon the source of funding for a participant's salary, the System may be required to make contributions in lieu of the State.

All System personnel employed in a position on a half time or greater basis for at least 4½ months or more are eligible for membership in the TRS retirement plan. However, students employed in positions that require student status as a condition of employment do not participate. Members with at least five years of service have a vested right to unreduced retirement benefits at age 65 or provided they have a combination of age plus years of service totaling 80 or more (members who began TRS participation on or after September 1, 2007 must be age 60 to retire under the second option). Members are fully vested after five years of service and are entitled to any reduced benefits for which the eligibility requirements have been met prior to meeting the eligibility requirements for unreduced benefits.

TRS contribution rates for both employers and employees are not actuarially determined but are legally established by the State Legislature. Contributions by employees are 6.4 percent of gross earnings. Depending upon the source of funding for the employee's compensation, the State or the System contributes a percentage of participant salaries totaling 6.0 percent of annual compensation for 2012 and 6.644 percent of annual compensation for 2011 and 2010. The System's contributions to TRS for the years ended August 31, 2012, 2011, and 2010, were \$162,296,369.39, \$166,431,853.74, and \$161,321,575.75, respectively, which equaled the amounts of the required contributions for those years.

TRS does not separately account for each of its component government agencies since the Retirement System itself bears sole responsibility for retirement commitments beyond contributions fixed by the State Legislature. Further information regarding actuarial assumptions and conclusions, together with audited financial statements are included in the Retirement System's annual financial report, which may be found on the TRS website at [www.trs.state.tx.us](http://www.trs.state.tx.us).

OPTIONAL RETIREMENT PROGRAM (ORP)

The State has also established an optional retirement program for institutions of higher education. Participation in the ORP is in lieu of participation in the TRS. ORP is available to certain eligible employees who hold faculty positions and other professional positions including but limited to director-level and above, librarians and coaches. The ORP provides for the purchase of annuity contracts and mutual funds. Participants are vested in the employer contributions after one year and one day of service. Depending upon the source of funding for the employee's compensation, the System may be required to make the employer contributions in lieu of the State. Since these are individual annuity contracts, the State and the System have no additional or unfunded liability for this program. The employee and employer contribution rates are established by the State Legislature each biennium. The State provides an option for a local supplement on top of the state base rate. Each institution within the System can decide to adopt and fund a local supplement each year to provide each ORP employee the maximum employer rate. The chancellor then approves the employer rates each fiscal year. The contributions made by participants (6.65 percent of annual compensation) and the System (6.0 percent state base rate for 2012 and 6.40 percent state base rate for 2011 and 2010 plus any local supplement for a maximum 8.50 percent of annual compensation) for the fiscal years ended August 31, 2012, 2011, and 2010, respectively, are provided in the following table.

		2012	2011	2010
Participant Contributions	\$	128,987,249.00	144,617,852.00	122,419,133.00
System Contributions		165,170,074.00	161,377,272.00	155,766,626.00
Total	\$	<u>294,157,323.00</u>	<u>305,995,124.00</u>	<u>278,185,759.00</u>

EMPLOYEES RETIREMENT SYSTEM (ERS)

Certain employees at UT Medical Branch at Galveston participate in the Employees Retirement System of Texas. The Board of Trustees of the Employees Retirement System of Texas is the administrator of the ERS, which is considered to be a single employer defined benefit pension plan. ERS covers the eligible System employees who are not covered by the TRS or the ORP. Benefits vest after five years of credited service. Employees may retire at age 60 with five years of service or any combination of age plus years of service that equals 80.

The ERS plan provides a standard monthly benefit in a life annuity at retirement as well as death and disability benefits for members. Additional payment options are available. The benefit and contribution provisions are authorized by State law and may be amended by the Texas Legislature. Contribution requirements are not actuarially determined. The ERS contribution requirement, calculated using entry age normal actuarial cost method, is established through State statute.

The funding policy requires monthly contributions by both the State and employees. For the year beginning September 1, 2011, the required contribution for the State and the employee is 6.00 and 6.50 percent of pay, respectively. For Law Enforcement and Custodial Officers Supplemental Retirement Fund eligible employees, the employee contribution is an additional 0.50 percent of pay.

Additional information can be obtained from the separately issued ERS *Comprehensive Annual Financial Report* at <http://www.ers.state.tx.us/home.aspx>.

THE UNIVERSITY OF TEXAS SYSTEM GOVERNMENTAL RETIREMENT ARRANGEMENT (UTGRA)

The University of Texas System Governmental Retirement Arrangement (UTGRA) is a defined contribution pension plan established by the System to provide certain participants in the ORP that portion of their benefits that would otherwise be payable under the ORP except for the \$50,000.00 limit on contributions imposed by Section 415 of the Internal Revenue Code (IRC). At August 31, 2012 and 2011, there were 737 and 709 plan members, respectively. Persons employed by the System prior to September 1, 1996, whose compensation exceeds the limit set by IRC Section 401(a)(17) and whose ORP contribution is limited by the \$50,000.00 cap under IRC Section 415(c), defer 6.65 percent of their excess compensation while the System contributes between 6.58 percent and 8.5 percent depending upon the institution and the date of employment. The System contributed \$4,708,680.41 for the year ended August 31, 2012 and \$3,275,712.75 for the year ended August 31, 2011. The participants contributed \$3,683,849.96 for the year ended August 31, 2012 and \$2,562,763.51 for the year ended August 31, 2011. Plan provisions are established and may be amended at any time by the UT System Board of Regents.

Plan assets are valued at fair value and are invested in contracts and accounts in a similar manner to the ORP. Participants are immediately vested in the plan, both for the employee deferrals and the employer contributions. However, deferrals, contributions, purchased investments and earnings attributable to the plan are the property of the System and subject only to the claims of the System's general creditors. Participant's rights under the plan are equal to those of the general creditors of the System in an amount equal to the fair value of the participant's account balance. The System has no liability under the UTGRA that would exceed the aggregate value of the investments, and it is unlikely that any of UTGRA's assets will be used to satisfy the claims of general creditors in the future.

**PHYSICIANS REFERRAL SERVICE SUPPLEMENTAL RETIREMENT PLAN (SRP)/RETIREMENT BENEFIT PLAN (RBP)**

UT M. D. Anderson Cancer Center (the Cancer Center) has established, primarily for the physicians of its Physicians Referral Service, the Physicians Referral Service Supplemental Retirement Plan (SRP)/Retirement Benefit Plan (RBP) of the Anderson Hospital (collectively "the SRP/RBP"). The SRP/RBP is a non-qualified plan described by Section 457(f) of the Internal Revenue Code of 1986, as amended. The SRP/RBP is reported on the accrual basis of accounting. Assets of the SRP/RBP remain subject to the claims of the general creditors of the Cancer Center.

In general, only physicians hired before July 1, 1986, participate in the SRP. The remainder of eligible employees participates in the RBP. Retirement benefits are available to persons who have reached the normal retirement age (55 for the RBP, 65 for the SRP) with five years of service. Early retirement benefits are available under the SRP. Additional information can be obtained from the separately issued financial statements of the SRP/RBP.

**18. Deferred Compensation**

**DEFERRED COMPENSATION-457(b)**

The System employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the TEX. GOV'T. CODE ANN., Sec. 609.001. The System offers its own deferred compensation plan, created in accordance with Internal Revenue Code Section 457(b). All System employees are eligible to participate in the System's plan, and cannot participate in the plan offered by the state of Texas. All investments, amounts, property, and rights held under the Deferred Compensation Trust Fund are held for the exclusive benefit of participants and beneficiaries at the fair market value of the plan account for each participant in the accounts established by the participants with the System's retirement providers. The System has no liability under the plan.

**TAX-SHELTERED ANNUITY-403(b)**

The System also administers the UTSAver Tax-Sheltered Annuity Program (TSA), created in accordance with IRC Section 403(b). All employees are eligible to participate. The UTSAver TSA is a private plan, and the deductions, purchased investments and earnings attributed to each employee's 403(b) plan are held by vendors chosen by the employee. The vendors may be insurance companies, banks or approved non-bank trustees such as mutual fund companies. The assets of this plan do not belong to the System or the State. Therefore, neither the System nor the State has a liability related to this plan.

**19. Commitments and Contingent Liabilities**

On August 31, 2012, various lawsuits and claims involving the System were pending. After conferring with legal counsel concerning pending litigation and claims, the System's management believes that the outcome of pending litigation should not have a material adverse effect on the financial statements of the System.

The System continues to implement its \$6.1 billion capital improvement program, planned for fiscal years 2013 through 2018, to upgrade facilities. Contracts have been entered into for the construction and renovation of various facilities. These projects are in various stages of completion.

The System receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. The System believes that the liability, if any, for reimbursement which may arise as the result of audits, would not be material.

The System has invested in certain hedge funds. These agreements commit the System to future funding amounting to \$122,892,459.00 as of August 31, 2012 and \$42,371,530.00 as of August 31, 2011.

The System has invested in certain private investment funds. These agreements commit the System to future capital contributions amounting to \$3,717,867,684.28 as of August 31, 2012 and \$3,086,712,650.63 as of August 31, 2011.

The System has invested in certain public market fund private placements. These agreements commit the System to future fundings amounting to \$22,000,000.00 as of August 31, 2012.

Based on the credit support annex agreements with all counterparties, the System does not have to post any collateral for any hedging derivative instruments.

Laws and regulations governing the Medicare and Medicaid programs and certain other third-party programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates of third-party settlements will change by a material amount in the near term. The System's intent is to be in compliance with all applicable laws and regulations, and it is not aware of any significant pending or threatened investigations involving allegations of potential wrongdoing other than the UT Southwestern settlement agreement below. Compliance with such laws and regulations can be subject to future review and interpretation. Changes in the Medicare and Medicaid programs and a reduction of funding could have an adverse effect on the System.

In 2011 UT Health Science Center at San Antonio was awaiting a court decision on its appeal of a judgment against the university. Legal counsel indicated that it was likely that the appeals court would reduce the judgment or order a new trial. Because the amount of the loss could not be considered probable or reasonably estimated in 2011, no liability was accrued for this loss contingency. In December 2011, UT Health Science Center at San Antonio received notice that its attempt to appeal was unsuccessful. As ordered by the US District Court, the university paid a total of \$556,026.30 for the plaintiff's settlement and legal costs. Expenses in excess of \$300,000 for the case were reimbursed in January 2012 by the UT System D&O Self-insurance Plan. No liability remains from this legal action.

The Office of Inspector General has been auditing physician supplemental payments for the period May 1, 2004 through September 30, 2007 to determine if the Texas Health and Human Services Commission calculated supplemental payments to the System health institutions in accordance with Federal regulations and the State plan. The audit is underway but a draft report has not yet been issued and it is too early to determine the potential repayment amounts. As such, no estimate can be made and there has been no accrual recorded.



## 20. Matrix of Operating Expenses Reported by Function

For the year ended August 31, 2012, the following table represents operating expenses for both natural and functional classifications for the System:

Operating Expenses	Instruction	Research	Public Service	Hospitals and Clinics	Academic Support
Cost of Goods Sold	\$ 10,659.70	12,756.08	1,325,983.11	86,441,286.10	15,040.18
Salaries and Wages	2,037,673,519.25	1,088,090,409.57	122,017,180.66	1,796,196,013.54	321,756,447.02
Payroll Related Costs	471,275,822.96	262,855,122.90	28,385,008.61	496,175,214.01	79,321,326.49
Professional Fees and Services	29,416,552.27	81,584,410.83	17,035,366.86	130,156,670.18	16,802,415.17
Other Contracted Services	56,166,589.48	151,590,108.53	29,113,416.27	133,673,301.99	28,024,983.55
Scholarships and Fellowships	11,507,913.43	32,140,464.70	3,836,899.05	-	7,733,574.01
Travel	30,645,224.02	42,224,263.47	5,492,618.34	10,949,242.46	9,927,596.50
Materials and Supplies	80,112,913.66	197,186,811.06	23,258,191.24	857,805,872.04	39,368,008.89
Utilities	1,051,202.61	1,275,497.41	543,786.63	6,478,053.02	310,362.68
Communications	20,705,119.10	8,034,152.43	1,713,078.63	14,683,289.79	28,229,389.93
Repairs and Maintenance	6,401,098.04	15,469,665.98	2,562,359.07	71,194,909.31	5,992,949.88
Rentals and Leases	11,573,798.32	8,470,475.37	4,688,729.90	49,070,888.47	6,370,554.84
Printing and Reproduction	6,212,249.84	4,832,152.90	3,287,589.91	4,154,906.69	3,189,232.64
Depreciation and Amortization	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-
Claims and Losses	-	-	-	-	-
Increase in Net OPEB Obligation	-	-	-	-	-
Other Operating Expenses	79,572,210.82	75,319,343.19	22,491,468.72	20,429,266.44	28,200,569.11
Federal Sponsored Pass-through to State Agencies	3,704,212.16	3,697,162.15	1,415,014.78	-	2,136.52
State Sponsored Pass-through to State Agencies	6,870.35	1,433,517.14	71,326.94	-	-
<b>Total Operating Expenses</b>	<b>\$ 2,846,035,956.01</b>	<b>1,974,216,313.71</b>	<b>267,238,018.72</b>	<b>3,677,408,914.04</b>	<b>575,244,587.41</b>

<u>Student Services</u>	<u>Institutional Support</u>	<u>Operations and Maintenance of Plant</u>	<u>Scholarships and Fellowships</u>	<u>Auxiliary Enterprises</u>	<u>Depreciation and Amortization</u>	<u>Total Expenses</u>
211,866.75	700,826.88	263,280.28	-	3,145,096.79	-	92,126,795.87
105,906,502.09	429,459,324.45	200,388,087.37	36,658,994.97	178,232,083.35	-	6,316,378,562.27
25,920,326.13	91,564,282.04	55,479,009.68	5,830,448.46	39,925,529.27	-	1,556,732,090.55
2,819,017.65	36,680,776.96	26,518,400.82	510,778.34	13,217,797.34	-	354,742,186.42
24,561,748.11	60,545,362.68	35,822,439.84	810,054.06	68,287,618.85	-	588,595,623.36
9,041,491.54	1,325,615.55	9,921.99	306,064,442.86	10,003,235.18	-	381,663,558.31
3,342,671.24	8,123,164.42	1,183,080.38	618,834.28	21,128,169.80	-	133,634,864.91
16,630,793.08	40,493,134.11	73,400,767.50	882,483.18	53,030,846.86	-	1,382,169,821.62
27,204.75	5,661,281.74	231,021,265.00	2,576.39	28,456,030.14	-	274,827,260.37
2,484,912.34	32,095,925.26	3,887,669.65	14,270.16	6,460,097.44	-	118,307,904.73
3,332,182.53	36,263,667.25	72,920,603.95	73,014.14	18,791,960.42	-	233,002,410.57
4,924,778.73	11,949,667.25	23,869,703.42	178,218.78	9,140,972.19	-	130,237,787.27
2,364,971.89	4,595,278.33	245,581.70	53,388.64	4,692,061.66	-	33,627,414.20
-	-	-	-	-	1,015,621,870.11	1,015,621,870.11
2,686,748.21	-	(1,000.00)	-	1,930.00	-	2,687,678.21
-	11,426,084.69	-	-	-	-	11,426,084.69
-	497,214,555.00	-	-	-	-	497,214,555.00
10,596,446.48	18,350,050.44	5,188,405.09	1,630,697.73	26,979,653.03	-	288,758,111.05
-	60,981.17	-	-	-	-	8,879,506.78
-	790,029.90	-	-	-	-	2,301,744.33
<u>214,851,661.52</u>	<u>1,287,300,008.12</u>	<u>730,197,216.67</u>	<u>353,328,201.99</u>	<u>481,493,082.32</u>	<u>1,015,621,870.11</u>	<u>13,422,935,830.62</u>

For the year ended August 31, 2011, the following table represents operating expenses for both natural and functional classifications for the System:

<u>Operating Expenses</u>	<u>Instruction</u>	<u>Research</u>	<u>Public Service</u>	<u>Hospitals and Clinics</u>	<u>Academic Support</u>
Cost of Goods Sold	\$ 20,668,497.73	28,975.66	1,927,838.72	63,376,868.94	2,036.85
Salaries and Wages	2,043,000,972.05	1,085,412,425.22	125,399,675.37	1,568,053,037.66	310,012,675.70
Payroll Related Costs	468,035,198.61	264,369,963.93	29,054,287.33	435,612,505.08	73,899,714.86
Professional Fees and Services	32,945,903.84	93,231,060.32	17,837,444.08	108,457,343.50	11,834,066.15
Other Contracted Services	71,683,343.51	163,362,824.90	25,949,861.12	117,605,756.08	26,354,463.61
Scholarships and Fellowships	10,596,511.55	30,024,939.16	4,523,509.51	10,400.76	2,844,408.33
Travel	30,057,851.52	40,679,677.43	5,411,411.19	10,840,688.48	8,747,829.50
Materials and Supplies	89,035,008.42	200,986,402.11	26,718,343.84	726,656,694.74	36,314,753.06
Utilities	2,440,079.72	1,243,304.15	453,442.33	8,144,486.37	136,720.16
Communications	26,071,362.02	8,829,014.63	2,011,866.11	8,417,196.79	27,107,320.41
Repairs and Maintenance	8,087,929.96	15,157,216.39	1,808,682.55	65,855,220.51	5,926,748.22
Rentals and Leases	11,204,857.10	8,392,984.56	4,452,703.84	44,845,176.98	4,955,560.61
Printing and Reproduction	6,511,863.73	6,220,301.85	3,515,792.86	2,025,391.76	3,221,225.71
Depreciation and Amortization	-	-	-	-	-
Bad Debt Expense	190.00	-	-	-	-
Claims and Losses	-	-	-	-	-
Increase in Net OPEB Obligation	-	-	-	-	-
Other Operating Expenses	56,878,332.68	68,687,787.76	25,035,247.44	155,378,510.43	29,696,518.34
Federal Sponsored Pass-through to State Agencies	3,583,160.80	2,517,496.64	1,478,916.81	-	-
State Sponsored Pass-through to State Agencies	21,936.18	1,125,007.83	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 2,880,822,999.42</b>	<b>1,990,269,382.54</b>	<b>275,579,023.10</b>	<b>3,315,279,278.08</b>	<b>541,054,041.51</b>

<u>Student Services</u>	<u>Institutional Support</u>	<u>Operations and Maintenance of Plant</u>	<u>Scholarships and Fellowships</u>	<u>Auxiliary Enterprises</u>	<u>Depreciation and Amortization</u>	<u>Total Expenses</u>
79,409.70	771,561.59	288,133.05	-	4,221,614.13	-	91,364,936.37
106,486,707.63	570,129,454.10	220,689,784.38	36,040,068.58	168,337,388.52	-	6,233,562,189.21
26,633,975.67	58,315,873.77	58,027,878.84	5,737,907.97	40,797,558.64	-	1,460,484,864.70
2,101,344.06	99,680,802.16	28,768,294.63	423,830.91	13,900,655.39	-	409,180,745.04
5,938,358.69	56,674,377.53	35,475,940.18	571,600.01	51,397,367.90	-	555,013,893.53
7,637,776.47	7,172,869.85	22,745.74	373,676,394.65	9,608,425.35	-	446,117,981.37
3,078,603.07	8,335,005.28	1,198,698.98	542,480.20	18,100,030.35	-	126,992,276.00
11,968,512.55	41,050,204.60	63,894,159.00	915,209.33	51,079,825.30	-	1,248,619,112.95
34,318.74	(21,811,725.05)	233,525,580.09	7,288.84	29,491,427.46	-	253,664,922.81
1,820,008.05	(6,336,917.14)	3,179,606.13	17,225.74	5,633,665.50	-	76,750,348.24
2,274,456.40	34,923,873.47	84,160,641.98	(176,461.70)	16,697,362.82	-	234,715,670.60
3,529,915.98	13,625,222.44	27,360,467.42	144,210.94	9,837,601.09	-	128,348,700.96
2,509,592.90	(3,857,334.73)	277,709.60	40,874.18	4,754,003.72	-	25,219,421.58
-	-	-	-	-	902,392,156.25	902,392,156.25
2,618,149.53	-	-	-	-	-	2,618,339.53
-	17,093,182.05	-	-	-	-	17,093,182.05
-	470,888,932.00	-	-	-	-	470,888,932.00
9,638,209.92	(125,804,722.45)	(26,406,822.72)	1,341,868.72	33,886,072.46	-	228,331,002.58
-	-	-	360,555.51	-	-	7,940,129.76
-	955,742.03	-	-	-	-	2,102,686.04
<u>186,349,339.36</u>	<u>1,221,806,401.50</u>	<u>730,462,817.30</u>	<u>419,643,053.88</u>	<u>457,742,998.63</u>	<u>902,392,156.25</u>	<u>12,921,401,491.57</u>

## 21. Net Assets

The System's net assets at August 31, 2012 and 2011 were comprised of the following:

	2012	2011
Invested in capital assets, net of related debt	\$ 5,265,135,623.77	5,029,154,009.67
Restricted		
Nonexpendable	15,128,697,353.89	12,233,569,682.48
Expendable	9,504,848,844.15	9,782,538,749.21
Total restricted	24,633,546,198.04	22,016,108,431.69
Unrestricted net assets:		
Unrestricted		
Reserved		
Encumbrances	1,157,363,259.72	1,063,647,315.26
Accounts receivable (less unearned revenue portion)	903,890,800.61	884,549,347.38
Inventories	87,498,895.89	79,697,216.67
Self-insurance plans	357,329,336.84	333,229,453.58
Higher Education Assistance Fund (HEAF)	12,573,536.21	12,186,116.81
Other specific purposes:		
Advanced Research/Advanced Technology Programs	2,363,333.42	5,111,845.98
Notes Receivable	-	99,763.53
Deposits	5,536,982.74	4,893,506.10
Prepaid expenses	108,131,427.01	83,697,413.87
Deferred charges	12,993,006.03	13,260,750.43
Imprest funds	1,248,847.29	1,236,445.75
Travel advances	264,745.86	237,677.25
Unreserved		
Allocated		
Funds functioning as endowment-unrestricted	663,548,841.68	689,882,637.65
Provision for operating budgets	4,457,232.00	257,020.00
Capital projects	591,453,341.20	529,294,207.12
Debt service	183,393,991.22	176,940,040.18
Start-up/matching	36,321,717.23	54,391,647.08
Utilities reserve	45,793,408.06	37,131,834.40
Research enhancement and support	162,463,988.64	152,747,151.35
Market adjustments	43,500,052.96	47,489,012.24
Student fees	158,806,416.79	102,978,066.18
Texas Tomorrow Fund shortfall	9,461,614.19	10,686,510.83
Instructional program support	326,623,666.90	335,795,200.63
Dean, chair and faculty recruitment packages	11,515,521.98	14,454,923.38
Self-supporting enterprises	83,219,565.10	218,527,172.40
Patient care support	273,812,789.08	212,056,931.05
Practice plan minimum operating reserve of 90 days	244,980,602.12	243,600,447.85
Uncompensated Patient Care	-	1,798,500.00
Unallocated	(2,004,855,112.61)	(1,934,090,163.60)
Total unrestricted	3,483,691,808.16	3,375,787,991.35
Total net assets	\$ 33,382,373,629.97	30,421,050,432.71

As of August 31, 2012 and 2011, restricted nonexpendable net assets include \$10,942,330,319.56 and \$8,214,528,602.13, respectively, of the Permanent University Fund corpus, and \$820,000,000.00 for both years of the Permanent Health Fund corpus. As of August 31, 2012 and 2011, restricted expendable net assets include \$5,318,444,522.98 and \$5,603,375,670.37, respectively, of the Permanent University Fund appreciation, and \$156,553,314.91 and \$172,932,130.60, respectively, of the Permanent Health Fund appreciation.

Unrestricted net assets, detailed in the table above, are not subject to externally imposed stipulations. Unrestricted net assets may be designated for special purposes by actions of the Texas Legislature, internal management, and the UT System Board of Regents, or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net assets are designated for academic programs, patient care, research programs and initiatives, and capital programs.

## 22. Termination Benefits

In 2011, UT System Administration contracted with NextJob to provide outplacement services to employees of the System who implemented a reduction in force as a result of the budgets cuts implemented by the State. UT System Administration incurred expenses of \$247,740.00 for 398 terminated employees of the System as of August 31, 2012 and \$317,570.00 for 674 terminated employees as of August 31, 2011. While UT System Administration contracted with NextJob, the UT institutions may incur travel expenses for NextJob if they request NextJob to come to their campus or if the institution requests services that fall outside of the standard service in the contract.

In 2011, UT System Administration implemented reductions in force effective May 31, 2011 and August 31, 2011. The benefits package provided to the 61 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

In 2011, The University of Texas at Arlington (UT Arlington) implemented a Voluntary Separation Incentive Program for tenured or tenure-track faculty members with an assignment of 100 percent as of May 31, 2011. The benefits package provided to the twenty-seven faculty members consisted of payment of 100% of their 2010-2011 annual salary. UT Arlington incurred expenses of \$2,232,076.00 in the Voluntary Separation Incentive Program in 2011.

In 2012 and 2011, UT Austin offered early retirement incentives at several points throughout the year. In 2012, the benefits package provided to two of the terminated employees consisted of a one-time \$16,000.00 early exit incentive per employee. The remaining 20 terminated employees were provided packages consisting of one-time early incentives ranging from \$60,213.00 to \$405,352.00. UT Austin incurred expenses of \$3,980,055.00 in early exit incentives in 2012. In 2011, the benefits package provided to 39 of the terminated employees consisted of a one-time \$16,000.00 early exit incentive per employee. The remaining 44 terminated employees were provided packages consisting of one-time early incentives ranging from \$16,115.00 to \$312,400.00. UT Austin incurred expenses of \$6,184,762.50 in early exit incentives in 2011.

In 2012, UT Brownsville issued job termination notices for 89 faculty members related to the end of the partnership between UT Brownsville and Texas Southmost College. UT Brownsville incurred expenses of \$640,000 in early exit incentives in 2012. In 2011, UT Brownsville offered early retirement incentives at two points throughout the year. UT Brownsville incurred expenses of \$993,000.00 in early exit incentives for the 39 employees in 2011. Also in 2011, UT Brownsville implemented an additional reduction in force. The benefits package provided to the 44 involuntarily terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

In 2012, the University of Texas – Pan American (UT Pan American) offered voluntary retirement incentive packages to 33 employees for a total cost of \$824,391.45. In 2011, UT Pan American implemented a reduction in force effective August 31, 2011. The benefits package provided to the 69 terminated employees consisted of a one-time incentive payment that equates to one half of the employee's base salary for voluntarily separating and providing outplacement services to the remainder of the terminated employees. UT Pan American incurred expenses of \$1,278,903.28 in early exit incentives in 2011.

In 2012, the University of Texas at San Antonio (UT San Antonio) offered retirement incentive packages to 24 eligible faculty members. The benefits packages offered to the faculty members consisted of a lump-sum payment equal to their nine-month base salary. U T San Antonio incurred expenses of \$2,320,208.00 in early exit incentives in 2012. In 2012, UT San Antonio also implemented a reduction in force that affected 8 employees. The benefits package provided to the 8 involuntarily terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered. In 2011, UT San Antonio implemented a reduction in force effective August 31, 2011. The benefits package provided to the 8 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

In 2011, UT Southwestern Medical Center implemented a reduction in force effective August 31, 2011. The benefits package provided to the 105 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

In 2012, UT Medical Branch at Galveston implemented reductions in force throughout the year. The benefits package provided to the 160 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered. In 2011, UT Medical Branch at Galveston implemented a reduction in force effective August 31, 2011. The benefits package provided to the 11 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

In 2011, UT Health Science Center at Houston implemented a reduction in force effective September 7, 2010. The benefits package provided to the 192 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

In 2011, UT Health Science Center at San Antonio implemented a reduction in force effective August 31, 2011. The benefits package provided to the 67 terminated employees consisted of normal benefits and salaries with no special benefits or severance packages offered.

Healthcare continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA) is provided for both voluntary and involuntary terminations. COBRA participants are eligible to continue group benefits for 18 to 36 months, depending upon the circumstances leading to loss of coverage. In addition, as part of the American Recovery and Reinvestment Act (ARRA), employees who were involuntarily terminated between September 1, 2008 and May 31, 2010 and their covered dependents may be eligible for reduced COBRA premiums of 35% for up to fifteen months. The final subsidized period, during which federal funds pay the remaining 65% of COBRA premiums for eligible individuals, ended on August 31, 2011. The 65% subsidy will be paid to the former employer by the federal government in the form of a reduction in a payroll tax deposit or a credit on the IRS Form 941. Federal funding received in 2012 and 2011 totaled \$232,868.63 and \$1,012,702.11, respectively, for all insured plans. COBRA benefits for the self-insured plans offered by the System for the years ended August 31, 2012 and 2011 are provided below:

	2012	2011
Total Number of Participants <sup>1</sup>	1,864	3,344
Premium Revenue <sup>2</sup>	\$ 5,032,025.61	4,014,054.67
2% Administrative Fee Revenue <sup>3</sup>	(98,664.71)	(107,926.70)
Net Revenue for COBRA Premium	4,933,360.90	3,906,127.97
Federal COBRA Subsidy <sup>4</sup>	232,868.83	1,012,702.11
Net COBRA Premium & Subsidy	5,166,229.73	4,918,830.08
Less Claims Paid	(11,397,830.46)	(10,146,384.79)
Cost to State	\$ (6,231,600.73)	(5,227,554.71)

<sup>1</sup>The participants above are for the self-insured program, which includes 393 and 648 COBRA subsidy participants in 2012 and 2011, respectively.

<sup>2</sup>Premium revenue includes premiums received from COBRA participants not eligible for the Federal subsidy as well as the 35% of premiums paid by the participants that are eligible for the 65% subsidy.

<sup>3</sup>The 2 percent administrative fee is retained by the vendor administering the COBRA benefit and is paid by the participant.

<sup>4</sup>The Federal COBRA subsidy is funding that the System will receive from the federal government under ARRA for the self-insured plans offered. This subsidy does not include that which the System will receive for the fully-insured dental and vision plans.

### 23. Subsequent Events

On October 2, 2012, the UT System Board of Regents issued \$75,000,000.00 in PUF Taxable Commercial Paper Notes, Series B to finance a variety of capital projects and equipment purchases at various UT System institutions. Subsequent to this issuance, the System had \$397,000,000.00 of PUF Taxable Commercial Paper Notes, Series B outstanding.

On November 5, 2012, the UT System Board of Regents issued \$50,316,000.00 in RFS Commercial Paper Notes, Series A to finance a variety of capital projects and equipment purchases at various UT System institutions. Subsequent to this issuance, the System had \$291,420,000.00 of RFS Commercial Paper Notes, Series A outstanding.

### 24. Upcoming Accounting Pronouncements

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, effective 2013, addresses issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met. The System does not anticipate that Statement 60 will have a significant impact on its financial statements.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, effective 2013, modifies certain requirements for inclusion of component units in the financial reporting entity. The System does not anticipate that Statement 61 will have a significant impact on its financial statements.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective 2013, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The System is evaluating the effect that Statement 63 will have on its financial statements.

GASB Statement No. 65, *Items Previously reported as Assets and Liabilities*, effective 2014, reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. The System is evaluating the effect that Statement 65 will have on its financial statements.

GASB Statement No. 66, *Technical Corrections - 2012*, effective 2014, enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance. The System is evaluating the effect that Statement 66 will have on its financial statements.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective 2015, establishes new accounting and financial reporting requirements for institutions that provide their employees with pensions. The System is evaluating the effect that Statement 68 will have on its financial statements.



***REQUIRED SUPPLEMENTARY INFORMATION***

**THE UNIVERSITY OF TEXAS SYSTEM  
REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POSTEMPLOYMENT BENEFITS  
SCHEDULE OF FUNDING PROGRESS  
August 31, 2012**

The Schedule of Funding Progress presents information as of the current valuation date and the two preceding valuation dates.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL) {(3) - (2)}	Funded Ratio {(2)/(3)}	Annual Covered Payroll	Ratio of UAAL to Covered Payroll {(4)/(6)}
December 31, 2008	\$-	5,102,764,529	5,102,764,529	0.0%	4,820,567,837	105.9%
December 31, 2009	-	5,676,867,734	5,676,867,734	0.0%	5,026,491,379	112.9%
December 31, 2010	-	5,956,797,788	5,956,797,788	0.0%	5,309,413,147	112.2%

The Schedule of Funding Progress shown above presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The plan benefit obligations as of December 31, 2011, have been determined based on an actuarial roll-forward of the December 31, 2010 valuation results.



The University of Texas System Administration  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 644,421,478.95	568,864,828.15
Restricted Cash & Cash Equivalents	30,146,982.96	39,150,475.37
Balance in State Appropriations	893.09	5.59
Securities Lending Collateral	511,400,510.21	384,553,434.02
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	2,813,975.18	4,914,588.62
Interest and Dividend Receivables	41,973,304.74	38,654,787.20
Contributions (allow. \$26,117.77 in 2012 & \$5,780.43 in 2011)	38,182.68	24,899.66
Investment Trades Receivables	187,857,301.03	301,211,894.86
Other (allow. \$0.00 in 2012 & \$0.00 in 2011)	110,910,107.86	90,297,260.51
Due From Other Funds	189,602,242.43	136,227,678.16
Due From Other Institutions	77,807,288.38	72,925,628.42
Due From Other Agencies	3,065.06	
Other Current Assets	19,174,865.57	9,381,368.51
<b>Total Current Assets and Deferred Outflows</b>	<b>1,816,150,198.14</b>	<b>1,646,206,849.07</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Cash and Cash Equivalents (Noncurrent Restricted)	1,306,219.80	20,663.52
Restricted Investments	25,122,415,151.16	21,844,509,695.22
Deposit with Brokers for Derivative Contracts	156,932,928.65	274,476,455.36
Contributions Rec. (allow. \$16,882.23 in 2012 & \$6,955.16 in 2011)	24,680.84	29,959.85
Unrestricted Investments	5,026,559,223.45	5,490,254,143.92
Deferred Outflows-FMV of Derivatives (Noncurrent)	334,084,156.86	202,247,306.74
Other Noncurrent Assets	22,914,487.53	23,250,662.27
Gross Capital/Intangible Assets	7,834,739,687.27	7,659,420,808.36
Accumulated Depreciation/Amortization	(82,610,256.85)	(80,967,378.82)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>38,416,366,278.71</b>	<b>35,413,242,316.42</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 40,232,516,476.85</b>	<b>37,059,449,165.49</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	68,645,274.08	81,311,774.68
Salaries Payable	3,208,086.06	3,147,997.85
Investment Trades Payables	299,903,666.41	101,529,453.72
Incurred But Not Reported Self Insurance Claims	93,660,793.79	90,148,468.27
Securities Lending Obligations	511,400,510.21	384,553,434.02
Due To Other Funds	189,602,242.43	136,227,678.16
Due To Other Institutions	917,094,174.18	1,025,190,207.06
Due To Other State Agencies	14,135,895.91	14,293,116.35
Statewide Interfund Payable	22,390,000.00	115,215,000.00
Unearned Revenue	10,035,522.66	8,632,499.50
Employees' Compensable Leave - Current Portion	3,142,026.64	3,213,118.30
Notes, Loans, and Leases Payable	605,304,000.00	630,152,000.00
Payable From Restricted Assets	43,820,664.34	33,270,851.07
Revenue Bonds Payable	1,576,049,682.70	1,574,446,439.42
Other Current Liabilities	4,000.00	4,000.00
<b>Total Current Liabilities and Deferred Inflows</b>	<b>4,358,396,539.41</b>	<b>4,201,336,038.40</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Incurred But Not Reported Self Insurance Claims	26,011,858.21	22,339,730.73
Employees' Compensable Leave	1,679,125.72	1,505,660.94
Assets Held for Others	5,493,285,156.84	5,254,905,105.23
Liability to Beneficiaries	13,933,250.59	14,547,274.13
Net Other Postemployment Benefits Obligation	2,263,866,591.00	1,766,652,036.00
Revenue Bonds Payable	5,508,972,901.49	5,281,810,720.08
Statewide Interfund Payable	734,789,840.87	529,210,000.00
Hedging Derivative Liability (Noncurrent)	334,084,156.86	202,247,306.74
Payable to Brokers for Collateral Held	42,705,000.00	162,500,000.00
Investment Derivatives - Liability Positions	64,434,007.26	274,239,540.27
Other Noncurrent Liabilities	685,519.00	658,989.00
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>14,484,447,407.84</b>	<b>13,510,616,363.12</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>18,842,843,947.25</b>	<b>17,711,952,401.52</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	82,771,787.21	129,513,691.44
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	10,942,330,319.56	8,214,528,602.13
Permanent Health, True Endowments, and Annuities Held for Institutions	3,749,425,987.87	3,583,636,039.96
Permanent Health, True Endowments, and Annuities	386,303,030.90	384,763,750.23
Expendable		
Capital Projects	11,957,383.97	11,855,930.14
Debt Service	5,665,282.55	6,826,165.95
Funds Functioning as Endowment (Restricted)	6,948,385.00	6,451,662.20
Funds Functioning as Endowments (Restricted Held for Institutions)	279,819,102.26	260,402,143.72
Other Expendable	7,327,038,071.00	7,720,427,892.54
Unrestricted Net Assets	(1,402,586,820.72)	(970,909,114.34)
<b>Total Net Assets</b>	<b>21,389,672,529.60</b>	<b>19,347,496,763.97</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 40,232,516,476.85</b>	<b>37,059,449,165.49</b>

The University of Texas System Administration  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Federal Sponsored Programs	9,758,955.81	15,653,318.52
Federal Sponsored Programs Pass-Through from State Agencies		1,379,091.81
State Sponsored Programs Pass-Through from State Agencies	7,006,794.00	1,287,018.05
Local Sponsored Programs		625.11
Private Sponsored Programs		(58,277.36)
Sales and Services of Educational Activities	39,234,364.22	32,412,592.50
Other Operating Revenues	38,506,753.26	49,145,809.11
<b>Total Operating Revenues</b>	<b>94,506,867.29</b>	<b>99,820,177.74</b>
<b>Operating Expenses:</b>		
Instruction	(731.88)	2,569,754.06
Institutional Support	600,311,650.18	557,838,222.37
Operations and Maintenance of Plant	6,535,797.87	
Scholarships and Fellowships	1,181,390.00	1,268,600.00
Depreciation and Amortization	7,395,729.53	12,082,439.36
<b>Total Operating Expenses</b>	<b>615,423,835.70</b>	<b>573,759,015.79</b>
<b>Operating Income (Loss)</b>	<b>(520,916,968.41)</b>	<b>(473,938,838.05)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	8,187,964.51	8,463,034.36
Federal Nonexchange Sponsored Programs	29,736,756.52	30,079,873.17
Gift Contributions for Operations	1,188,549.55	920,796.01
Investment Income	1,468,553,697.01	1,739,448,544.09
Net Increase (Decrease) in Fair Value of Investments	1,652,969,082.51	1,508,392,004.34
Interest Expense on Capital Asset Financings	(267,540,805.10)	(261,344,359.94)
Gain (Loss) on Sale of Capital Assets	(51,552.10)	17,510.26
Other Nonoperating Revenues	19,223.00	298,766.44
Other Nonoperating (Expenses)	(1,641,678.20)	(391,076.58)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>2,891,421,237.70</b>	<b>3,025,885,092.15</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>2,370,504,269.29</b>	<b>2,551,946,254.10</b>
<b>Additions to Permanent Endowments / Annuities</b>	<b>118,323,009.34</b>	<b>101,328,393.88</b>
Reclass from/(to) Other Institutions	(280,900,188.60)	306,649,646.44
Change in Proceeds of Bonds Payable	166,816,421.56	547,915,551.38
Transfers Between Institutions & System, Debt Service - Mandatory	544,828,745.12	482,315,436.06
Transfers Between Institutions & System Admin. - Non mandatory	(562,762,969.01)	(1,323,965,386.08)
Transfers From Other State Agencies	19,578.87	1,575,861.62
Transfers to Other State Agencies	(314,653,100.94)	(204,127,122.70)
<b>Change in Net Assets</b>	<b>2,042,175,765.63</b>	<b>2,463,638,634.70</b>
<b>Beginning Net Assets</b>	<b>19,347,496,763.97</b>	<b>16,883,858,129.27</b>
<b>Ending Net Assets</b>	<b>\$ 21,389,672,529.60</b>	<b>19,347,496,763.97</b>

The University of Texas System Administration  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Sponsored Programs	18,862,685.05	22,054,462.24
Proceeds from Other Revenues	86,515,262.28	72,133,858.33
Payments to Suppliers	(99,542,004.05)	(26,681,263.62)
Payments to Employees	(41,016,585.48)	(41,665,179.37)
Net Cash Provided (Used) by Operating Activities	<u>(35,180,642.20)</u>	<u>25,841,877.58</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	8,187,077.01	8,463,034.36
Proceeds from Operating Gifts	1,180,545.54	978,371.35
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	115,193,719.49	389,438,396.24
Payments / Receipts for Transfers to / from System or Other Agencies	(431,431,317.41)	(1,349,397,423.92)
Payments for Other Uses	(1,076,510.82)	-
Proceeds from Nonexchange Sponsored Programs	29,737,369.66	29,767,175.61
Net Cash Provided by Noncapital Financing Activities	<u>(278,209,116.53)</u>	<u>(920,750,446.36)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Issuance of Capital Debt	912,380,670.00	833,078,465.40
Proceeds from Capital Debt Transferred from System (Nonmandatory)	(747,467,155.30)	(790,945,881.07)
Payments of Other Costs on Debt Issuance	(8,271,746.75)	(1,783,614.36)
Proceeds from Sale of Capital Assets	30,008.00	26,697.95
Payments for Additions to Capital Assets	(15,062,509.94)	(8,890,302.20)
Payments of Principal on Capital Related Debt	(687,059,000.00)	(302,650,000.00)
Mandatory Transfers to System for Capital Related Debt	544,828,745.12	482,315,436.06
Payments of Interest on Capital Related Debt	(267,666,631.94)	(260,736,375.23)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(268,287,620.81)</u>	<u>(49,585,573.45)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments	9,921,693,895.63	10,824,586,927.17
Proceeds from Interest and Investment Income	1,139,541,826.70	1,100,760,344.94
Payments to Acquire Investments	(10,411,719,628.12)	(11,858,885,482.45)
Net Cash Provided (Used) by Investing Activities	<u>649,516,094.21</u>	<u>66,461,789.66</u>
Net Increase (Decrease) in Cash	67,838,714.67	(878,032,352.57)
Cash and Cash Equivalents (Beginning of the Year)	608,035,967.04	1,486,068,319.61
Cash and Cash Equivalents (End of the Year)	<u>\$ 675,874,681.71</u>	<u>\$ 608,035,967.04</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(520,916,968.41)	(473,938,838.05)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	7,395,729.53	12,082,439.36
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	1,842,689.19	(2,207,779.85)
Other Current and Noncurrent Assets	(9,101,957.37)	5,551,388.20
Accounts Payable	(8,021,579.23)	22,275,835.09
Due to System	(4,881,659.96)	(8,172,324.58)
Unearned Revenue	1,403,023.16	(590,167.11)
Assets Held for Others	(216,847.23)	337,573.81
Employees' Compensable Leave	102,373.12	(385,181.29)
Other Postemployment Benefits Obligation	497,214,555.00	470,888,932.00
Total Adjustments	<u>485,736,326.21</u>	<u>499,780,715.63</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (35,180,642.20)</u>	<u>\$ 25,841,877.58</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	1,652,969,082.51	1,508,392,004.34
Miscellaneous Noncash Transactions	(2,081,572.22)	(26,697.95)

The University of Texas at Arlington  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 87,191,565.58	46,739,972.90
Restricted Cash & Cash Equivalents	(30,013,193.44)	(27,424,019.52)
Balance in State Appropriations	6,715,002.90	2,174,140.02
Accounts Receivable, Net:		
Federal (allow. \$341,186.17 in 2012 & \$253,758.30 in 2011)	24,631,303.08	39,110,382.89
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	1,933,631.04	1,606,375.50
Student (allow. \$1,815,070.57 in 2012 & \$2,608,900.00 in 2011)	23,893,217.20	20,465,584.54
Interest and Dividend Receivables	270,165.78	246,658.62
Contributions (allow. \$4,841.26 in 2012 & \$27,302.92 in 2011)	170,806.35	1,869,671.26
Other (allow. \$18,208.72 in 2012 & \$13,491.53 in 2011)	887,910.84	673,038.20
Due From System Administration	20,209,266.77	67,240,065.86
Due From Other Institutions	10,967.43	
Due From Other Agencies	356,586.93	3,637,978.30
Inventories	172,078.28	142,907.20
Loans & Contracts (allow. \$848,278.92 in 2012 & \$706,582.99 in 2011)	8,996,818.64	7,400,882.24
Other Current Assets	452,840.56	326,682.86
<b>Total Current Assets and Deferred Outflows</b>	<b>145,878,967.94</b>	<b>164,210,320.87</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	23,052,945.61	9,838,152.26
Loans & Contracts (allow. \$269,730.87 in 2012 & \$61,593.23 in 2011)	2,427,577.83	3,270,519.88
Funds Held by System Administration (Restricted)	89,401,537.39	80,619,059.23
Contributions Rec. (allow. \$127,786.88 in 2012 & \$57,645.75 in 2011)	4,003,989.05	1,863,879.72
Unrestricted Investments	196,719,151.16	195,854,843.73
Gross Capital/Intangible Assets	1,006,935,966.71	896,444,046.49
Accumulated Depreciation/Amortization	(331,113,185.83)	(296,807,520.80)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>991,427,981.92</b>	<b>891,082,980.51</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 1,137,306,949.86</b>	<b>1,055,293,301.38</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	22,506,484.47	26,177,134.04
Salaries Payable	18,422,680.56	16,824,715.11
Due To System Administration	2,975,418.66	2,743,288.96
Due To Other State Agencies	109,980.69	184,415.51
Statewide Interfund Payable	1,216,729.76	
Unearned Revenue	102,717,294.92	80,626,104.48
Employees' Compensable Leave - Current Portion	5,419,889.44	5,199,692.57
Payable From Restricted Assets	768,005.35	1,087,679.87
Other Current Liabilities	381,432.62	291,866.49
<b>Total Current Liabilities and Deferred Inflows</b>	<b>154,517,916.47</b>	<b>133,134,897.03</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	2,601,274.59	2,289,864.32
Assets Held for Others	150,683.39	4,444,276.44
Liability to Beneficiaries	38,480.81	39,975.75
Statewide Interfund Payable	8,222,386.10	3,750,978.42
Other Noncurrent Liabilities	628,238.49	488,630.49
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>11,641,063.38</b>	<b>11,013,725.42</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>166,158,979.85</b>	<b>144,148,622.45</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	675,822,780.88	599,636,525.69
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	54,561,679.05	45,962,473.99
Expendable		
Capital Projects	15,090,887.29	8,600,928.97
Funds Functioning as Endowment (Restricted)	4,133,657.57	3,787,997.66
Other Expendable	46,151,840.35	96,491,794.09
Unrestricted Net Assets	175,387,124.87	156,664,958.53
<b>Total Net Assets</b>	<b>971,147,970.01</b>	<b>911,144,678.93</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 1,137,306,949.86</b>	<b>1,055,293,301.38</b>

The University of Texas at Arlington  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 292,561,283.43	266,550,716.57
Discounts and Allowances	(84,541,066.29)	(77,580,764.90)
Federal Sponsored Programs	41,364,313.59	40,234,144.41
Federal Sponsored Programs Pass-Through from State Agencies	5,015,656.32	6,300,036.29
State Sponsored Programs Pass-Through from State Agencies	19,604,954.56	18,539,777.04
Local Sponsored Programs	1,104,456.48	1,159,000.46
Private Sponsored Programs	6,141,602.42	5,069,377.94
Sales and Services of Educational Activities	19,974,594.49	14,857,035.73
Auxiliary Enterprises	28,960,908.27	26,197,004.37
Other Operating Revenues	10,331,855.11	7,209,815.65
<b>Total Operating Revenues</b>	<b>340,518,558.38</b>	<b>308,536,143.56</b>
<b>Operating Expenses:</b>		
Instruction	142,571,522.60	145,782,720.54
Research	56,876,704.75	52,841,436.87
Public Service	11,272,712.37	9,685,193.55
Academic Support	31,788,031.21	29,470,141.13
Student Services	56,196,920.76	25,047,522.24
Institutional Support	32,673,748.06	50,044,231.86
Operations and Maintenance of Plant	33,409,522.72	35,665,061.99
Scholarships and Fellowships	24,943,440.35	28,183,670.14
Auxiliary Enterprises	36,705,322.50	37,941,135.52
Depreciation and Amortization	36,346,393.02	30,558,755.31
<b>Total Operating Expenses</b>	<b>462,784,318.34</b>	<b>445,219,869.15</b>
<b>Operating Income (Loss)</b>	<b>(122,265,759.96)</b>	<b>(136,683,725.59)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	113,391,646.52	104,048,047.42
Federal Nonexchange Sponsored Programs	42,787,444.42	43,455,597.96
Federal Nonexchange Pass-Through		1,758,872.00
State Nonexchange Pass-Through	(90,663.31)	456,981.36
Gift Contributions for Operations	3,723,750.08	3,590,143.06
Investment Income	10,060,529.60	12,847,753.88
Net Increase (Decrease) in Fair Value of Investments	(15,792,772.20)	20,109,067.69
Gain (Loss) on Sale of Capital Assets	(932,231.08)	(880,387.04)
Other Nonoperating Revenues	8,425.00	43,894.19
Other Nonoperating (Expenses)	(1,110,787.28)	(2,500.00)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>152,045,341.75</b>	<b>185,427,470.52</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>29,779,581.79</b>	<b>48,743,744.93</b>
Gifts and Sponsored Programs for Capital Acquisitions	5,414,041.70	6,223,537.96
Additions to Permanent Endowments / Annuities	4,484,159.67	3,748,731.12
Reclass from/(to) Other Institutions	57,623,399.09	74,258,899.12
Transfers Between Institutions & System, Debt Service - Mandatory	(26,256,098.29)	(24,954,998.31)
Transfers Between Institutions & System Admin. - Non mandatory	(6,927,426.88)	5,657,815.41
Transfers to Other State Agencies	(4,114,366.00)	(3,800,164.56)
<b>Change in Net Assets</b>	<b>60,003,291.08</b>	<b>109,877,565.67</b>
<b>Beginning Net Assets</b>	<b>911,144,678.93</b>	<b>801,267,113.26</b>
<b>Ending Net Assets</b>	<b>\$ 971,147,970.01</b>	<b>911,144,678.93</b>



The University of Texas at Arlington  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	226,497,959.94	196,395,560.82
Proceeds from Sponsored Programs	90,764,611.74	56,610,598.83
Proceeds from Auxiliaries	28,810,357.99	26,212,580.37
Proceeds from Other Revenues	26,288,327.73	24,955,468.21
Payments to Suppliers	(158,430,536.40)	(136,001,504.35)
Payments to Employees	(267,320,116.40)	(269,430,410.52)
Payments for Loans Provided	(17,804,863.10)	(12,625,215.48)
Proceeds from Loan Programs	16,591,189.57	11,450,834.17
Net Cash Provided (Used) by Operating Activities	<u>(54,603,068.93)</u>	<u>(102,432,087.95)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	108,850,783.64	104,705,296.04
Proceeds from Operating Gifts	3,626,035.40	3,626,170.34
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	4,484,159.67	3,748,731.12
Proceeds from Other Nonoperating Revenues	1,106,884.95	46,394.19
Payments / Receipts for Transfers to / from System or Other Agencies	3,586,659.10	155,683.42
Payments for Other Uses	(1,110,787.28)	(2,500.00)
Proceeds from Nonexchange Sponsored Programs	42,696,781.11	45,671,451.32
Net Cash Provided by Noncapital Financing Activities	<u>163,240,516.59</u>	<u>157,951,226.43</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	96,852,561.41	50,318,895.57
Proceeds from Capital Appropriations, Grants, and Gifts	4,075,760.96	2,431,581.29
Proceeds from Sale of Capital Assets	-	267,100.00
Payments for Additions to Capital Assets	(115,644,914.38)	(97,642,072.85)
Mandatory Transfers to System for Capital Related Debt	(26,256,098.29)	(24,954,998.31)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(40,972,690.30)</u>	<u>(69,579,494.30)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	6,277,040.42
Proceeds from Interest and Investment Income	1,581,987.65	3,155,128.06
Proceeds from Interest and Investment Income Invested by System	7,270,024.89	9,728,497.22
Payments to Acquire Investments	(500,000.00)	-
Payments to Acquire Investments Invested by System	(38,154,351.14)	-
Net Cash Provided (Used) by Investing Activities	<u>(29,802,338.60)</u>	<u>19,160,665.70</u>
Net Increase (Decrease) in Cash	37,862,418.76	5,100,309.88
Cash and Cash Equivalents (Beginning of the Year)	19,315,953.38	14,215,643.50
Cash and Cash Equivalents (End of the Year)	<u>\$ 57,178,372.14</u>	<u>\$ 19,315,953.38</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(122,265,759.96)	(136,683,725.59)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	36,346,393.02	30,558,755.31
Bad Debt Expense	460,679.18	120,276.60
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	13,779,742.91	(14,190,236.72)
Inventories	(29,171.08)	169,643.92
Loans and Contracts	(1,213,673.53)	(1,174,381.31)
Other Current and Noncurrent Assets	(126,157.70)	81,904.30
Accounts Payable	(390,467.32)	8,080,554.81
Due to System	232,129.70	279,115.89
Unearned Revenue	22,091,190.44	7,430,065.72
Assets Held for Others	(4,248,755.86)	2,904,583.20
Employees' Compensable Leave	531,607.14	50,742.82
Other Current and Noncurrent Liabilities	229,174.13	(59,386.90)
Total Adjustments	<u>67,662,691.03</u>	<u>34,251,637.64</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (54,603,068.93)</u>	<u>\$ (102,432,087.95)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(15,792,772.20)	20,109,067.69
Donated Capital Assets	994,751.00	431,933.00
Miscellaneous Noncash Transactions	(2,030,691.03)	(886,836.60)

The University of Texas at Austin  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 301,836,263.51	270,342,782.40
Restricted Cash & Cash Equivalents	108,191,203.32	97,602,792.29
Balance in State Appropriations	2,975,518.36	3,896,372.26
Funds Held by System Administration (Current)		18,163.52
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	57,823,748.58	53,179,840.99
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	6,586,728.76	6,489,211.66
Student (allow. \$1,425,284.57 in 2012 & \$887,932.35 in 2011)	82,267,838.37	78,613,617.87
Interest and Dividend Receivables	5,717,159.68	5,703,775.56
Contributions (allow. \$2,691,093.77 in 2012 & \$1,116,104.26 in 2011)	45,797,902.36	53,009,117.70
Other (allow. \$512,812.89 in 2012 & \$359,350.52 in 2011)	13,407,917.19	11,739,250.81
Due From Other Funds	12,018,133.26	14,394,220.63
Due From System Administration	276,274,424.72	297,506,207.97
Due From Other Agencies	11,077,887.85	11,600,772.42
Inventories	8,164,452.62	7,587,168.02
Loans & Contracts (allow. \$0.00 in 2012 & \$0.00 in 2011)	9,888,791.73	9,910,272.63
Other Current Assets	75,539,551.06	60,952,554.30
<b>Total Current Assets and Deferred Outflows</b>	<b>1,017,567,521.37</b>	<b>982,546,121.03</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	254,818,489.71	246,263,532.69
Loans & Contracts (allow. \$15,525,574.18 in 2012 & \$14,858,725.46 in 2011)	43,205,797.27	42,986,158.84
Funds Held by System Administration (Restricted)	2,868,359,744.18	2,860,046,388.02
Contributions Rec. (allow. \$507.64 in 2012 & \$50,497.48 in 2011)	51,007,804.99	49,655,916.97
Unrestricted Investments	623,230,629.76	633,822,967.06
Other Noncurrent Assets	1,386,397.96	1,386,397.96
Gross Capital/Intangible Assets	5,193,436,742.16	4,836,332,944.08
Accumulated Depreciation/Amortization	(2,346,094,931.45)	(2,104,216,684.44)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>6,689,350,674.58</b>	<b>6,566,277,621.18</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 7,706,918,195.95</b>	<b>7,548,823,742.21</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	85,650,327.28	82,841,328.18
Salaries Payable	70,784,629.93	70,389,245.21
Due To Other Funds	12,018,133.26	14,394,220.63
Due To System Administration	15,648,187.48	14,879,268.41
Due To Other State Agencies	356,232.30	1,216,706.09
Unearned Revenue	478,595,771.78	456,793,556.83
Employees' Compensable Leave - Current Portion	31,082,102.51	30,137,475.55
Notes, Loans, and Leases Payable	2,350,705.51	1,783,109.41
Payable From Restricted Assets	18,105,070.86	15,166,670.54
Other Current Liabilities	1,189,595.40	2,428,017.86
<b>Total Current Liabilities and Deferred Inflows</b>	<b>715,780,756.31</b>	<b>690,029,598.71</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	17,908,604.93	17,745,213.96
Assets Held for Others	7,526,411.96	8,428,038.65
Liability to Beneficiaries	6,966,261.54	7,101,020.45
Notes, Loans, and Leases Payable	19,427,077.35	18,897,538.03
Other Noncurrent Liabilities	468,305.65	486,301.65
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>52,296,661.43</b>	<b>52,658,112.74</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>768,077,417.74</b>	<b>742,687,711.45</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	2,825,564,027.85	2,711,435,612.20
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	1,609,411,792.06	1,547,017,295.58
Expendable		
Capital Projects	35,241,116.60	68,996,251.71
Funds Functioning as Endowment (Restricted)	132,201,425.92	134,874,217.09
Other Expendable	1,531,570,550.25	1,576,852,393.64
Unrestricted Net Assets	804,851,865.53	766,960,260.54
<b>Total Net Assets</b>	<b>6,938,840,778.21</b>	<b>6,806,136,030.76</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 7,706,918,195.95</b>	<b>7,548,823,742.21</b>

The University of Texas at Austin  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 599,057,717.77	589,099,273.52
Discounts and Allowances	(128,857,089.04)	(130,810,738.85)
Federal Sponsored Programs	365,652,935.72	383,319,722.25
Federal Sponsored Programs Pass-Through from State Agencies	33,552,239.63	37,174,839.76
State Sponsored Programs Pass-Through from State Agencies	69,491,812.33	75,898,794.18
Local Sponsored Programs	5,671,628.09	6,134,603.91
Private Sponsored Programs	99,486,463.38	98,135,074.85
Sales and Services of Educational Activities	201,673,617.75	204,282,693.94
Discounts and Allowances Sales and Services of Educational Activities	(51,236.61)	(5,539.04)
Auxiliary Enterprises	253,224,798.74	235,725,321.33
Discounts and Allowances Auxiliary Enterprises	(12,348,706.26)	(13,495,839.69)
Other Operating Revenues	4,877,432.31	6,837,982.01
<b>Total Operating Revenues</b>	<b>1,491,431,613.81</b>	<b>1,492,296,188.17</b>
<b>Operating Expenses:</b>		
Instruction	595,856,101.87	598,303,462.72
Research	447,422,681.47	454,763,910.70
Public Service	91,002,637.99	84,475,367.91
Academic Support	184,252,361.70	168,991,819.63
Student Services	54,805,237.40	53,646,350.78
Institutional Support	110,128,360.12	105,032,690.32
Operations and Maintenance of Plant	149,544,804.79	148,147,805.23
Scholarships and Fellowships	110,486,095.42	127,373,569.22
Auxiliary Enterprises	245,786,490.98	237,338,788.08
Depreciation and Amortization	260,336,332.04	219,141,078.95
<b>Total Operating Expenses</b>	<b>2,249,621,103.78</b>	<b>2,197,214,843.54</b>
<b>Operating Income (Loss)</b>	<b>(758,189,489.97)</b>	<b>(704,918,655.37)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	289,350,074.33	302,655,170.31
Federal Nonexchange Sponsored Programs	46,640,297.70	36,070,117.50
Federal Nonexchange Pass-Through	19,666.36	3,648,501.95
Gift Contributions for Operations	127,694,861.21	117,653,367.08
Investment Income	165,240,538.86	190,071,261.09
Net Increase (Decrease) in Fair Value of Investments	(61,806,017.28)	284,417,422.31
Interest Expense on Capital Asset Financings	(1,314,880.00)	(1,353,382.33)
Gain (Loss) on Sale of Capital Assets	(6,700,141.82)	(8,133,764.35)
Other Nonoperating Revenues	10,584,389.03	7,278,260.09
Other Nonoperating (Expenses)	(23,381,978.52)	(1,214,533.20)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>546,326,809.87</b>	<b>931,092,420.45</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>(211,862,680.10)</b>	<b>226,173,765.08</b>
Gifts and Sponsored Programs for Capital Acquisitions	85,812,202.02	149,113,805.04
Additions to Permanent Endowments / Annuities	45,757,120.12	35,506,995.92
Reclass from/(to) Other Institutions	63,692,391.94	10,219,812.48
Transfers Between Institutions & System, Debt Service - Mandatory	(92,447,798.48)	(101,878,953.87)
Transfers Between Institutions & System Admin. - Non mandatory	247,601,693.81	232,438,459.91
Transfers From Other State Agencies	1,730,625.73	2,815,949.64
Transfers to Other State Agencies	(7,578,807.59)	(6,925,623.10)
<b>Change in Net Assets</b>	<b>132,704,747.45</b>	<b>547,464,211.10</b>
<b>Beginning Net Assets</b>	<b>6,806,136,030.76</b>	<b>6,258,671,819.66</b>
<b>Ending Net Assets</b>	<b>\$ 6,938,840,778.21</b>	<b>6,806,136,030.76</b>

The University of Texas at Austin  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	478,251,659.60	481,787,564.00
Proceeds from Sponsored Programs	585,269,314.77	587,222,072.22
Proceeds from Auxiliaries	245,380,626.25	203,910,536.23
Proceeds from Other Revenues	203,403,094.97	213,307,652.65
Payments to Suppliers	(719,339,754.34)	(608,631,053.13)
Payments to Employees	(1,276,901,407.21)	(1,332,056,417.73)
Payments for Loans Provided	(34,699,022.24)	(33,499,548.86)
Proceeds from Loan Programs	33,585,057.44	35,815,833.46
Net Cash Provided (Used) by Operating Activities	<u>(485,050,430.76)</u>	<u>(452,143,361.16)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	290,270,928.23	313,530,474.44
Proceeds from Operating Gifts	133,554,188.53	113,145,967.78
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	45,757,120.12	35,506,995.92
Proceeds from Other Nonoperating Revenues	155,622.66	7,278,260.09
Payments / Receipts for Transfers to / from System or Other Agencies	198,343,025.78	164,583,703.76
Payments for Other Uses	(805,914.43)	(1,214,533.20)
Proceeds from Nonexchange Sponsored Programs	36,089,783.86	55,201,645.82
Net Cash Provided by Noncapital Financing Activities	<u>703,364,754.75</u>	<u>688,032,514.61</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	125,501,282.32	139,445,524.94
Proceeds from Capital Appropriations, Grants, and Gifts	31,297,283.53	29,078,831.83
Proceeds from Sale of Capital Assets	1,034,564.32	616,658.96
Payments for Additions to Capital Assets	(332,867,762.18)	(289,890,172.09)
Payments of Principal on Capital Related Debt	(1,169,010.41)	(1,587,597.96)
Mandatory Transfers to System for Capital Related Debt	(92,447,798.48)	(101,878,953.87)
Payments of Interest on Capital Related Debt	(1,314,880.00)	(1,353,382.33)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(269,966,320.90)</u>	<u>(225,569,090.52)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	138,754,431.62	163,760,250.89
Proceeds from Interest and Investment Income Invested by System	23,043,287.07	28,061,193.34
Payments to Acquire Investments Invested by System	(68,081,993.16)	(53,221,814.33)
Net Cash Provided (Used) by Investing Activities	<u>93,715,725.53</u>	<u>138,599,629.90</u>
Net Increase (Decrease) in Cash	42,063,728.62	148,919,692.83
Cash and Cash Equivalents (Beginning of the Year)	367,963,738.21	219,044,045.38
Cash and Cash Equivalents (End of the Year)	<u>\$ 410,027,466.83</u>	<u>\$ 367,963,738.21</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(758,189,489.97)	(704,918,655.37)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	260,336,332.04	219,141,078.95
Bad Debt Expense	915,807.27	1,034,755.68
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	1,028,753.20	(17,761,826.17)
Inventories	(577,284.60)	(178,331.86)
Loans and Contracts	(1,113,964.80)	2,316,284.60
Other Current and Noncurrent Assets	(14,586,996.76)	(2,837,801.14)
Accounts Payable	4,713,679.37	39,466,841.48
Due to System	768,919.07	1,222,930.66
Unearned Revenue	21,802,214.95	10,324,351.14
Employees' Compensable Leave	1,108,017.93	(270,697.79)
Other Current and Noncurrent Liabilities	(1,256,418.46)	317,708.66
Total Adjustments	<u>273,139,059.21</u>	<u>252,775,294.21</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (485,050,430.76)</u>	<u>\$ (452,143,361.16)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(61,806,017.28)	284,417,422.31
Donated Capital Assets	54,514,918.49	120,034,973.21
Capital Assets Acquired Under Capital Lease Purchases	2,266,145.83	529,353.54
Miscellaneous Noncash Transactions	(17,196,942.04)	(5,317,814.71)

The University of Texas at Brownsville  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 28,003,459.12	30,508,025.09
Restricted Cash & Cash Equivalents	5,046,092.13	6,545,632.34
Balance in State Appropriations	12,145,186.72	9,529,899.33
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	5,125,346.28	3,763,130.57
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)		665,063.56
Student (allow. \$741,836.64 in 2012 & \$550,127.65 in 2011)	4,511,823.37	3,268,012.36
Interest and Dividend Receivables	79,245.25	71,622.90
Other (allow. \$80,574.56 in 2012 & \$48,340.22 in 2011)	4,139,314.30	3,540,323.14
Due From Other Funds	14,139,702.10	17,620,068.51
Due From System Administration	2,156,602.96	7,858,449.61
Due From Other Agencies	220,694.40	219,384.12
Loans & Contracts (allow. \$616,209.22 in 2012 & \$545,833.05 in 2011)	2,078.34	78,624.91
Other Current Assets	21,987,176.49	21,745,552.49
<b>Total Current Assets and Deferred Outflows</b>	<b>97,556,721.46</b>	<b>105,413,788.93</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	935,664.21	1,974,412.05
Funds Held by System Administration (Restricted)	8,676,011.91	8,628,493.32
Unrestricted Investments	30,253,143.22	25,405,094.78
Gross Capital/Intangible Assets	165,515,034.73	155,869,452.88
Accumulated Depreciation/Amortization	(55,553,098.90)	(50,635,510.20)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>149,826,755.17</b>	<b>141,241,942.83</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 247,383,476.63</b>	<b>246,655,731.76</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	12,654,682.11	26,464,051.97
Salaries Payable	4,729,147.94	5,334,484.99
Federal Payables	471.84	205.00
Due To Other Funds	14,139,702.10	17,620,068.51
Due To System Administration	989,482.32	992,323.78
Due To Other State Agencies		29,419.44
Unearned Revenue	20,282,036.91	10,073,397.23
Employees' Compensable Leave - Current Portion	1,539,867.51	1,544,226.91
Payable From Restricted Assets	1,814,648.11	593,624.89
Assets Held for Others	19,007,975.98	19,622,323.68
<b>Total Current Liabilities and Deferred Inflows</b>	<b>75,158,014.82</b>	<b>82,274,126.40</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	1,166,250.50	1,262,454.71
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>1,166,250.50</b>	<b>1,262,454.71</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>76,324,265.32</b>	<b>83,536,581.11</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	109,961,935.83	105,233,942.68
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	7,371,701.73	7,172,849.21
Expendable		
Capital Projects	3,751,049.67	6,070,361.67
Funds Functioning as Endowment (Restricted)	28,889.70	29,493.28
Other Expendable	5,700,238.71	5,995,898.06
Unrestricted Net Assets	44,245,395.67	38,616,605.75
<b>Total Net Assets</b>	<b>171,059,211.31</b>	<b>163,119,150.65</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 247,383,476.63</b>	<b>246,655,731.76</b>

The University of Texas at Brownsville  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 29,196,104.13	27,012,626.60
Discounts and Allowances	(6,344,379.02)	(7,030,716.32)
Federal Sponsored Programs	13,369,575.73	14,974,785.81
Federal Sponsored Programs Pass-Through from State Agencies	1,005,573.74	1,592,939.29
State Sponsored Programs	79.43	128.08
State Sponsored Programs Pass-Through from State Agencies	5,088,700.07	7,213,530.42
Local Sponsored Programs	52,039,166.15	57,864,095.58
Private Sponsored Programs	494,645.32	302,847.13
Sales and Services of Educational Activities	2,069,104.33	2,117,371.38
Auxiliary Enterprises	2,218,824.25	1,484,019.87
Discounts and Allowances Auxiliary Enterprises	(354,687.84)	(251,405.80)
Other Operating Revenues	204,043.90	97,800.91
<b>Total Operating Revenues</b>	<b>98,986,750.19</b>	<b>105,378,022.95</b>
<b>Operating Expenses:</b>		
Instruction	43,884,690.85	46,342,367.91
Research	6,171,382.09	6,078,576.84
Public Service	4,648,725.05	5,326,001.12
Academic Support	16,884,189.33	18,342,494.87
Student Services	9,859,575.55	10,465,603.37
Institutional Support	12,532,831.04	11,755,618.12
Operations and Maintenance of Plant	11,245,095.65	13,569,863.64
Scholarships and Fellowships	45,154,722.88	52,987,999.80
Auxiliary Enterprises	9,074,630.50	8,781,418.36
Depreciation and Amortization	7,894,092.03	6,152,549.00
<b>Total Operating Expenses</b>	<b>167,349,934.97</b>	<b>179,802,493.03</b>
<b>Operating Income (Loss)</b>	<b>(68,363,184.78)</b>	<b>(74,424,470.08)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	32,878,337.43	34,698,255.77
Federal Nonexchange Sponsored Programs	35,632,234.42	39,993,771.71
Federal Nonexchange Pass-Through		562,047.00
State Nonexchange Pass-Through		19,938.50
Gift Contributions for Operations	514,005.79	488,761.15
Investment Income	1,240,418.49	1,323,545.64
Net Increase (Decrease) in Fair Value of Investments	(198,429.26)	2,419,526.67
Gain (Loss) on Sale of Capital Assets	(132,187.64)	
Other Nonoperating Revenues	109,271.62	79,840.77
Other Nonoperating (Expenses)	(6.10)	(79,840.77)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>70,043,644.75</b>	<b>79,505,846.44</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>1,680,459.97</b>	<b>5,081,376.36</b>
Capital Appropriations (HEAF)	5,057,420.00	5,057,420.00
Gifts and Sponsored Programs for Capital Acquisitions	60,000.00	16,637.84
Additions to Permanent Endowments / Annuities	271,495.86	647,408.76
Transfers Between Institutions & System, Debt Service - Mandatory	(5,979,768.93)	(5,722,758.35)
Transfers Between Institutions & System Admin. - Non mandatory	7,062,152.13	14,057,101.54
Transfers From Other State Agencies	862.80	16,726.35
Transfers to Other State Agencies	(212,561.17)	(181,843.62)
Legislative Appropriations Lapsed		559,016.00
<b>Change in Net Assets</b>	<b>7,940,060.66</b>	<b>19,531,084.88</b>
<b>Beginning Net Assets</b>	<b>163,119,150.65</b>	<b>143,588,065.77</b>
<b>Ending Net Assets</b>	<b>\$ 171,059,211.31</b>	<b>163,119,150.65</b>

The University of Texas at Brownsville  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	31,945,702.44	21,433,893.77
Proceeds from Sponsored Programs	70,979,591.94	84,886,099.30
Proceeds from Auxiliaries	1,849,628.94	2,167,419.45
Proceeds from Other Revenues	2,418,701.03	7,735,598.61
Payments to Suppliers	(81,476,044.73)	(83,722,628.63)
Payments to Employees	(88,354,520.69)	(92,996,737.82)
Payments for Loans Provided	(2,645.28)	(20,768.05)
Proceeds from Loan Programs	(34,615.79)	905,411.53
Net Cash Provided (Used) by Operating Activities	<u>(62,674,202.14)</u>	<u>(59,611,711.84)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	32,286,745.48	36,841,804.51
Proceeds from Operating Gifts	514,005.79	488,761.15
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	271,495.86	647,408.76
Proceeds from Other Nonoperating Revenues	-	79,840.77
Payments / Receipts for Transfers to / from System or Other Agencies	106,731.31	(159,141.87)
Payments for Other Uses	(6.10)	(79,840.77)
Proceeds from Nonexchange Sponsored Programs	<u>34,441,670.23</u>	<u>41,060,803.69</u>
Net Cash Provided by Noncapital Financing Activities	<u>67,620,642.57</u>	<u>78,879,636.24</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	12,444,528.59	24,414,990.22
Proceeds from Capital Appropriations, Grants, and Gifts	3,033,724.56	2,404,623.65
Payments for Additions to Capital Assets	(15,626,756.23)	(26,547,296.40)
Mandatory Transfers to System for Capital Related Debt	(5,979,768.93)	(5,722,758.35)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(6,128,272.01)</u>	<u>(5,450,440.88)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	47,600.34	86,134.15
Proceeds from Interest and Investment Income Invested by System	1,185,373.51	1,226,468.04
Payments to Acquire Investments Invested by System	(4,055,248.45)	(3,433,344.59)
Net Cash Provided (Used) by Investing Activities	<u>(2,822,274.60)</u>	<u>(2,120,742.40)</u>
Net Increase (Decrease) in Cash	(4,004,106.18)	11,696,741.12
Cash and Cash Equivalents (Beginning of the Year)	37,053,657.43	25,356,916.31
Cash and Cash Equivalents (End of the Year)	<u>\$ 33,049,551.25</u>	<u>\$ 37,053,657.43</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(68,363,184.78)	(74,424,470.08)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	7,894,092.03	6,152,549.00
Bad Debt Expense	113,807.64	84,562.30
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(1,350,700.41)	4,564,640.99
Loans and Contracts	(37,261.07)	884,643.48
Other Current and Noncurrent Assets	(241,624.00)	(5,087,807.47)
Accounts Payable	(10,180,218.46)	1,905,312.67
Due to System	(2,841.46)	110,273.21
Unearned Revenue	10,208,639.68	559,840.21
Assets Held for Others	(614,347.70)	5,689,209.45
Employees' Compensable Leave	(100,563.61)	(50,465.60)
Total Adjustments	<u>5,688,982.64</u>	<u>14,812,758.24</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (62,674,202.14)</u>	<u>\$ (59,611,711.84)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(198,429.26)	2,419,526.67
Donated Capital Assets	60,000.00	16,637.84
Miscellaneous Noncash Transactions	(22,053.22)	16,726.35

The University of Texas at Dallas  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 84,395,108.17	45,979,882.89
Restricted Cash & Cash Equivalents	19,354.89	24,439,181.68
Balance in State Appropriations	4,686,506.20	1,196,378.85
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	9,594,597.41	8,955,122.48
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	1,759,182.53	2,062,158.19
Student (allow. \$2,185,234.22 in 2012 & \$2,112,761.92 in 2011)	28,896,172.46	20,699,306.99
Interest and Dividend Receivables	358,884.53	361,891.12
Contributions (allow. \$193,660.42 in 2012 & \$192,441.46 in 2011)	4,064,811.89	3,656,387.69
Other (allow. \$1,201,421.25 in 2012 & \$1,634,191.41 in 2011)	7,729,161.95	10,061,876.81
Due From System Administration	51,944,904.27	41,506,552.21
Due From Other Agencies	515,078.65	1,202,087.23
Inventories	312,021.80	304,499.72
Loans & Contracts (allow. \$707,780.02 in 2012 & \$851,674.17 in 2011)	6,120,156.86	5,218,367.40
Other Current Assets	6,279,431.22	6,847,847.17
<b>Total Current Assets and Deferred Outflows</b>	<b>206,675,372.83</b>	<b>172,491,540.43</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Cash and Cash Equivalents (Noncurrent Restricted)	(6,280,411.99)	
Restricted Investments	23,474,840.90	13,746,139.11
Loans & Contracts (allow. \$268,626.40 in 2012 & \$323,872.28 in 2011)	1,057,493.59	58,174.11
Funds Held by System Administration (Restricted)	273,647,191.86	264,318,583.37
Contributions Rec. (allow. \$65,472.26 in 2012 & \$63,531.79 in 2011)	1,243,972.84	1,207,104.10
Unrestricted Investments	115,960,830.63	120,669,781.76
Gross Capital/Intangible Assets	919,236,879.77	828,022,962.24
Accumulated Depreciation/Amortization	(303,583,640.18)	(268,734,376.55)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>1,024,757,157.42</b>	<b>959,288,368.14</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 1,231,432,530.25</b>	<b>1,131,779,908.57</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	32,614,611.19	21,466,215.28
Salaries Payable	4,002,181.24	5,114,442.35
Due To System Administration	2,259,236.90	2,174,755.52
Due To Other Institutions	10,967.43	
Due To Other State Agencies	96,926.51	14,783.80
Unearned Revenue	93,700,964.76	84,465,532.85
Employees' Compensable Leave - Current Portion	3,569,663.46	3,067,536.04
Notes, Loans, and Leases Payable	80,991.93	192,785.23
Payable From Restricted Assets	511,041.32	5,806,702.29
Assets Held for Others	3,217,359.80	5,703,312.70
Other Current Liabilities	260,041.29	330,220.29
<b>Total Current Liabilities and Deferred Inflows</b>	<b>140,323,985.83</b>	<b>128,336,286.35</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	3,364,251.69	2,929,890.91
Liability to Beneficiaries	17,770.40	20,705.93
Notes, Loans, and Leases Payable		80,991.93
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>3,382,022.09</b>	<b>3,031,588.77</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>143,706,007.92</b>	<b>131,367,875.12</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	615,572,247.66	559,014,808.53
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	173,821,233.06	162,134,878.58
Expendable		
Capital Projects	19,574,940.15	13,398,897.31
Funds Functioning as Endowment (Restricted)	5,841,197.26	5,914,025.07
Other Expendable	154,129,869.18	155,129,547.96
Unrestricted Net Assets	118,787,035.02	104,819,876.00
<b>Total Net Assets</b>	<b>1,087,726,522.33</b>	<b>1,000,412,033.45</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 1,231,432,530.25</b>	<b>1,131,779,908.57</b>



The University of Texas at Dallas  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 236,155,328.25	196,662,317.92
Discounts and Allowances	(57,909,836.86)	(37,937,715.00)
Federal Sponsored Programs	35,975,464.72	34,224,774.34
Federal Sponsored Programs Pass-Through from State Agencies	2,788,779.41	2,846,458.41
State Sponsored Programs Pass-Through from State Agencies	11,033,000.47	8,739,586.20
Local Sponsored Programs	289,757.44	138,941.38
Private Sponsored Programs	9,480,595.13	11,403,485.26
Sales and Services of Educational Activities	10,200,235.09	17,399,840.03
Discounts and Allowances Sales and Services of Educational Activities	(4,464.00)	(79,481.71)
Auxiliary Enterprises	12,064,401.59	8,342,928.81
Other Operating Revenues	3,099,234.73	2,433,897.51
<b>Total Operating Revenues</b>	<b>263,172,495.97</b>	<b>244,175,033.15</b>
<b>Operating Expenses:</b>		
Instruction	125,538,739.40	115,411,486.91
Research	74,046,261.23	71,306,052.42
Public Service	7,639,196.67	11,763,828.15
Academic Support	33,696,504.59	29,172,981.97
Student Services	13,891,390.58	13,105,844.72
Institutional Support	34,980,590.85	36,984,567.90
Operations and Maintenance of Plant	23,582,246.21	24,140,111.18
Scholarships and Fellowships	16,433,972.66	20,839,204.42
Auxiliary Enterprises	21,577,515.47	19,051,659.97
Depreciation and Amortization	39,187,915.35	33,470,370.24
<b>Total Operating Expenses</b>	<b>390,574,333.01</b>	<b>375,246,107.88</b>
<b>Operating Income (Loss)</b>	<b>(127,401,837.04)</b>	<b>(131,071,074.73)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	93,053,528.50	82,686,249.42
Federal Nonexchange Sponsored Programs	16,268,257.58	14,679,591.54
Federal Nonexchange Pass-Through		7,803,574.47
State Nonexchange Pass-Through	1,715,387.86	7,085,776.54
Gift Contributions for Operations	8,244,567.24	16,152,420.71
Investment Income	13,097,226.83	17,843,513.22
Net Increase (Decrease) in Fair Value of Investments	(2,773,551.31)	27,192,481.38
Gain (Loss) on Sale of Capital Assets	(598,643.98)	(132,486.22)
Other Nonoperating Revenues	1,836,854.59	
Other Nonoperating (Expenses)	(989.55)	
<b>Net Nonoperating Revenues (Expenses)</b>	<b>130,842,637.76</b>	<b>173,311,121.06</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>3,440,800.72</b>	<b>42,240,046.33</b>
Gifts and Sponsored Programs for Capital Acquisitions	1,999,329.80	1,200.00
Additions to Permanent Endowments / Annuities	10,637,053.93	9,106,852.96
Reclass from/(to) Other Institutions	30,979,185.95	(52,563,868.80)
Transfers Between Institutions & System, Debt Service - Mandatory	(26,124,042.79)	(22,940,993.82)
Transfers Between Institutions & System Admin. - Non mandatory	68,676,622.97	122,293,832.43
Transfers to Other State Agencies	(2,294,461.70)	(1,872,541.27)
<b>Change in Net Assets</b>	<b>87,314,488.88</b>	<b>96,264,527.83</b>
<b>Beginning Net Assets</b>	<b>1,000,412,033.45</b>	<b>904,147,505.62</b>
<b>Ending Net Assets</b>	<b>\$ 1,087,726,522.33</b>	<b>1,000,412,033.45</b>

The University of Texas at Dallas  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	188,233,101.50	165,516,739.56
Proceeds from Sponsored Programs	51,130,872.05	49,842,155.96
Proceeds from Auxiliaries	12,095,861.90	14,252,550.03
Proceeds from Other Revenues	12,971,429.37	24,359,795.72
Payments to Suppliers	(108,076,500.58)	(101,445,375.45)
Payments to Employees	(241,665,742.75)	(236,270,266.05)
Payments for Loans Provided	(16,961,951.78)	(14,021,026.29)
Proceeds from Loan Programs	14,924,279.62	13,013,915.61
Net Cash Provided (Used) by Operating Activities	<u>(87,348,650.67)</u>	<u>(84,751,510.91)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	89,563,401.15	83,225,937.02
Proceeds from Operating Gifts	7,799,274.30	13,916,053.23
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	10,637,053.93	9,106,852.96
Proceeds from Other Nonoperating Revenues	1,836,854.59	-
Payments / Receipts for Transfers to / from System or Other Agencies	6,935,325.56	4,705,444.70
Payments for Other Uses	(989.55)	-
Proceeds from Nonexchange Sponsored Programs	17,983,645.44	30,318,852.88
Net Cash Provided by Noncapital Financing Activities	<u>134,754,565.42</u>	<u>141,273,140.79</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	80,001,038.89	82,243,241.93
Proceeds from Capital Appropriations, Grants, and Gifts	1,999,329.80	44,556.00
Payments for Additions to Capital Assets	(91,354,930.32)	(95,182,012.79)
Payments of Principal on Capital Related Debt	(192,785.23)	(192,906.94)
Mandatory Transfers to System for Capital Related Debt	(26,124,042.79)	(22,940,993.82)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(35,671,389.65)</u>	<u>(36,028,115.62)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	148,134.95	161,286.43
Proceeds from Interest and Investment Income Invested by System	12,954,236.91	18,770,990.23
Payments to Acquire Investments Invested by System	(17,121,910.46)	(7,335,627.77)
Net Cash Provided (Used) by Investing Activities	<u>(4,019,538.60)</u>	<u>11,596,648.89</u>
Net Increase (Decrease) in Cash	7,714,986.50	32,090,163.15
Cash and Cash Equivalents (Beginning of the Year)	70,419,064.57	38,328,901.42
Cash and Cash Equivalents (End of the Year)	<u>\$ 78,134,051.07</u>	<u>\$ 70,419,064.57</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(127,401,837.04)	(131,071,074.73)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	39,187,915.35	33,470,370.24
Bad Debt Expense	136,563.22	203,065.94
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(5,513,641.30)	(11,748,406.51)
Inventories	(7,522.08)	386.25
Loans and Contracts	(2,037,672.16)	(1,007,110.68)
Other Current and Noncurrent Assets	568,415.95	(2,552,696.68)
Accounts Payable	18,857.80	6,159,259.32
Due to System	84,481.38	603,403.05
Unearned Revenue	9,235,431.91	16,344,562.52
Assets Held for Others	(2,485,952.90)	5,306,238.97
Employees' Compensable Leave	936,488.20	(338,537.94)
Other Current and Noncurrent Liabilities	(70,179.00)	(120,970.66)
Total Adjustments	<u>40,053,186.37</u>	<u>46,319,563.82</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (87,348,650.67)</u>	<u>\$ (84,751,510.91)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(2,773,551.31)	27,192,481.38
Capital Assets Acquired Under Capital Lease Purchases	-	242,976.55
Miscellaneous Noncash Transactions	(617,087.24)	(132,653.74)

The University of Texas at El Paso  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 39,061,130.64	35,454,984.99
Restricted Cash & Cash Equivalents	5,800,414.47	4,998,737.12
Balance in State Appropriations	3,137,655.59	2,301,905.63
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	14,933,282.90	15,782,144.36
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	1,235,492.68	639,134.23
Student (allow. \$865,655.82 in 2012 & \$879,899.71 in 2011)	18,312,229.17	15,316,031.15
Interest and Dividend Receivables	434,411.45	431,543.56
Contributions (allow. \$798,097.98 in 2012 & \$784,241.64 in 2011)	4,522,555.20	4,444,035.86
Other (allow. \$498,639.82 in 2012 & \$311,851.19 in 2011)	10,267,334.97	9,962,817.15
Due From System Administration	11,517,461.15	40,469,268.50
Due From Other Agencies	1,359,331.30	95,479.43
Inventories	399,727.12	443,853.71
Loans & Contracts (allow. \$0.00 in 2012 & \$0.00 in 2011)	4,701,447.24	3,070,619.67
Other Current Assets	18,394,694.54	15,300,169.55
<b>Total Current Assets and Deferred Outflows</b>	<b>134,077,168.42</b>	<b>148,710,724.91</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	12,145,787.00	13,089,814.23
Loans & Contracts (allow. \$1,089,762.44 in 2012 & \$1,034,148.80 in 2011)	99,094.01	1,629,636.49
Funds Held by System Administration (Restricted)	183,095,756.62	179,161,547.38
Contributions Rec. (allow. \$386,668.73 in 2012 & \$495,074.26 in 2011)	2,191,122.88	2,805,420.82
Unrestricted Investments	83,625,796.85	86,934,651.60
Other Noncurrent Assets		73,005.80
Gross Capital/Intangible Assets	733,266,621.49	687,347,920.65
Accumulated Depreciation/Amortization	(242,323,400.46)	(219,872,477.29)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>772,100,778.39</b>	<b>751,169,519.68</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 906,177,946.81</b>	<b>899,880,244.59</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	21,630,891.92	21,096,819.92
Salaries Payable	12,323,538.14	12,897,805.76
Due To System Administration	2,249,094.01	2,059,443.42
Due To Other State Agencies	149,871.67	2,971.10
Unearned Revenue	66,115,534.98	65,190,025.10
Employees' Compensable Leave - Current Portion	3,675,312.86	3,480,022.37
Payable From Restricted Assets	1,239,217.33	889,117.85
Assets Held for Others	2,204,917.28	1,957,376.89
Other Current Liabilities	1,963,471.88	1,855,214.88
<b>Total Current Liabilities and Deferred Inflows</b>	<b>111,551,850.07</b>	<b>109,428,797.29</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	2,625,904.41	2,773,790.67
Liability to Beneficiaries	2,928,031.79	2,999,469.21
Other Noncurrent Liabilities	429,357.90	415,630.27
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>5,983,294.10</b>	<b>6,188,890.15</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>117,535,144.17</b>	<b>115,617,687.44</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	490,943,221.03	467,475,443.36
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	108,101,962.26	101,027,461.12
Expendable		
Capital Projects	3,243,676.71	25,931,864.37
Funds Functioning as Endowment (Restricted)	16,644,736.03	16,557,180.11
Other Expendable	101,078,238.71	102,716,160.79
Unrestricted Net Assets	68,630,967.90	70,554,447.40
<b>Total Net Assets</b>	<b>788,642,802.64</b>	<b>784,262,557.15</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 906,177,946.81</b>	<b>899,880,244.59</b>

The University of Texas at El Paso  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 135,670,720.24	127,510,388.15
Discounts and Allowances	(33,007,705.00)	(32,047,101.00)
Federal Sponsored Programs	47,568,439.75	49,948,950.07
Federal Sponsored Programs Pass-Through from State Agencies	2,405,005.63	2,689,541.52
State Sponsored Programs Pass-Through from State Agencies	17,240,759.90	24,114,255.20
Local Sponsored Programs	1,093,370.56	759,010.55
Private Sponsored Programs	3,871,555.60	3,864,948.99
Sales and Services of Educational Activities	5,467,312.14	5,580,366.76
Auxiliary Enterprises	24,699,624.81	27,153,689.26
Other Operating Revenues	142,862.27	226,487.77
<b>Total Operating Revenues</b>	<b>205,151,945.90</b>	<b>209,800,537.27</b>
<b>Operating Expenses:</b>		
Instruction	96,063,590.70	92,804,748.13
Research	57,991,400.21	56,297,469.16
Public Service	8,802,640.75	7,991,230.41
Academic Support	21,620,560.55	20,980,696.64
Student Services	16,308,042.64	16,818,545.61
Institutional Support	24,606,465.45	23,395,124.10
Operations and Maintenance of Plant	24,946,260.84	25,315,643.09
Scholarships and Fellowships	48,493,054.25	57,270,754.09
Auxiliary Enterprises	38,110,601.15	37,600,345.34
Depreciation and Amortization	24,506,853.42	20,354,368.72
<b>Total Operating Expenses</b>	<b>361,449,469.96</b>	<b>358,828,925.29</b>
<b>Operating Income (Loss)</b>	<b>(156,297,524.06)</b>	<b>(149,028,388.02)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	87,645,235.80	85,713,326.96
Federal Nonexchange Sponsored Programs	52,669,614.99	50,483,589.43
Federal Nonexchange Pass-Through		2,758,224.00
State Nonexchange Pass-Through	1,996,498.06	1,433,889.08
Gift Contributions for Operations	9,798,042.04	9,155,305.12
Investment Income	9,381,965.49	9,966,794.26
Net Increase (Decrease) in Fair Value of Investments	(2,638,797.56)	19,978,030.61
Gain (Loss) on Sale of Capital Assets	(14,152.73)	(19,166.11)
Other Nonoperating (Expenses)	(177,356.25)	
<b>Net Nonoperating Revenues (Expenses)</b>	<b>158,661,049.84</b>	<b>179,469,993.35</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>2,363,525.78</b>	<b>30,441,605.33</b>
Gifts and Sponsored Programs for Capital Acquisitions	687,931.41	370,697.08
Additions to Permanent Endowments / Annuities	5,697,285.02	8,937,772.99
Reclass from/(to) Other Institutions	2,179,723.41	17,554,565.88
Transfers Between Institutions & System, Debt Service - Mandatory	(18,520,389.48)	(15,856,308.00)
Transfers Between Institutions & System Admin. - Non mandatory	13,728,884.50	10,718,952.64
Transfers From Other State Agencies	121,343.15	
Transfers to Other State Agencies	(1,878,058.30)	(1,705,465.47)
<b>Change in Net Assets</b>	<b>4,380,245.49</b>	<b>50,461,820.45</b>
<b>Beginning Net Assets</b>	<b>784,262,557.15</b>	<b>733,800,736.70</b>
<b>Ending Net Assets</b>	<b>\$ 788,642,802.64</b>	<b>784,262,557.15</b>

The University of Texas at El Paso  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	100,008,176.16	99,613,390.30
Proceeds from Sponsored Programs	69,771,766.75	75,339,087.80
Proceeds from Auxiliaries	25,842,472.81	27,820,029.67
Proceeds from Other Revenues	5,829,213.21	7,051,952.02
Payments to Suppliers	(138,311,275.55)	(135,629,354.87)
Payments to Employees	(193,121,893.05)	(196,821,406.29)
Payments for Loans Provided	(7,953,118.18)	(7,444,462.08)
Proceeds from Loan Programs	7,636,166.80	7,587,773.31
Net Cash Provided (Used) by Operating Activities	<u>(130,298,491.05)</u>	<u>(122,482,990.14)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	86,809,485.84	85,673,973.34
Proceeds from Operating Gifts	10,333,820.64	9,738,083.83
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	5,697,285.02	8,937,772.99
Payments / Receipts for Transfers to / from System or Other Agencies	591,381.84	(1,899,769.26)
Payments for Other Uses	(177,356.25)	-
Proceeds from Nonexchange Sponsored Programs	54,666,113.05	54,675,702.51
Net Cash Provided by Noncapital Financing Activities	<u>157,920,730.14</u>	<u>157,125,763.41</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	42,737,365.13	83,946,143.08
Proceeds from Capital Appropriations, Grants, and Gifts	1,411,653.69	267,624.33
Proceeds from Sale of Capital Assets	1,962,385.67	-
Payments for Additions to Capital Assets	(57,446,576.45)	(89,174,560.31)
Mandatory Transfers to System for Capital Related Debt	(18,520,389.48)	(15,856,308.00)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(29,855,561.44)</u>	<u>(20,817,100.90)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	103,692.90	112,650.04
Proceeds from Interest and Investment Income Invested by System	8,857,577.27	12,419,853.38
Payments to Acquire Investments Invested by System	(2,320,124.82)	(21,618,334.87)
Net Cash Provided (Used) by Investing Activities	<u>6,641,145.35</u>	<u>(9,085,831.45)</u>
Net Increase (Decrease) in Cash	4,407,823.00	4,739,840.92
Cash and Cash Equivalents (Beginning of the Year)	40,453,722.11	35,713,881.19
Cash and Cash Equivalents (End of the Year)	<u>\$ 44,861,545.11</u>	<u>\$ 40,453,722.11</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(156,297,524.06)	(149,028,388.02)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	24,506,853.42	20,354,368.72
Bad Debt Expense	216,666.29	132,398.18
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(5,215,258.24)	(6,754,784.74)
Inventories	44,126.59	(24,710.25)
Loans and Contracts	(316,951.38)	143,311.23
Other Current and Noncurrent Assets	(3,021,519.19)	(451,966.15)
Accounts Payable	8,253,025.80	5,814,174.55
Due to System	189,650.59	181,015.72
Unearned Revenue	925,509.88	6,570,956.50
Assets Held for Others	247,540.39	(218,811.40)
Employees' Compensable Leave	47,404.23	287,088.98
Other Current and Noncurrent Liabilities	121,984.63	512,356.54
Total Adjustments	<u>25,999,033.01</u>	<u>26,545,397.88</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (130,298,491.05)</u>	<u>\$ (122,482,990.14)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(2,638,797.56)	19,978,030.61
Donated Capital Assets	178,035.72	103,072.75
Miscellaneous Noncash Transactions	107,190.42	(19,166.11)

The University of Texas-Pan American  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 37,237,117.01	50,885,187.01
Restricted Cash & Cash Equivalents	(10,483,004.51)	(25,106,839.47)
Balance in State Appropriations	13,637,554.72	14,581,977.74
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	32,921,090.00	42,639,465.46
Other Intergov. (allow. \$0.00 in 2012 & \$1.20 in 2011)	3,486,444.10	2,398,334.02
Student (allow. \$1,715,977.38 in 2012 & \$1,408,679.61 in 2011)	12,282,873.76	13,540,732.51
Interest and Dividend Receivables	218,388.98	181,910.10
Contributions (allow. \$2,309.75 in 2012 & \$421.64 in 2011)	228,664.81	41,742.24
Other (allow. \$0.00 in 2012 & \$0.00 in 2011)	3,396,298.34	3,986,170.43
Due From System Administration	36,710,658.66	3,501,056.27
Due From Other Agencies	363,858.61	95,358.55
Inventories	288,276.65	181,254.88
Loans & Contracts (allow. \$3,582,567.42 in 2012 & \$3,625,137.98 in 2011)	3,544,744.97	4,041,872.96
Other Current Assets	67,995.62	40,983.92
<b>Total Current Assets and Deferred Outflows</b>	<b>133,900,961.72</b>	<b>111,009,206.62</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	1,814,111.95	1,767,455.90
Loans & Contracts (allow. \$869,311.83 in 2012 & \$695,015.77 in 2011)	315,040.09	710,011.50
Funds Held by System Administration (Restricted)	31,498,560.01	31,869,594.89
Contributions Rec. (allow. \$3,656.87 in 2012 & \$0.00 in 2011)	362,030.56	
Unrestricted Investments	85,646,846.00	68,683,738.46
Gross Capital/Intangible Assets	395,732,560.22	373,461,094.92
Accumulated Depreciation/Amortization	(210,150,258.53)	(196,088,528.97)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>305,218,890.30</b>	<b>280,403,366.70</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 439,119,852.02</b>	<b>391,412,573.32</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	7,512,183.36	6,614,785.76
Salaries Payable	9,878,061.77	10,188,255.95
Federal Payables	12,556,095.76	8,926,575.01
Due To System Administration	1,376,106.33	1,345,732.48
Due To Other State Agencies	489,381.30	547,797.97
Unearned Revenue	35,422,688.69	42,881,367.34
Employees' Compensable Leave - Current Portion	1,240,754.41	1,139,196.91
Payable From Restricted Assets	2,775,303.37	2,207,887.43
Other Current Liabilities	824,503.20	820,549.45
<b>Total Current Liabilities and Deferred Inflows</b>	<b>72,075,078.19</b>	<b>74,672,148.30</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	2,563,671.60	3,003,434.82
Assets Held for Others	2,059,932.37	1,959,036.78
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>4,623,603.97</b>	<b>4,962,471.60</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>76,698,682.16</b>	<b>79,634,619.90</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	185,582,301.69	177,372,565.95
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	10,861,442.27	10,611,041.13
Expendable		
Capital Projects	35,641,728.66	1,743,341.61
Funds Functioning as Endowment (Restricted)	1,332,587.66	1,353,980.51
Other Expendable	17,826,475.39	17,989,130.13
Unrestricted Net Assets	111,176,634.19	102,707,894.09
<b>Total Net Assets</b>	<b>362,421,169.86</b>	<b>311,777,953.42</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 439,119,852.02</b>	<b>391,412,573.32</b>

The University of Texas-Pan American  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 111,755,053.48	108,210,624.74
Discounts and Allowances	(51,191,879.14)	(55,343,214.25)
Federal Sponsored Programs	16,586,034.98	24,436,088.08
Federal Sponsored Programs Pass-Through from State Agencies	1,987,320.60	1,588,050.42
State Sponsored Programs Pass-Through from State Agencies	26,689,457.76	35,110,840.33
Local Sponsored Programs		1,638.40
Private Sponsored Programs	2,063,990.23	175,646.41
Sales and Services of Educational Activities	6,339,864.79	6,219,718.37
Auxiliary Enterprises	6,864,862.92	7,185,837.75
Discounts and Allowances Auxiliary Enterprises	(62,838.50)	
Other Operating Revenues	2,166,997.78	2,465,083.44
<b>Total Operating Revenues</b>	<b>123,198,864.90</b>	<b>130,050,313.69</b>
<b>Operating Expenses:</b>		
Instruction	79,164,361.27	83,643,778.52
Research	6,586,201.62	6,541,032.45
Public Service	6,914,556.25	8,354,417.61
Academic Support	21,100,828.02	16,778,899.89
Student Services	11,886,844.20	15,476,033.55
Institutional Support	19,787,068.71	21,413,632.94
Operations and Maintenance of Plant	16,918,826.61	18,166,322.22
Scholarships and Fellowships	44,962,887.58	54,892,070.17
Auxiliary Enterprises	14,996,851.92	15,208,998.00
Depreciation and Amortization	14,441,585.57	14,240,501.96
<b>Total Operating Expenses</b>	<b>236,760,011.75</b>	<b>254,715,687.31</b>
<b>Operating Income (Loss)</b>	<b>(113,561,146.85)</b>	<b>(124,665,373.62)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	68,130,329.47	70,458,402.69
Federal Nonexchange Sponsored Programs	49,711,129.09	55,655,117.64
Federal Nonexchange Pass-Through		1,671,181.00
State Nonexchange Pass-Through		55,260.51
Gift Contributions for Operations	4,514,997.00	2,251,843.46
Investment Income	3,722,103.82	3,687,831.74
Net Increase (Decrease) in Fair Value of Investments	(491,273.20)	7,496,334.25
Gain (Loss) on Sale of Capital Assets	(67,513.84)	(301,811.90)
Other Nonoperating Revenues	32,765.87	185,228.26
Other Nonoperating (Expenses)	(34,706.33)	(135,304.00)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>125,517,831.88</b>	<b>141,024,083.65</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>11,956,685.03</b>	<b>16,358,710.03</b>
Capital Appropriations (HEAF)	12,311,123.00	12,311,123.00
Gifts and Sponsored Programs for Capital Acquisitions	2,049,979.72	129,020.68
Additions to Permanent Endowments / Annuities	241,305.00	528,597.36
Transfers Between Institutions & System, Debt Service - Mandatory	(11,892,650.93)	(12,024,742.49)
Transfers Between Institutions & System Admin. - Non mandatory	37,403,966.05	3,866,001.00
Transfers From Other State Agencies		167.52
Transfers to Other State Agencies	(1,427,191.43)	(1,365,009.62)
<b>Change in Net Assets</b>	<b>50,643,216.44</b>	<b>19,803,867.48</b>
<b>Beginning Net Assets</b>	<b>311,777,953.42</b>	<b>291,974,085.94</b>
<b>Ending Net Assets</b>	<b>\$ 362,421,169.86</b>	<b>311,777,953.42</b>

The University of Texas-Pan American  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	54,140,776.41	49,312,927.01
Proceeds from Sponsored Programs	55,692,496.24	50,942,441.16
Proceeds from Auxiliaries	6,838,543.70	1,147,819.76
Proceeds from Other Revenues	8,658,671.27	20,818,362.57
Payments to Suppliers	(79,536,425.10)	(87,836,347.42)
Payments to Employees	(139,449,014.09)	(144,406,414.55)
Payments for Loans Provided	(8,737,587.96)	(9,196,158.47)
Proceeds from Loan Programs	9,497,961.86	9,978,445.64
Net Cash Provided (Used) by Operating Activities	<u>(92,894,577.67)</u>	<u>(109,238,924.30)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	69,074,752.49	67,884,614.57
Proceeds from Operating Gifts	3,966,043.87	2,286,177.49
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	241,305.00	528,597.36
Proceeds from Other Nonoperating Revenues	32,765.87	185,228.26
Payments / Receipts for Transfers to / from System or Other Agencies	(861,900.68)	(895,600.72)
Payments for Other Uses	(34,706.33)	(135,304.00)
Proceeds from Nonexchange Sponsored Programs	50,831,480.16	56,169,231.41
Net Cash Provided by Noncapital Financing Activities	<u>123,249,740.38</u>	<u>126,022,944.37</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	3,628,053.25	925,647.34
Proceeds from Capital Appropriations, Grants, and Gifts	14,311,123.00	12,311,123.00
Proceeds from Sale of Capital Assets	3,975.00	56,010.00
Payments for Additions to Capital Assets	(21,986,540.76)	(10,464,390.88)
Mandatory Transfers to System for Capital Related Debt	(11,892,650.93)	(12,024,742.49)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(15,936,040.44)</u>	<u>(9,196,353.03)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	105,049.37	252,775.60
Proceeds from Interest and Investment Income Invested by System	3,581,595.23	3,404,370.79
Payments to Acquire Investments Invested by System	(17,130,001.91)	(6,539,201.94)
Net Cash Provided (Used) by Investing Activities	<u>(13,443,357.31)</u>	<u>(2,882,055.55)</u>
Net Increase (Decrease) in Cash	975,764.96	4,705,611.49
Cash and Cash Equivalents (Beginning of the Year)	25,778,347.54	21,072,736.05
Cash and Cash Equivalents (End of the Year)	<u>\$ 26,754,112.50</u>	<u>\$ 25,778,347.54</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(113,561,146.85)	(124,665,373.62)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	14,441,585.57	14,240,501.96
Bad Debt Expense	131,725.50	184,109.61
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	9,089,145.09	(9,020,513.81)
Inventories	(107,021.77)	(5,307.38)
Loans and Contracts	760,373.90	782,287.17
Other Current and Noncurrent Assets	(27,011.70)	(25,810.46)
Accounts Payable	4,039,433.77	5,971,098.25
Due to System	30,373.85	116,559.92
Unearned Revenue	(7,458,678.65)	2,251,376.57
Assets Held for Others	100,895.59	1,106,265.59
Employees' Compensable Leave	(338,205.72)	(226,217.58)
Other Current and Noncurrent Liabilities	3,953.75	52,099.48
Total Adjustments	<u>20,666,569.18</u>	<u>15,426,449.32</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (92,894,577.67)</u>	<u>\$ (109,238,924.30)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(491,273.20)	7,496,334.25
Donated Capital Assets	49,979.72	129,020.68
Miscellaneous Noncash Transactions	(67,513.84)	(405,052.28)



The University of Texas of the Permian Basin  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 15,099,165.11	37,936,391.27
Restricted Cash & Cash Equivalents	(55,831.27)	(16,378,051.85)
Balance in State Appropriations	2,186,154.22	1,979,102.48
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	4,258,068.28	1,104,523.34
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	795,115.06	730.61
Student (allow. \$0.00 in 2012 & \$0.00 in 2011)	704,908.02	663,529.46
Contributions (allow. \$79,779.51 in 2012 & \$3,316.13 in 2011)	417,188.29	29,845.13
Other (allow. \$205,258.69 in 2012 & \$238,751.63 in 2011)	1,863,668.54	2,363,375.41
Due From System Administration	10,626,854.19	11,586,325.93
Inventories	185,376.29	104,747.74
Loans & Contracts (allow. \$72,660.15 in 2012 & \$121,016.81 in 2011)	446,336.20	438,811.45
Other Current Assets	49,138.46	(10,626,553.22)
<b>Total Current Assets and Deferred Outflows</b>	<b>36,576,141.39</b>	<b>29,202,777.75</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	1,539,775.32	18,960,743.80
Funds Held by System Administration (Restricted)	32,842,811.04	18,549,573.42
Contributions Rec. (allow. \$33,425.26 in 2012 & \$1,162.07 in 2011)	300,827.30	10,458.64
Unrestricted Investments	9,988,321.33	382,211.75
Gross Capital/Intangible Assets	268,431,199.35	248,563,630.51
Accumulated Depreciation/Amortization	(72,856,544.58)	(57,656,765.99)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>240,246,389.76</b>	<b>228,809,852.13</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 276,822,531.15</b>	<b>258,012,629.88</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	4,890,393.97	7,175,938.44
Salaries Payable	1,833,271.05	1,518,491.57
Due To System Administration	414,692.73	311,880.12
Unearned Revenue	8,173,481.84	6,292,420.82
Employees' Compensable Leave - Current Portion	580,744.48	537,494.22
Payable From Restricted Assets	1,521,478.31	41,309.08
Assets Held for Others	(1,128,021.68)	38,040.25
Other Current Liabilities	464,575.13	242,687.48
<b>Total Current Liabilities and Deferred Inflows</b>	<b>16,750,615.83</b>	<b>16,158,261.98</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	88,895.00	155,092.94
Assets Held for Others		119,702.24
Other Noncurrent Liabilities		31,055.53
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>88,895.00</b>	<b>305,850.71</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>16,839,510.83</b>	<b>16,464,112.69</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	195,574,654.77	190,906,864.52
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	26,483,705.47	12,285,997.30
Expendable		
Capital Projects	10,523,008.53	17,396,282.96
Funds Functioning as Endowment (Restricted)	53,557.75	54,617.14
Other Expendable	13,165,230.11	8,437,777.04
Unrestricted Net Assets	14,182,863.69	12,466,978.23
<b>Total Net Assets</b>	<b>259,983,020.32</b>	<b>241,548,517.19</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 276,822,531.15</b>	<b>258,012,629.88</b>

The University of Texas of the Permian Basin  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 18,371,041.56	20,052,052.91
Discounts and Allowances	(8,023,943.99)	(9,933,002.26)
Federal Sponsored Programs	1,444,612.42	3,278,540.03
Federal Sponsored Programs Pass-Through from State Agencies	490,651.24	306,231.58
State Sponsored Programs		(12,114.24)
State Sponsored Programs Pass-Through from State Agencies	1,330,671.67	1,566,542.87
Local Sponsored Programs	106,591.74	43,847.31
Private Sponsored Programs	90,453.74	293,730.75
Sales and Services of Educational Activities	610,779.05	1,129,647.76
Discounts and Allowances Sales and Services of Educational Activities	(1,620.12)	(50.00)
Auxiliary Enterprises	4,235,960.85	3,430,876.87
Discounts and Allowances Auxiliary Enterprises	(1,017,660.87)	
Other Operating Revenues	1,387,425.13	1,382,452.89
<b>Total Operating Revenues</b>	<b>19,024,962.42</b>	<b>21,538,756.47</b>
<b>Operating Expenses:</b>		
Instruction	12,882,959.51	17,645,920.78
Research	1,492,821.39	1,852,280.57
Public Service	1,059,324.97	1,386,423.65
Academic Support	5,460,797.97	6,792,128.25
Student Services	2,816,719.91	2,878,522.06
Institutional Support	4,573,208.04	4,381,635.18
Operations and Maintenance of Plant	7,228,744.90	6,890,914.24
Scholarships and Fellowships	(6,258,522.45)	11,030,146.17
Auxiliary Enterprises	4,074,122.98	3,870,695.29
Depreciation and Amortization	11,187,380.17	4,438,316.32
<b>Total Operating Expenses</b>	<b>44,517,557.39</b>	<b>61,166,982.51</b>
<b>Operating Income (Loss)</b>	<b>(25,492,594.97)</b>	<b>(39,628,226.04)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	28,136,392.39	25,971,284.75
Federal Nonexchange Sponsored Programs	2,905,438.95	4,067,185.22
Federal Nonexchange Pass-Through	144,948.44	554,397.27
State Nonexchange Pass-Through		15,782.14
Gift Contributions for Operations	1,923,313.09	1,449,792.24
Investment Income	1,113,740.73	2,345,594.72
Net Increase (Decrease) in Fair Value of Investments	(681,396.29)	3,026,633.94
Gain (Loss) on Sale of Capital Assets	16,343.13	(593.43)
Other Nonoperating Revenues	206,466.62	(247,073.62)
Other Nonoperating (Expenses)	(226,484.62)	(177,368.78)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>33,538,762.44</b>	<b>37,005,634.45</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>8,046,167.47</b>	<b>(2,622,591.59)</b>
Gifts and Sponsored Programs for Capital Acquisitions		17,524,614.80
Additions to Permanent Endowments / Annuities	4,779,906.98	112,816.77
Reclass from/(to) Other Institutions	4,421,379.18	(2,771,642.82)
Transfers Between Institutions & System, Debt Service - Mandatory	(10,878,566.95)	(8,174,126.91)
Transfers Between Institutions & System Admin. - Non mandatory	11,922,664.78	10,229,293.42
Transfers From Other State Agencies	385,476.77	
Transfers to Other State Agencies	(242,525.10)	(181,014.75)
<b>Change in Net Assets</b>	<b>18,434,503.13</b>	<b>14,117,348.92</b>
<b>Beginning Net Assets</b>	<b>241,548,517.19</b>	<b>227,431,168.27</b>
<b>Ending Net Assets</b>	<b>\$ 259,983,020.32</b>	<b>241,548,517.19</b>

The University of Texas of the Permian Basin  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	12,686,551.70	9,389,272.77
Proceeds from Sponsored Programs	(530,111.88)	(4,354,406.39)
Proceeds from Auxiliaries	2,975,480.67	3,542,891.23
Proceeds from Other Revenues	1,188,639.82	2,557,335.92
Payments to Suppliers	(14,561,935.19)	(17,912,566.00)
Payments to Employees	(24,631,745.92)	(31,161,605.68)
Payments for Loans Provided	(90,374.85)	(816,624.45)
Proceeds from Loan Programs	121,920.80	300,547.07
Net Cash Provided (Used) by Operating Activities	<u>(22,841,574.85)</u>	<u>(38,455,155.53)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	27,929,340.65	24,010,182.27
Proceeds from Operating Gifts	1,245,601.27	1,481,375.15
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	4,779,906.98	112,816.77
Payments / Receipts for Transfers to / from System or Other Agencies	461,852.24	(130,254.66)
Payments for Other Uses	-	(177,368.78)
Proceeds from Nonexchange Sponsored Programs	3,050,387.39	4,637,364.63
Net Cash Provided by Noncapital Financing Activities	<u>37,467,088.53</u>	<u>29,934,115.38</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	15,590,138.42	53,156,212.18
Proceeds from Capital Appropriations, Grants, and Gifts	-	17,524,614.80
Payments for Additions to Capital Assets	(20,815,056.39)	(49,726,367.90)
Mandatory Transfers to System for Capital Related Debt	(10,878,566.95)	(8,174,126.91)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(16,103,484.92)</u>	<u>12,780,332.17</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	1,645,040.09
Proceeds from Interest and Investment Income	59,395.01	1,467,166.59
Proceeds from Interest and Investment Income Invested by System	2,063,345.66	898,283.04
Payments to Acquire Investments	(29,740.00)	(22,706.50)
Payments to Acquire Investments Invested by System	(7,130,035.01)	-
Net Cash Provided (Used) by Investing Activities	<u>(5,037,034.34)</u>	<u>3,987,783.22</u>
Net Increase (Decrease) in Cash	(6,515,005.58)	8,247,075.24
Cash and Cash Equivalents (Beginning of the Year)	21,558,339.42	13,311,264.18
Cash and Cash Equivalents (End of the Year)	<u>\$ 15,043,333.84</u>	<u>\$ 21,558,339.42</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(25,492,594.97)	(39,628,226.04)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	11,187,380.17	4,438,316.32
Bad Debt Expense	(38,140.70)	166,770.08
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(3,490,531.08)	895,472.47
Inventories	(80,628.55)	(4,083.63)
Loans and Contracts	31,545.95	(516,077.38)
Other Current and Noncurrent Assets	(10,675,691.68)	11,508,745.19
Accounts Payable	4,851,092.11	(4,043,051.70)
Due to System	102,812.61	15,317.32
Unearned Revenue	1,881,061.02	(11,274,324.14)
Assets Held for Others	(1,285,764.17)	(61,267.89)
Employees' Compensable Leave	(22,947.68)	10,797.25
Other Current and Noncurrent Liabilities	190,832.12	36,456.62
Total Adjustments	<u>2,651,020.12</u>	<u>1,173,070.51</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (22,841,574.85)</u>	<u>\$ (38,455,155.53)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(681,396.29)	3,026,633.94
Miscellaneous Noncash Transactions	381,801.90	(247,667.05)

The University of Texas at San Antonio  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
Current Assets and Deferred Outflows:		
Cash & Cash Equivalents	\$ 44,253,829.54	42,869,984.73
Restricted Cash & Cash Equivalents	(3,490,117.06)	(6,217,442.10)
Balance in State Appropriations	3,312,293.32	5,932,394.12
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	30,112,985.56	33,653,835.42
Other Intergov. (allow. \$33,213.00 in 2012 & \$33,213.00 in 2011)	1,621,287.86	1,100,422.89
Student (allow. \$665,200.00 in 2012 & \$600,300.00 in 2011)	33,000,950.15	27,478,400.54
Interest and Dividend Receivables	804,163.69	800,458.68
Contributions (allow. \$12,134.00 in 2012 & \$4,481.59 in 2011)	2,642,934.96	891,925.28
Other (allow. \$8,327.91 in 2012 & \$0.00 in 2011)	3,406,056.88	2,523,188.53
Due From Other Funds	22,275,000.00	
Due From System Administration	25,698,083.19	15,778,071.20
Due From Other Agencies	1,939,468.21	765,583.65
Inventories	730,334.30	686,994.65
Loans & Contracts (allow. \$438,725.16 in 2012 & \$562,110.53 in 2011)	5,328,334.44	5,455,943.57
Other Current Assets	2,033,669.27	1,733,379.63
<b>Total Current Assets and Deferred Outflows</b>	<b>173,669,274.31</b>	<b>133,453,140.79</b>
Noncurrent Assets and Deferred Outflows:		
Restricted Investments	2,000,000.00	2,000,000.00
Loans & Contracts (allow. \$368,440.53 in 2012 & \$432,632.68 in 2011)	3,718,113.35	3,762,829.38
Funds Held by System Administration (Restricted)	89,521,182.81	81,760,093.99
Contributions Rec. (allow. \$34,605.74 in 2012 & \$8,768.65 in 2011)	6,634,488.35	1,745,132.74
Unrestricted Investments	264,445,910.15	259,919,293.81
Gross Capital/Intangible Assets	1,058,823,990.03	988,377,053.21
Accumulated Depreciation/Amortization	(358,574,923.41)	(319,648,315.51)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>1,066,568,761.28</b>	<b>1,017,916,087.62</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 1,240,238,035.59</b>	<b>1,151,369,228.41</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
Current Liabilities and Deferred Inflows:		
Accounts Payable and Accrued Liabilities	23,146,786.36	19,085,504.14
Salaries Payable	17,986,204.84	18,274,862.31
Due To Other Funds	22,275,000.00	
Due To System Administration	2,856,520.26	2,791,799.11
Due To Other Institutions	8,318.98	18,665.62
Due To Other State Agencies	29,524.76	24,694.24
Unearned Revenue	119,472,441.28	115,942,253.99
Employees' Compensable Leave - Current Portion	6,535,014.31	6,109,443.06
Payable From Restricted Assets	2,712,003.07	2,329,845.70
Assets Held for Others	2,702,259.92	2,898,281.41
Other Current Liabilities	1,185,681.10	1,080,885.29
<b>Total Current Liabilities and Deferred Inflows</b>	<b>198,909,754.88</b>	<b>168,556,234.87</b>
Noncurrent Liabilities and Deferred Inflows:		
Employees' Compensable Leave	1,826,327.25	1,858,848.22
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>1,826,327.25</b>	<b>1,858,848.22</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>200,736,082.13</b>	<b>170,415,083.09</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	700,249,066.62	668,728,737.70
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	65,947,472.46	58,195,936.36
Expendable		
Capital Projects	52,275,974.69	1,122,301.29
Funds Functioning as Endowment (Restricted)	722,456.45	731,319.88
Other Expendable	51,529,816.35	66,194,932.88
Unrestricted Net Assets	168,777,166.89	185,980,917.21
<b>Total Net Assets</b>	<b>1,039,501,953.46</b>	<b>980,954,145.32</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 1,240,238,035.59</b>	<b>1,151,369,228.41</b>

The University of Texas at San Antonio  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 248,961,645.71	240,264,864.14
Discounts and Allowances	(55,276,888.85)	(65,917,928.09)
Federal Sponsored Programs	46,267,200.97	48,476,379.74
Federal Sponsored Programs Pass-Through from State Agencies	3,137,335.87	2,388,565.50
State Sponsored Programs Pass-Through from State Agencies	16,003,870.60	22,571,507.02
Local Sponsored Programs	2,213,346.12	1,180,799.93
Private Sponsored Programs	3,262,796.59	3,213,294.04
Sales and Services of Educational Activities	10,227,855.97	9,652,400.06
Discounts and Allowances Sales and Services of Educational Activities	(144,392.15)	(71,534.58)
Auxiliary Enterprises	31,161,514.82	27,357,414.83
Other Operating Revenues	3,243,886.78	2,508,444.47
<b>Total Operating Revenues</b>	<b>309,058,172.43</b>	<b>291,624,207.06</b>
<b>Operating Expenses:</b>		
Instruction	122,883,463.21	120,021,312.65
Research	42,750,530.99	46,104,030.70
Public Service	18,052,007.43	18,796,560.64
Academic Support	48,338,693.82	40,943,997.13
Student Services	23,953,917.44	23,910,432.43
Institutional Support	37,818,283.21	45,051,617.89
Operations and Maintenance of Plant	43,035,863.78	40,931,487.44
Scholarships and Fellowships	42,821,625.84	43,560,852.52
Auxiliary Enterprises	41,395,518.21	33,065,220.68
Depreciation and Amortization	41,020,972.06	39,343,964.62
<b>Total Operating Expenses</b>	<b>462,070,875.99</b>	<b>451,729,476.70</b>
<b>Operating Income (Loss)</b>	<b>(153,012,703.56)</b>	<b>(160,105,269.64)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	110,326,790.65	112,476,408.87
Federal Nonexchange Sponsored Programs	50,121,794.00	51,476,787.00
Federal Nonexchange Pass-Through	628,449.47	5,658,924.54
State Nonexchange Pass-Through	1,091,884.29	1,400,625.59
Gift Contributions for Operations	12,267,526.08	6,555,540.87
Investment Income	14,057,097.21	12,069,925.18
Net Increase (Decrease) in Fair Value of Investments	(297,611.41)	23,014,860.29
Gain (Loss) on Sale of Capital Assets	(49,754.76)	(83,664.29)
Other Nonoperating Revenues		19,291.93
Other Nonoperating (Expenses)	(203,454.97)	
<b>Net Nonoperating Revenues (Expenses)</b>	<b>187,942,720.56</b>	<b>212,588,699.98</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>34,930,017.00</b>	<b>52,483,430.34</b>
Gifts and Sponsored Programs for Capital Acquisitions	1,661,715.40	135,513.14
Additions to Permanent Endowments / Annuities	4,329,712.30	15,713,081.05
Reclass from/(to) Other Institutions	19,212,057.87	(41,408,053.62)
Transfers Between Institutions & System, Debt Service - Mandatory	(30,078,131.66)	(29,671,750.37)
Transfers Between Institutions & System Admin. - Non mandatory	31,587,443.77	62,091,590.70
Transfers From Other State Agencies		3,358.16
Transfers to Other State Agencies	(3,082,170.00)	(2,734,821.00)
Legislative Appropriations Lapsed	(12,836.54)	
<b>Change in Net Assets</b>	<b>58,547,808.14</b>	<b>56,612,348.40</b>
<b>Beginning Net Assets</b>	<b>980,954,145.32</b>	<b>924,341,796.92</b>
<b>Ending Net Assets</b>	<b>\$ 1,039,501,953.46</b>	<b>980,954,145.32</b>

The University of Texas at San Antonio  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	191,140,075.10	178,734,659.07
Proceeds from Sponsored Programs	69,001,880.17	76,355,237.60
Proceeds from Auxiliaries	31,137,252.52	28,073,410.51
Proceeds from Other Revenues	13,361,747.79	13,658,300.89
Payments to Suppliers	(145,656,679.52)	(136,449,573.38)
Payments to Employees	(273,020,644.39)	(269,665,576.89)
Payments for Loans Provided	(13,869,585.09)	(14,403,173.94)
Proceeds from Loan Programs	13,912,705.70	14,487,130.18
Net Cash Provided (Used) by Operating Activities	<u>(113,993,247.72)</u>	<u>(109,209,585.96)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	112,934,054.91	110,657,269.05
Proceeds from Operating Gifts	5,627,160.79	6,980,517.97
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	4,329,712.30	15,713,081.05
Proceeds from Other Nonoperating Revenues	(1,100.43)	5,014.61
Payments / Receipts for Transfers to / from System or Other Agencies	115,557.08	(2,454,813.07)
Proceeds from Nonexchange Sponsored Programs	55,631,632.76	56,683,494.13
Net Cash Provided by Noncapital Financing Activities	<u>178,637,017.41</u>	<u>187,584,563.74</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	37,848,724.94	19,329,545.74
Proceeds from Capital Appropriations, Grants, and Gifts	1,193,453.12	27,085.89
Proceeds from Sale of Capital Assets	28,599.68	26,073.89
Payments for Additions to Capital Assets	(70,826,359.18)	(45,081,032.97)
Mandatory Transfers to System for Capital Related Debt	(30,078,131.66)	(29,671,750.37)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(61,833,713.10)</u>	<u>(55,370,077.82)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	174,341.36	71,288.38
Proceeds from Interest and Investment Income Invested by System	13,712,088.47	11,825,133.50
Payments to Acquire Investments Invested by System	(12,585,316.57)	(49,045,090.48)
Net Cash Provided (Used) by Investing Activities	<u>1,301,113.26</u>	<u>(37,148,668.60)</u>
Net Increase (Decrease) in Cash	4,111,169.85	(14,143,768.64)
Cash and Cash Equivalents (Beginning of the Year)	36,652,542.63	50,796,311.27
Cash and Cash Equivalents (End of the Year)	<u>\$ 40,763,712.48</u>	<u>\$ 36,652,542.63</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(153,012,703.56)	(160,105,269.64)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	41,020,972.06	39,343,964.62
Bad Debt Expense	129,204.55	557,244.36
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(8,270,436.88)	(6,757,986.37)
Inventories	(43,339.65)	(37,367.49)
Loans and Contracts	43,120.61	83,956.24
Other Current and Noncurrent Assets	(300,289.64)	(495,401.77)
Accounts Payable	2,543,491.75	5,815,904.29
Due to System	64,721.15	267,477.17
Unearned Revenue	3,530,187.29	10,764,686.11
Assets Held for Others	(196,021.49)	1,480,119.96
Employees' Compensable Leave	393,050.28	(97,712.67)
Other Current and Noncurrent Liabilities	104,795.81	(29,200.77)
Total Adjustments	<u>39,019,455.84</u>	<u>50,895,683.68</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (113,993,247.72)</u>	<u>\$ (109,209,585.96)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(297,611.41)	23,014,860.29
Donated Capital Assets	389,876.53	104,642.00
Miscellaneous Noncash Transactions	(253,209.73)	(61,014.20)

The University of Texas at Tyler  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 14,648,086.22	18,009,373.67
Restricted Cash & Cash Equivalents	1,346,940.05	2,770,051.68
Balance in State Appropriations	363,530.80	567,644.32
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	4,722,675.59	1,614,540.04
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	606,637.50	
Student (allow. \$1,051,924.21 in 2012 & \$993,555.84 in 2011)	2,169,581.71	1,888,636.76
Interest and Dividend Receivables	116,691.58	114,196.31
Contributions (allow. \$8,400.00 in 2012 & \$10,700.00 in 2011)	160,153.85	203,229.27
Other (allow. \$0.00 in 2012 & \$0.00 in 2011)	1,410,258.12	3,214,873.91
Due From System Administration	7,367,080.01	8,217,370.44
Due From Other Agencies	508,292.55	449,013.57
Loans & Contracts (allow. \$841,916.90 in 2012 & \$837,039.51 in 2011)	2,125,520.05	2,407,059.95
Other Current Assets	460,432.62	292,539.35
<b>Total Current Assets and Deferred Outflows</b>	<b>36,005,880.65</b>	<b>39,748,529.27</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Funds Held by System Administration (Restricted)	68,337,422.70	67,925,022.29
Contributions Rec. (allow. \$24,200.00 in 2012 & \$24,400.00 in 2011)	458,953.74	463,387.49
Unrestricted Investments	46,148,437.98	42,404,579.88
Gross Capital/Intangible Assets	239,619,967.29	237,397,470.54
Accumulated Depreciation/Amortization	(101,562,489.75)	(90,395,189.72)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>253,002,291.96</b>	<b>257,795,270.48</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 289,008,172.61</b>	<b>297,543,799.75</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	1,701,642.04	2,796,180.29
Salaries Payable	4,352,210.44	3,861,072.98
Due To System Administration	667,183.72	587,886.45
Due To Other State Agencies		2,000.00
Unearned Revenue	13,247,177.56	14,309,894.49
Employees' Compensable Leave - Current Portion	845,619.51	823,657.96
Payable From Restricted Assets	71,531.61	91,382.47
Assets Held for Others	1,439,391.10	1,167,965.43
Other Current Liabilities	168,683.05	124,072.34
<b>Total Current Liabilities and Deferred Inflows</b>	<b>22,493,439.03</b>	<b>23,764,112.41</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	559,522.80	388,734.10
Other Noncurrent Liabilities	301,833.02	312,593.02
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>861,355.82</b>	<b>701,327.12</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>23,354,794.85</b>	<b>24,465,439.53</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	138,057,477.54	147,002,280.82
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	36,817,395.82	35,110,898.50
Expendable		
Capital Projects	9,328,255.09	9,543,510.45
Funds Functioning as Endowment (Restricted)	405,993.99	363,431.64
Other Expendable	36,120,252.02	37,311,918.53
Unrestricted Net Assets	44,924,003.30	43,746,320.28
<b>Total Net Assets</b>	<b>265,653,377.76</b>	<b>273,078,360.22</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 289,008,172.61</b>	<b>297,543,799.75</b>

The University of Texas at Tyler  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 43,454,420.50	40,389,286.71
Discounts and Allowances	(15,426,961.53)	(14,125,571.88)
Federal Sponsored Programs	3,573,333.93	4,225,195.25
Federal Sponsored Programs Pass-Through from State Agencies	4,114,548.11	1,511,857.07
State Sponsored Programs		568,956.41
State Sponsored Programs Pass-Through from State Agencies	3,465,440.95	4,289,244.56
Local Sponsored Programs		104,746.93
Private Sponsored Programs	2,154,073.70	1,756,734.73
Sales and Services of Educational Activities	2,986,097.98	1,975,931.90
Auxiliary Enterprises	4,512,780.91	4,022,062.02
Other Operating Revenues	362,359.43	234,175.30
<b>Total Operating Revenues</b>	<b>49,196,093.98</b>	<b>44,952,619.00</b>
<b>Operating Expenses:</b>		
Instruction	32,534,891.50	31,731,893.55
Research	3,431,909.54	2,673,086.89
Public Service	5,511,785.77	3,658,412.09
Academic Support	7,771,527.27	7,018,432.33
Student Services	6,370,906.91	5,834,879.66
Institutional Support	11,355,664.29	9,874,801.43
Operations and Maintenance of Plant	6,262,308.31	6,295,799.15
Scholarships and Fellowships	5,038,926.15	4,685,107.16
Auxiliary Enterprises	6,224,157.54	5,504,914.75
Depreciation and Amortization	11,277,852.20	11,286,509.38
<b>Total Operating Expenses</b>	<b>95,779,929.48</b>	<b>88,563,836.39</b>
<b>Operating Income (Loss)</b>	<b>(46,583,835.50)</b>	<b>(43,611,217.39)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	31,339,664.93	32,277,019.75
Federal Nonexchange Sponsored Programs	8,180,779.02	7,913,199.89
Federal Nonexchange Pass-Through		890,966.00
State Nonexchange Pass-Through		16,532.95
Gift Contributions for Operations	870,051.18	992,152.32
Investment Income	4,150,280.39	4,790,383.20
Net Increase (Decrease) in Fair Value of Investments	(1,765,619.36)	9,133,592.96
Gain (Loss) on Sale of Capital Assets		(3,308.42)
Other Nonoperating (Expenses)		(557,966.11)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>42,775,156.16</b>	<b>55,452,572.54</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>(3,808,679.34)</b>	<b>11,841,355.15</b>
Gifts and Sponsored Programs for Capital Acquisitions	963,693.67	74,009.25
Additions to Permanent Endowments / Annuities	1,475,460.43	1,311,791.84
Reclass from/(to) Other Institutions	(586,042.88)	(394,708.63)
Transfers Between Institutions & System, Debt Service - Mandatory	(7,539,524.20)	(7,237,888.99)
Transfers Between Institutions & System Admin. - Non mandatory	2,495,056.36	933,900.74
Transfers to Other State Agencies	(424,946.49)	(376,345.90)
Legislative Appropriations Lapsed	(0.01)	(418,982.06)
<b>Change in Net Assets</b>	<b>(7,424,982.46)</b>	<b>5,733,131.40</b>
<b>Beginning Net Assets</b>	<b>273,078,360.22</b>	<b>267,345,228.82</b>
<b>Ending Net Assets</b>	<b>\$ 265,653,377.76</b>	<b>273,078,360.22</b>



The University of Texas at Tyler  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	27,342,504.43	26,792,239.00
Proceeds from Sponsored Programs	9,567,390.81	10,847,249.82
Proceeds from Auxiliaries	4,312,203.38	3,829,517.48
Proceeds from Other Revenues	4,964,173.62	1,908,618.08
Payments to Suppliers	(28,518,004.00)	(25,745,203.69)
Payments to Employees	(56,584,251.32)	(50,299,629.41)
Payments for Loans Provided	(2,611,634.15)	(966,354.55)
Proceeds from Loan Programs	2,888,296.66	90,521.86
Net Cash Provided (Used) by Operating Activities	<u>(38,639,320.57)</u>	<u>(33,543,041.41)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	31,543,778.44	32,516,335.52
Proceeds from Operating Gifts	874,645.51	996,857.68
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	1,475,460.43	1,311,791.84
Payments / Receipts for Transfers to / from System or Other Agencies	444,601.89	(319,909.90)
Payments for Other Uses	-	(49,125.00)
Proceeds from Nonexchange Sponsored Programs	8,180,779.02	8,820,698.84
Net Cash Provided by Noncapital Financing Activities	<u>42,519,265.29</u>	<u>43,276,648.98</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	1,931,093.34	1,978,925.55
Proceeds from Capital Appropriations, Grants, and Gifts	1,006,608.51	209,511.64
Payments for Additions to Capital Assets	(2,247,090.89)	(2,219,748.16)
Mandatory Transfers to System for Capital Related Debt	(7,539,524.20)	(7,237,888.99)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(6,848,913.24)</u>	<u>(7,269,199.96)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	1,465,213.27	1,384,388.83
Proceeds from Interest and Investment Income Invested by System	2,641,234.04	3,336,325.04
Payments to Acquire Investments Invested by System	(5,921,877.87)	(4,233,868.52)
Net Cash Provided (Used) by Investing Activities	<u>(1,815,430.56)</u>	<u>486,845.35</u>
Net Increase (Decrease) in Cash	(4,784,399.08)	2,951,252.96
Cash and Cash Equivalents (Beginning of the Year)	20,779,425.35	17,828,172.39
Cash and Cash Equivalents (End of the Year)	<u>\$ 15,995,026.27</u>	<u>\$ 20,779,425.35</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(46,583,835.50)	(43,611,217.39)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	11,277,852.20	11,286,509.38
Bad Debt Expense	4,877.39	50,289.63
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(2,250,381.19)	(1,696,842.76)
Loans and Contracts	276,662.51	(875,832.69)
Other Current and Noncurrent Assets	(167,893.27)	95,241.21
Accounts Payable	(711,209.68)	1,018,354.76
Due to System	79,297.27	51,096.43
Unearned Revenue	(1,062,716.93)	(227,178.51)
Assets Held for Others	271,425.67	354,056.05
Employees' Compensable Leave	192,750.25	19,511.88
Other Current and Noncurrent Liabilities	33,850.71	(7,029.40)
Total Adjustments	<u>7,944,514.93</u>	<u>10,068,175.98</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (38,639,320.57)</u>	<u>\$ (33,543,041.41)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(1,765,619.36)	9,133,592.96
Miscellaneous Noncash Transactions	-	(512,149.53)

The University of Texas Southwestern Medical Center  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 153,847,538.59	88,971,154.28
Restricted Cash & Cash Equivalents	948,315.60	44,280,305.63
Balance in State Appropriations	20,520,063.05	16,054,072.28
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	48,507,174.63	29,586,149.52
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	20,282,481.15	9,396,830.70
Patient & Healthcare(allow. \$639,878,835.31 in 2012 & \$404,493,136.81 in 2011)	169,103,170.88	152,010,414.59
Interest and Dividend Receivables	2,214,988.88	2,232,189.54
Contributions (allow. \$350,111.90 in 2012 & \$289,573.50 in 2011)	2,330,029.15	2,160,833.92
Other (allow. \$305,804.72 in 2012 & \$59,341.99 in 2011)	19,064,125.88	28,673,273.33
Due From System Administration	326,523,053.69	469,726,419.65
Due From Other Agencies	116,182.01	1,983,819.51
Inventories	19,700,579.16	17,903,668.91
Loans & Contracts (allow. \$51,205.63 in 2012 & \$41,489.04 in 2011)	1,484,574.58	1,555,704.89
Other Current Assets	2,779,157.27	4,570,271.66
<b>Total Current Assets and Deferred Outflows</b>	<b>787,421,434.52</b>	<b>869,105,108.41</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Cash and Cash Equivalents (Noncurrent Restricted)	281,573.41	
Restricted Investments	500,556,830.74	368,400,601.00
Loans & Contracts (allow. \$225,368.19 in 2012 & \$159,704.23 in 2011)	6,533,966.82	5,988,392.97
Funds Held by System Administration (Restricted)	836,413,417.07	838,838,414.38
Contributions Rec. (allow. \$65,700.53 in 2012 & \$126,238.93 in 2011)	423,856.56	893,617.06
Unrestricted Investments	460,842,966.17	581,621,585.07
Gross Capital/Intangible Assets	2,339,390,507.86	2,062,904,720.07
Accumulated Depreciation/Amortization	(813,422,843.79)	(718,382,914.85)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>3,331,020,274.84</b>	<b>3,140,264,415.70</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 4,118,441,709.36</b>	<b>4,009,369,524.11</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	111,165,125.35	125,603,225.88
Salaries Payable	43,378,892.13	46,229,622.95
Due To System Administration	9,981,607.61	9,200,767.35
Due To Other State Agencies	41,925.24	33,398.43
Unearned Revenue	32,654,205.55	13,097,810.98
Employees' Compensable Leave - Current Portion	45,979,660.92	43,472,651.96
Payable From Restricted Assets	42,137,526.55	44,447,487.72
Assets Held for Others	(175,822.77)	391,428.99
Other Current Liabilities	121,080.39	112,590.39
<b>Total Current Liabilities and Deferred Inflows</b>	<b>285,284,200.97</b>	<b>282,588,984.65</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	26,336,017.73	25,473,695.96
Other Noncurrent Liabilities	1,056,474.13	1,964,863.64
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>27,392,491.86</b>	<b>27,438,559.60</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>312,676,692.83</b>	<b>310,027,544.25</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	1,525,967,664.07	1,344,521,805.22
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	521,365,972.56	507,595,801.90
Expendable		
Capital Projects	255,551,950.40	436,500,723.74
Funds Functioning as Endowment (Restricted)	26,171,715.99	26,429,748.29
Other Expendable	670,225,152.80	708,305,538.32
Unrestricted Net Assets	806,482,560.71	675,988,362.39
<b>Total Net Assets</b>	<b>3,805,765,016.53</b>	<b>3,699,341,979.86</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 4,118,441,709.36</b>	<b>4,009,369,524.11</b>

The University of Texas Southwestern Medical Center  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 26,536,563.95	21,559,034.02
Discounts and Allowances	(8,926,274.20)	(4,956,071.00)
Federal Sponsored Programs	208,650,520.96	225,581,981.59
Federal Sponsored Programs Pass-Through from State Agencies	3,143,666.00	5,200,927.86
State Sponsored Programs Pass-Through from State Agencies	25,800,908.32	13,375,333.15
Local Sponsored Programs	168,079,987.31	164,924,855.74
Private Sponsored Programs	48,471,857.11	50,470,106.41
Sales and Services of Educational Activities	21,897,384.69	20,401,676.26
Sales and Services of Hospitals	2,060,364,035.81	1,566,334,172.24
Discounts and Allowances Sales and Services of Hospitals	(1,393,117,158.04)	(1,035,818,670.13)
Professional Fees (Patient Charges)	1,302,446,389.61	1,354,013,514.84
Discounts and Allowances Professional Fees (Patient Charges)	(893,132,107.45)	(947,994,023.21)
Auxiliary Enterprises	17,780,101.40	17,578,608.85
Other Operating Revenues	17,192,211.03	15,211,068.87
<b>Total Operating Revenues</b>	<b>1,605,188,086.50</b>	<b>1,465,882,515.49</b>
<b>Operating Expenses:</b>		
Instruction	548,226,057.03	579,517,612.32
Research	315,874,771.07	315,330,494.84
Public Service	24,964,431.49	26,927,826.94
Hospitals / Clinics	591,745,022.35	466,788,845.99
Academic Support	18,070,832.30	25,281,158.22
Student Services	3,426,103.80	3,351,701.57
Institutional Support	64,358,366.67	56,112,048.68
Operations and Maintenance of Plant	55,778,745.22	73,895,370.10
Scholarships and Fellowships	239,056.98	547,745.76
Auxiliary Enterprises	14,613,070.09	14,816,795.07
Depreciation and Amortization	103,294,481.32	92,919,911.44
<b>Total Operating Expenses</b>	<b>1,740,590,938.32</b>	<b>1,655,489,510.93</b>
Operating Income (Loss)	(135,402,851.82)	(189,606,995.44)
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	157,424,255.13	172,338,002.40
Federal Nonexchange Sponsored Programs	34,305.00	58,331.00
Federal Nonexchange Pass-Through		6,398,232.43
Gift Contributions for Operations	37,154,111.57	40,760,151.08
Investment Income	75,708,664.69	88,167,489.12
Net Increase (Decrease) in Fair Value of Investments	(29,393,418.53)	133,296,657.24
Gain (Loss) on Sale of Capital Assets	(3,168,275.48)	(21,920,884.64)
Other Nonoperating Revenues	1,993,192.01	2,008,622.00
Other Nonoperating (Expenses)	(278,354.98)	(1,400,000.00)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>239,474,479.41</b>	<b>419,706,600.63</b>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	104,071,627.59	230,099,605.19
Gifts and Sponsored Programs for Capital Acquisitions	31,601,067.42	2,914,173.15
Additions to Permanent Endowments / Annuities	8,915,246.06	2,456,698.44
Reclass from/(to) Other Institutions	(16,391,182.32)	(4,425,512.85)
Transfers Between Institutions & System, Debt Service - Mandatory	(95,033,971.74)	(89,820,091.22)
Transfers Between Institutions & System Admin. - Non mandatory	73,410,751.37	489,184,738.74
Transfers to Other State Agencies	(150,501.71)	(148,831.97)
<b>Change in Net Assets</b>	<b>106,423,036.67</b>	<b>630,260,779.48</b>
Beginning Net Assets	3,699,341,979.86	3,069,081,200.38
<b>Ending Net Assets</b>	<b>\$ 3,805,765,016.53</b>	<b>3,699,341,979.86</b>

The University of Texas Southwestern Medical Center  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	16,526,238.95	17,673,196.78
Proceeds from Patients and Customers	1,061,004,315.05	930,240,907.89
Proceeds from Sponsored Programs	454,374,264.72	463,586,313.97
Proceeds from Auxiliaries	16,867,099.85	17,444,335.92
Proceeds from Other Revenues	39,064,643.73	35,805,463.21
Payments to Suppliers	(515,038,446.10)	(424,335,936.57)
Payments to Employees	(1,146,387,258.43)	(1,106,887,224.13)
Payments for Loans Provided	(1,976,423.46)	(1,028,536.11)
Proceeds from Loan Programs	1,102,373.75	1,248,316.57
Net Cash Provided (Used) by Operating Activities	<u>(74,463,191.94)</u>	<u>(66,253,162.47)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	152,958,264.36	164,949,678.49
Proceeds from Operating Gifts	37,454,676.84	46,607,411.86
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	8,915,246.06	2,456,698.44
Payments / Receipts for Transfers to / from System or Other Agencies	13,691,894.27	(461,962.98)
Payments for Other Uses	-	(1,400,000.00)
Proceeds from Nonexchange Sponsored Programs	34,305.00	6,456,563.43
Net Cash Provided by Noncapital Financing Activities	<u>213,054,386.53</u>	<u>218,608,389.24</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	186,677,894.59	104,931,282.72
Proceeds from Capital Appropriations, Grants, and Gifts	31,965,572.61	2,597,165.12
Proceeds from Sale of Capital Assets	121,794.69	336,369.06
Payments for Additions to Capital Assets	(276,809,288.15)	(178,809,843.77)
Payments of Principal on Capital Related Debt	-	(16,988.00)
Mandatory Transfers to System for Capital Related Debt	(95,033,971.74)	(89,820,091.22)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(153,077,998.00)</u>	<u>(160,782,106.09)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	33,704,399.73	42,812,882.27
Proceeds from Interest and Investment Income Invested by System	40,954,403.43	41,317,653.80
Payments to Acquire Investments Invested by System	(38,346,032.06)	(80,553,254.89)
Net Cash Provided (Used) by Investing Activities	<u>36,312,771.10</u>	<u>3,577,281.18</u>
Net Increase (Decrease) in Cash	21,825,967.69	(4,849,598.14)
Cash and Cash Equivalents (Beginning of the Year)	133,251,459.91	138,101,058.05
Cash and Cash Equivalents (End of the Year)	<u>\$ 155,077,427.60</u>	<u>\$ 133,251,459.91</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(135,402,851.82)	(189,606,995.44)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	103,294,481.32	92,919,911.44
Bad Debt Expense	399,568.01	283,528.01
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(35,805,923.11)	(3,394,171.19)
Inventories	(1,796,910.25)	(4,250,549.00)
Loans and Contracts	(874,049.71)	219,780.46
Other Current and Noncurrent Assets	1,791,114.39	(290,264.33)
Accounts Payable	(28,659,680.60)	33,795,658.93
Due to System	780,840.26	1,141,045.94
Unearned Revenue	19,556,394.57	2,133,194.37
Assets Held for Others	(215,606.22)	9,157.06
Employees' Compensable Leave	3,369,330.73	691,857.29
Other Current and Noncurrent Liabilities	(899,899.51)	94,683.99
Total Adjustments	<u>60,939,659.88</u>	<u>123,353,832.97</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (74,463,191.94)</u>	<u>\$ (66,253,162.47)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(29,393,418.53)	133,296,657.24
Donated Capital Assets	-	51,510.00
Miscellaneous Noncash Transactions	(1,453,438.45)	(19,912,262.64)

The University of Texas Medical Branch at Galveston  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 204,750,386.53	233,734,356.26
Restricted Cash & Cash Equivalents	37,073,170.71	(17,369,446.69)
Balance in State Appropriations	132,834,259.83	143,438,780.80
Accounts Receivable, Net:		
Federal (allow. \$173,984.72 in 2012 & \$524,787.10 in 2011)	24,885,529.68	31,742,818.46
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	2,380,924.18	922,074.22
Student (allow. \$572,107.50 in 2012 & \$393,699.92 in 2011)	8,390,455.90	8,494,134.52
Patient & Healthcare(allow. \$134,150,821.63 in 2012 & \$137,937,410.19 in 2011)	81,016,055.14	77,194,652.24
Interest and Dividend Receivables	367,798.21	381,651.23
Contributions (allow. \$47,615.40 in 2012 & \$18,572.10 in 2011)	213,145.43	144,708.28
Other (allow. \$555,535.63 in 2012 & \$791,351.19 in 2011)	28,398,305.80	21,832,376.02
Due From System Administration	126,583,822.15	11,427,653.74
Due From Other Agencies	5,058,156.20	6,051,184.10
Inventories	13,447,371.93	11,851,154.60
Loans & Contracts (allow. \$0.00 in 2012 & \$0.00 in 2011)	1,052,018.38	1,019,707.80
Other Current Assets	12,009,009.72	10,442,694.04
<b>Total Current Assets and Deferred Outflows</b>	<b>678,460,409.79</b>	<b>541,308,499.62</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Cash and Cash Equivalents (Noncurrent Restricted)	(68,252,325.27)	
Restricted Investments	22,144,155.67	20,685,049.85
Loans & Contracts (allow. \$1,229,996.41 in 2012 & \$748,753.05 in 2011)	6,565,029.97	7,367,425.57
Funds Held by System Administration (Restricted)	478,290,372.60	477,324,653.50
Contributions Rec. (allow. \$43,194.95 in 2012 & \$20,808.77 in 2011)	377,529.56	103,128.09
Unrestricted Investments	128,213,606.62	131,484,688.52
Other Noncurrent Assets	1,170,006.93	1,180,717.97
Gross Capital/Intangible Assets	1,853,133,377.39	1,656,652,777.27
Accumulated Depreciation/Amortization	(949,938,201.90)	(887,708,140.49)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>1,471,703,551.57</b>	<b>1,407,090,300.28</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 2,150,163,961.36</b>	<b>1,948,398,799.90</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	168,354,422.14	200,263,148.18
Salaries Payable	31,690,422.74	32,246,188.82
Due To System Administration	10,918,265.92	10,438,977.25
Due To Other State Agencies	189,738.75	371,182.48
Unearned Revenue	54,085,497.39	53,406,095.54
Employees' Compensable Leave - Current Portion	38,159,444.65	34,720,793.54
Payable From Restricted Assets	9,616,923.61	10,746,425.76
Assets Held for Others	2,351,527.03	1,691,076.46
<b>Total Current Liabilities and Deferred Inflows</b>	<b>315,366,242.23</b>	<b>343,883,888.03</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	22,370,460.41	25,447,623.26
Liability to Beneficiaries	1,037,173.73	1,342,733.01
Other Noncurrent Liabilities	1,042,235.91	1,027,853.89
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>24,449,870.05</b>	<b>27,818,210.16</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>339,816,112.28</b>	<b>371,702,098.19</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	903,195,175.49	768,944,636.78
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	304,585,014.91	298,770,917.74
Expendable		
Capital Projects	211,356,083.02	123,577,468.03
Funds Functioning as Endowment (Restricted)	22,169,490.13	22,881,865.54
Other Expendable	197,585,188.51	203,336,982.07
Unrestricted Net Assets	171,456,897.02	159,184,831.55
<b>Total Net Assets</b>	<b>1,810,347,849.08</b>	<b>1,576,696,701.71</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 2,150,163,961.36</b>	<b>1,948,398,799.90</b>

The University of Texas Medical Branch at Galveston  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 31,208,002.61	29,197,915.28
Discounts and Allowances	(2,018,698.14)	(3,916,831.68)
Federal Sponsored Programs	121,641,695.58	136,726,828.31
Federal Sponsored Programs Pass-Through from State Agencies	23,480,066.31	34,572,825.29
State Sponsored Programs Pass-Through from State Agencies	12,168,966.16	16,835,345.65
Local Sponsored Programs	4,779,412.98	5,312,493.82
Private Sponsored Programs	65,931,861.87	70,947,886.01
Sales and Services of Educational Activities	15,729,141.67	15,893,274.75
Sales and Services of Hospitals	1,743,283,087.81	1,697,464,135.24
Discounts and Allowances Sales and Services of Hospitals	(987,008,544.28)	(893,372,500.98)
Professional Fees (Patient Charges)	370,549,045.82	352,069,265.51
Discounts and Allowances Professional Fees (Patient Charges)	(233,325,843.01)	(224,947,836.83)
Auxiliary Enterprises	6,208,739.73	5,808,817.03
Other Operating Revenues	17,107,942.00	2,450,171.73
<b>Total Operating Revenues</b>	<b>1,189,734,877.11</b>	<b>1,245,041,789.13</b>
<b>Operating Expenses:</b>		
Instruction	275,136,926.04	268,121,167.45
Research	112,693,561.86	119,808,199.06
Public Service	10,009,184.24	13,815,459.86
Hospitals / Clinics	883,668,857.30	908,578,562.31
Academic Support	26,046,144.15	29,338,238.96
Student Services	6,188,566.07	6,185,540.11
Institutional Support	52,943,458.42	50,649,849.57
Operations and Maintenance of Plant	79,144,853.28	79,485,368.24
Scholarships and Fellowships	8,374,836.29	7,377,457.65
Auxiliary Enterprises	5,604,858.27	5,558,511.74
Depreciation and Amortization	84,208,921.02	75,104,150.63
<b>Total Operating Expenses</b>	<b>1,544,020,166.94</b>	<b>1,564,022,505.58</b>
<b>Operating Income (Loss)</b>	<b>(354,285,289.83)</b>	<b>(318,980,716.45)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	328,301,510.86	284,711,579.86
Federal Nonexchange Sponsored Programs	442,738.25	795,229.75
Gift Contributions for Operations	8,608,083.36	10,301,248.90
Investment Income	26,827,258.40	31,923,486.79
Net Increase (Decrease) in Fair Value of Investments	(6,695,086.83)	50,198,370.18
Gain (Loss) on Sale of Capital Assets	(1,753,155.60)	78,514.39
Other Nonoperating Revenues	1,947,157.83	959,664.79
Other Nonoperating (Expenses)	(2,426,285.19)	(846,923.03)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>355,252,221.08</b>	<b>378,121,171.63</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>966,931.25</b>	<b>59,140,455.18</b>
Gifts and Sponsored Programs for Capital Acquisitions	60,154,030.89	53,268,003.89
Additions to Permanent Endowments / Annuities	3,529,242.16	2,684,075.32
Reclass from/(to) Other Institutions	212,560,151.47	(258,946,044.66)
Transfers Between Institutions & System, Debt Service - Mandatory	(36,525,395.89)	(26,269,233.27)
Transfers Between Institutions & System Admin. - Non mandatory	(6,831,185.98)	301,074,245.83
Transfers From Other State Agencies	68,558,873.14	69,309,937.12
Transfers to Other State Agencies	(68,761,499.67)	(69,515,310.32)
<b>Change in Net Assets</b>	<b>233,651,147.37</b>	<b>130,746,129.09</b>
<b>Beginning Net Assets</b>	<b>1,576,696,701.71</b>	<b>1,445,950,572.62</b>
<b>Ending Net Assets</b>	<b>\$ 1,810,347,849.08</b>	<b>1,576,696,701.71</b>

The University of Texas Medical Branch at Galveston  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	21,914,946.35	32,882,739.44
Proceeds from Patients and Customers	875,039,393.44	921,668,043.63
Proceeds from Sponsored Programs	221,591,809.11	259,221,730.61
Proceeds from Auxiliaries	6,233,494.51	6,024,501.24
Proceeds from Other Revenues	34,464,205.10	25,704,602.49
Payments to Suppliers	(490,112,759.61)	(483,675,560.57)
Payments to Employees	(984,268,632.27)	(994,120,137.47)
Payments for Loans Provided	(1,177,711.00)	(1,888,616.26)
Proceeds from Loan Programs	1,947,796.02	1,278,148.80
Net Cash Provided (Used) by Operating Activities	<u>(314,367,458.35)</u>	<u>(232,904,548.09)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	338,906,031.83	290,677,795.43
Proceeds from Operating Gifts	9,053,623.68	10,347,853.66
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	3,529,242.16	2,684,075.32
Proceeds from Other Nonoperating Revenues	1,947,157.83	959,664.79
Payments / Receipts for Transfers to / from System or Other Agencies	7,060,955.73	1,957,828.44
Payments for Other Uses	(2,426,285.19)	(974,052.58)
Proceeds from Nonexchange Sponsored Programs	442,738.25	795,229.75
Net Cash Provided by Noncapital Financing Activities	<u>358,513,464.29</u>	<u>306,448,394.81</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	83,508,674.05	45,550,432.10
Proceeds from Capital Appropriations, Grants, and Gifts	80,053,039.22	58,008,134.44
Proceeds from Sale of Capital Assets	156,607.96	272,443.63
Payments for Additions to Capital Assets	(233,746,684.25)	(157,730,196.48)
Mandatory Transfers to System for Capital Related Debt	(36,525,395.89)	(26,269,233.27)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(106,553,758.91)</u>	<u>(80,168,419.58)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	772,333.55	1,285,655.31
Proceeds from Interest and Investment Income Invested by System	24,690,571.67	30,902,465.13
Payments to Acquire Investments Invested by System	(5,848,829.85)	(17,426,688.88)
Net Cash Provided (Used) by Investing Activities	<u>19,614,075.37</u>	<u>14,761,431.56</u>
Net Increase (Decrease) in Cash	(42,793,677.60)	8,136,858.70
Cash and Cash Equivalents (Beginning of the Year)	216,364,909.57	208,228,050.87
Cash and Cash Equivalents (End of the Year)	<u>\$ 173,571,231.97</u>	<u>\$ 216,364,909.57</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(354,285,289.83)	(318,980,716.45)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	84,208,921.02	75,104,150.63
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(6,935,730.15)	(20,701,882.16)
Inventories	(1,596,217.33)	(1,069,169.47)
Loans and Contracts	770,085.02	(610,467.46)
Other Current and Noncurrent Assets	(1,555,604.64)	195,523.14
Accounts Payable	(26,864,074.28)	25,628,861.59
Due to System	479,288.67	1,316,108.98
Unearned Revenue	(9,625,157.68)	4,743,328.32
Assets Held for Others	660,450.57	695,198.16
Employees' Compensable Leave	361,488.26	161,783.99
Other Current and Noncurrent Liabilities	14,382.02	612,732.64
Total Adjustments	<u>39,917,831.48</u>	<u>86,076,168.36</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (314,367,458.35)</u>	<u>\$ (232,904,548.09)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(6,695,086.83)	50,198,370.18
Donated Capital Assets	87,972.65	-
Miscellaneous Noncash Transactions	(1,695,976.04)	63,498.81

The University of Texas Health Science Center at Houston  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 79,978,597.27	99,494,887.23
Restricted Cash & Cash Equivalents	11,903,620.51	13,098,346.57
Balance in State Appropriations	19,841,961.01	1,177,567.02
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	12,975,457.78	11,521,359.17
Other Intergov. (allow. \$876,247.08 in 2012 & \$0.00 in 2011)	8,483,176.74	11,517,106.64
Student (allow. \$397,866.77 in 2012 & \$467,248.88 in 2011)	13,785,308.35	13,254,230.80
Patient & Healthcare(allow. \$156,038,703.25 in 2012 & \$111,685,394.39 in 2011)	27,431,239.66	41,946,012.68
Interest and Dividend Receivables	948,428.16	906,688.90
Contributions (allow. \$184,377.98 in 2012 & \$252,426.78 in 2011)	7,605,026.65	10,296,937.46
Other (allow. \$0.00 in 2012 & \$350,551.90 in 2011)	24,340,043.73	5,272,363.29
Due From System Administration	4,620,723.58	25,981,197.07
Due From Other Agencies	4,413,721.96	3,391,449.04
Inventories	508,406.59	527,388.97
Loans & Contracts (allow. \$364,096.50 in 2012 & \$385,242.22 in 2011)	5,709,053.60	5,803,491.95
Other Current Assets	3,223,101.26	3,660,460.37
<b>Total Current Assets and Deferred Outflows</b>	<b>225,767,866.85</b>	<b>247,849,487.16</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	80,859,638.83	69,923,230.66
Loans & Contracts (allow. \$344,261.97 in 2012 & \$361,728.47 in 2011)	5,398,044.19	5,449,268.51
Funds Held by System Administration (Restricted)	202,397,879.77	192,254,867.20
Contributions Rec. (allow. \$164,432.52 in 2012 & \$278,039.38 in 2011)	6,707,494.99	11,341,721.54
Unrestricted Investments	316,967,584.80	296,616,046.69
Other Noncurrent Assets		99,763.53
Gross Capital/Intangible Assets	1,033,166,337.59	1,016,921,207.51
Accumulated Depreciation/Amortization	(400,598,629.30)	(388,193,643.61)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>1,244,898,350.87</b>	<b>1,204,412,462.03</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 1,470,666,217.72</b>	<b>1,452,261,949.19</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	42,529,284.31	54,813,009.96
Salaries Payable	21,867,420.83	18,033,056.11
Due To System Administration	4,911,159.26	4,619,515.51
Due To Other Institutions	26,825.00	498,599.03
Due To Other State Agencies	42,162.14	68,949.97
Statewide Interfund Payable		1,016,373.47
Unearned Revenue	42,071,525.03	42,464,454.73
Employees' Compensable Leave - Current Portion	23,511,207.08	21,842,674.11
Notes, Loans, and Leases Payable	4,410.00	2,390,962.91
Payable From Restricted Assets	2,591,129.55	2,073,775.32
Other Current Liabilities	10,996,778.45	11,801,713.78
<b>Total Current Liabilities and Deferred Inflows</b>	<b>148,551,901.65</b>	<b>159,623,084.90</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	14,212,222.24	13,910,372.85
Assets Held for Others	2,073,075.20	2,176,802.80
Liability to Beneficiaries	251,425.17	249,690.81
Notes, Loans, and Leases Payable		4,409.74
Statewide Interfund Payable		1,495,944.82
Other Noncurrent Liabilities	430,600.00	430,600.00
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>16,967,322.61</b>	<b>18,267,821.02</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>165,519,224.26</b>	<b>177,890,905.92</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	632,567,708.29	626,215,245.61
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	138,320,101.73	127,843,308.49
Expendable		
Capital Projects	4,326,105.96	22,567,753.76
Funds Functioning as Endowment (Restricted)	13,111,473.97	11,933,619.19
Other Expendable	145,390,443.88	151,607,929.80
Unrestricted Net Assets	371,431,159.63	334,203,186.42
<b>Total Net Assets</b>	<b>1,305,146,993.46</b>	<b>1,274,371,043.27</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 1,470,666,217.72</b>	<b>1,452,261,949.19</b>



The University of Texas Health Science Center at Houston  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 39,135,331.58	33,335,662.54
Discounts and Allowances	(1,456,608.31)	(1,227,379.97)
Federal Sponsored Programs	155,961,676.91	164,226,862.35
Federal Sponsored Programs Pass-Through from State Agencies	22,064,158.93	24,720,509.29
State Sponsored Programs Pass-Through from State Agencies	19,977,755.92	21,988,733.36
Local Sponsored Programs	240,251,532.62	213,048,939.91
Private Sponsored Programs	31,597,117.43	37,637,431.55
Sales and Services of Educational Activities	23,980,878.15	59,806,398.46
Sales and Services of Hospitals	123,041,124.96	93,143,159.06
Discounts and Allowances Sales and Services of Hospitals	(55,082,903.10)	(56,761,834.23)
Professional Fees (Patient Charges)	736,195,322.55	646,625,095.06
Discounts and Allowances Professional Fees (Patient Charges)	(571,547,689.04)	(496,309,183.42)
Auxiliary Enterprises	18,823,883.08	19,090,990.77
Other Operating Revenues	12,255,610.20	8,422,729.52
<b>Total Operating Revenues</b>	<b>795,197,191.88</b>	<b>767,748,114.25</b>
<b>Operating Expenses:</b>		
Instruction	382,170,556.08	377,034,875.03
Research	183,678,519.89	210,567,295.34
Public Service	29,999,811.71	31,046,282.81
Hospitals / Clinics	198,873,426.10	150,581,903.06
Academic Support	35,714,680.80	35,068,975.79
Student Services	6,843,782.03	6,471,511.43
Institutional Support	40,317,846.01	42,736,091.97
Operations and Maintenance of Plant	40,574,791.39	36,526,818.72
Scholarships and Fellowships	6,865,297.66	6,873,985.93
Auxiliary Enterprises	14,109,958.82	13,903,529.26
Depreciation and Amortization	47,946,784.73	51,631,398.73
<b>Total Operating Expenses</b>	<b>987,095,455.22</b>	<b>962,442,668.07</b>
<b>Operating Income (Loss)</b>	<b>(191,898,263.34)</b>	<b>(194,694,553.82)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	187,959,151.89	162,049,570.59
Federal Nonexchange Sponsored Programs	1,239,328.38	1,459,969.60
Federal Nonexchange Pass-Through		9,146,671.90
Gift Contributions for Operations	16,846,996.48	16,051,276.47
Investment Income	26,224,425.49	31,234,233.17
Net Increase (Decrease) in Fair Value of Investments	(1,922,042.04)	40,606,582.66
Gain (Loss) on Sale of Capital Assets	(1,877,652.39)	(459,632.98)
Other Nonoperating Revenues	583,385.00	4,704,092.17
Other Nonoperating (Expenses)	(24,445.26)	
<b>Net Nonoperating Revenues (Expenses)</b>	<b>229,029,147.55</b>	<b>264,792,763.58</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>37,130,884.21</b>	<b>70,098,209.76</b>
Gifts and Sponsored Programs for Capital Acquisitions	782,607.89	890,130.39
Additions to Permanent Endowments / Annuities	7,876,600.32	3,292,631.01
Reclass from/(to) Other Institutions	1,506,040.85	(1,784,309.06)
Transfers Between Institutions & System, Debt Service - Mandatory	(26,170,408.40)	(24,119,462.16)
Transfers Between Institutions & System Admin. - Non mandatory	15,155,727.05	12,016,233.60
Transfers From Other State Agencies	63,691.56	2,904,300.99
Transfers to Other State Agencies	(5,569,193.29)	(319,339.72)
<b>Change in Net Assets</b>	<b>30,775,950.19</b>	<b>62,978,394.81</b>
Beginning Net Assets	1,274,371,043.27	1,211,392,648.46
<b>Ending Net Assets</b>	<b>\$ 1,305,146,993.46</b>	<b>1,274,371,043.27</b>

The University of Texas Health Science Center at Houston  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	37,974,538.88	31,456,946.95
Proceeds from Patients and Customers	245,753,953.53	183,978,238.54
Proceeds from Sponsored Programs	470,661,469.92	468,183,023.52
Proceeds from Auxiliaries	19,085,553.27	19,143,153.54
Proceeds from Other Revenues	17,406,161.33	67,526,533.40
Payments to Suppliers	(267,270,512.00)	(256,115,555.33)
Payments to Employees	(668,812,270.13)	(641,475,424.93)
Payments for Loans Provided	(2,328,752.28)	(2,384,750.57)
Proceeds from Loan Programs	2,474,414.95	2,741,120.28
Net Cash Provided (Used) by Operating Activities	<u>(145,055,442.53)</u>	<u>(126,946,714.60)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	169,294,757.90	166,268,190.10
Proceeds from Operating Gifts	23,610,335.54	19,409,601.56
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	7,876,600.32	3,292,631.01
Proceeds from Other Nonoperating Revenues	111,610.97	498,599.03
Payments / Receipts for Transfers to / from System or Other Agencies	6,120,329.40	2,370,579.81
Payments for Other Uses	(74,508.51)	(459,649.39)
Proceeds from Nonexchange Sponsored Programs	1,354,246.38	10,429,593.50
Net Cash Provided by Noncapital Financing Activities	<u>208,293,372.00</u>	<u>201,809,545.62</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	29,423,988.74	69,840,597.56
Proceeds from Capital Appropriations, Grants, and Gifts	1,519,487.65	1,850,344.91
Proceeds from Sale of Capital Assets	264,721.72	318,491.81
Payments for Additions to Capital Assets	(69,088,673.15)	(83,236,201.94)
Payments of Principal on Capital Related Debt	(2,390,962.65)	(18,219.23)
Mandatory Transfers to System for Capital Related Debt	(26,170,408.40)	(24,119,462.16)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(66,441,846.09)</u>	<u>(35,364,449.05)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	687,184.86	2,163,369.62
Proceeds from Interest and Investment Income Invested by System	25,158,716.63	29,067,083.95
Payments to Acquire Investments Invested by System	(43,353,000.89)	(32,078,717.54)
Net Cash Provided (Used) by Investing Activities	<u>(17,507,099.40)</u>	<u>(848,263.97)</u>
Net Increase (Decrease) in Cash	(20,711,016.02)	38,650,118.00
Cash and Cash Equivalents (Beginning of the Year)	112,593,233.80	73,943,115.80
Cash and Cash Equivalents (End of the Year)	<u>\$ 91,882,217.78</u>	<u>\$ 112,593,233.80</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(191,898,263.34)	(194,694,553.82)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	47,946,784.73	51,631,398.73
Bad Debt Expense	-	190.00
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(4,815,426.06)	15,136,749.68
Inventories	18,982.38	608,685.77
Loans and Contracts	145,662.67	356,369.71
Other Current and Noncurrent Assets	537,122.64	(2,598,018.52)
Accounts Payable	2,049,260.97	12,585,450.96
Due to System	291,643.75	487,489.52
Unearned Revenue	(392,929.70)	(11,597,871.28)
Assets Held for Others	(103,727.60)	(77,638.63)
Employees' Compensable Leave	1,970,382.36	147,405.00
Other Current and Noncurrent Liabilities	(804,935.33)	1,067,628.28
Total Adjustments	<u>46,842,820.81</u>	<u>67,747,839.22</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (145,055,442.53)</u>	<u>\$ (126,946,714.60)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(1,922,042.04)	40,606,582.66
Miscellaneous Noncash Transactions	(7,079,030.06)	7,046,203.18

The University of Texas Health Science Center at San Antonio  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 104,579,864.74	82,383,043.56
Restricted Cash & Cash Equivalents	4,507,524.67	6,477,336.84
Balance in State Appropriations	11,729,667.84	12,675,827.03
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	18,889,248.52	22,752,329.40
Other Intergov. (allow. \$0.00 in 2012 & \$0.00 in 2011)	8,158,717.68	9,353,675.86
Student (allow. \$0.00 in 2012 & \$0.00 in 2011)	11,976,617.90	11,802,453.60
Patient & Healthcare(allow. \$58,628,496.52 in 2012 & \$59,766,256.02 in 2011)	16,793,147.03	17,575,145.06
Interest and Dividend Receivables	637,969.93	635,362.08
Contributions (allow. \$35,952.78 in 2012 & \$31,188.14 in 2011)	4,195,992.88	3,724,293.27
Other (allow. \$0.00 in 2012 & \$0.00 in 2011)	7,957,387.21	6,458,076.50
Due From System Administration	13,269,153.24	12,408,252.57
Due From Other Institutions	35,143.98	517,264.65
Due From Other Agencies	1,281,017.13	1,401,318.26
Inventories	1,742,708.52	1,919,411.86
Loans & Contracts (allow. \$73,863.73 in 2012 & \$40,702.42 in 2011)	970,884.88	1,071,385.60
Other Current Assets	376,437.13	245,596.59
<b>Total Current Assets and Deferred Outflows</b>	<b>207,101,483.28</b>	<b>191,400,772.73</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Cash and Cash Equivalents (Noncurrent Restricted)	(17,468,207.02)	
Restricted Investments	90,957,838.58	93,232,707.02
Loans & Contracts (allow. \$331,345.78 in 2012 & \$185,463.18 in 2011)	4,334,786.91	4,881,836.67
Funds Held by System Administration (Restricted)	413,964,299.04	413,510,596.80
Contributions Rec. (allow. \$36,165.59 in 2012 & \$45,515.30 in 2011)	3,580,394.00	4,506,014.93
Unrestricted Investments	164,946,129.25	153,076,630.43
Other Noncurrent Assets	8,906,512.15	11,148,761.30
Gross Capital/Intangible Assets	1,018,727,191.19	983,429,838.96
Accumulated Depreciation/Amortization	(448,417,984.25)	(404,333,650.04)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>1,239,530,959.85</b>	<b>1,259,452,736.07</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 1,446,632,443.13</b>	<b>1,450,853,508.80</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	16,651,080.44	16,153,752.33
Salaries Payable	24,847,061.17	23,748,657.53
Due To System Administration	4,678,991.18	4,496,455.15
Due To Other Institutions	1,084.31	
Due To Other State Agencies	2,361.62	
Unearned Revenue	45,470,521.91	44,646,687.83
Employees' Compensable Leave - Current Portion	21,853,331.64	20,958,090.80
Notes, Loans, and Leases Payable	1,235,985.94	1,185,799.93
Payable From Restricted Assets	3,062,099.51	11,705,612.04
Assets Held for Others	33,247.90	381,060.52
Other Current Liabilities	4,122,422.99	2,562,225.93
<b>Total Current Liabilities and Deferred Inflows</b>	<b>121,958,188.61</b>	<b>125,838,342.06</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	27,005,334.32	24,155,875.56
Assets Held for Others	405,494.40	54,713.54
Liability to Beneficiaries	716,555.90	754,737.56
Notes, Loans, and Leases Payable	5,851,888.99	7,071,389.99
Statewide Interfund Payable	7,159.87	
Other Noncurrent Liabilities	1,912,480.24	2,363,618.80
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>35,898,913.72</b>	<b>34,400,335.45</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>157,857,102.33</b>	<b>160,238,677.51</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	570,259,333.83	579,027,070.29
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	330,195,848.52	323,111,883.91
Expendable		
Capital Projects	(4,792,018.02)	1,194,181.77
Funds Functioning as Endowment (Restricted)	8,096,468.20	8,052,864.43
Other Expendable	180,249,007.22	191,242,551.25
Unrestricted Net Assets	204,766,701.05	187,986,279.64
<b>Total Net Assets</b>	<b>1,288,775,340.80</b>	<b>1,290,614,831.29</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 1,446,632,443.13</b>	<b>1,450,853,508.80</b>

The University of Texas Health Science Center at San Antonio  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 38,008,599.34	34,854,758.48
Discounts and Allowances	(5,159,417.32)	(4,320,819.02)
Federal Sponsored Programs	124,609,801.86	137,870,901.28
Federal Sponsored Programs Pass-Through from State Agencies	3,670,994.88	3,333,289.24
State Sponsored Programs Pass-Through from State Agencies	6,122,643.84	3,904,460.54
Local Sponsored Programs	119,582,838.55	115,051,094.53
Private Sponsored Programs	44,666,273.26	47,336,689.74
Sales and Services of Educational Activities	22,964,988.47	26,783,688.88
Professional Fees (Patient Charges)	467,949,979.39	438,807,190.15
Discounts and Allowances Professional Fees (Patient Charges)	(316,985,516.22)	(296,771,323.35)
Auxiliary Enterprises	5,258,109.56	4,638,493.76
Other Operating Revenues	13,270,985.14	6,925,373.96
<b>Total Operating Revenues</b>	<b>523,960,280.75</b>	<b>518,413,798.19</b>
<b>Operating Expenses:</b>		
Instruction	318,048,147.20	334,881,580.47
Research	130,225,232.01	140,407,880.48
Public Service	41,039,477.17	44,476,856.67
Hospitals / Clinics	81,103,518.94	50,459,521.96
Academic Support	30,145,617.16	26,923,469.74
Student Services	2,303,654.23	3,156,851.83
Institutional Support	41,988,244.12	36,130,446.07
Operations and Maintenance of Plant	31,219,261.15	26,677,285.19
Scholarships and Fellowships	2,778,626.54	1,608,436.78
Auxiliary Enterprises	5,929,610.09	4,768,007.21
Depreciation and Amortization	48,425,811.92	41,909,245.84
<b>Total Operating Expenses</b>	<b>733,207,200.53</b>	<b>711,399,582.24</b>
<b>Operating Income (Loss)</b>	<b>(209,246,919.78)</b>	<b>(192,985,784.05)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	166,643,968.11	173,077,778.56
Federal Nonexchange Sponsored Programs	1,090,460.00	1,133,405.00
Federal Nonexchange Pass-Through		5,849,372.77
Gift Contributions for Operations	13,754,506.23	11,628,273.91
Investment Income	29,459,139.55	31,532,446.52
Net Increase (Decrease) in Fair Value of Investments	(8,433,391.19)	52,461,382.72
Gain (Loss) on Sale of Capital Assets	(741,388.02)	(524,950.76)
Other Nonoperating (Expenses)	(81,596.41)	
<b>Net Nonoperating Revenues (Expenses)</b>	<b>201,691,698.27</b>	<b>275,157,708.72</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>(7,555,221.51)</b>	<b>82,171,924.67</b>
Gifts and Sponsored Programs for Capital Acquisitions	4,362,357.00	2,379,696.38
Additions to Permanent Endowments / Annuities	7,018,236.63	2,576,363.45
Reclass from/(to) Other Institutions	(12,355,656.33)	2,539,254.84
Transfers Between Institutions & System, Debt Service - Mandatory	(20,783,359.46)	(19,359,542.66)
Transfers Between Institutions & System Admin. - Non mandatory	27,697,467.59	10,068,799.33
Transfers From Other State Agencies		3,949.56
Transfers to Other State Agencies	(223,314.41)	(180,008.28)
<b>Change in Net Assets</b>	<b>(1,839,490.49)</b>	<b>80,200,437.29</b>
<b>Beginning Net Assets</b>	<b>1,290,614,831.29</b>	<b>1,210,414,394.00</b>
<b>Ending Net Assets</b>	<b>\$ 1,288,775,340.80</b>	<b>1,290,614,831.29</b>

The University of Texas Health Science Center at San Antonio  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	33,226,382.39	31,396,039.61
Proceeds from Patients and Customers	151,746,461.20	141,612,879.85
Proceeds from Sponsored Programs	301,743,244.89	304,751,843.80
Proceeds from Auxiliaries	5,288,261.00	4,652,989.95
Proceeds from Other Revenues	39,452,032.76	35,778,729.37
Payments to Suppliers	(182,524,542.28)	(161,135,130.26)
Payments to Employees	(498,748,876.45)	(504,152,502.61)
Payments for Loans Provided	(761,979.66)	(714,249.66)
Proceeds from Loan Programs	1,192,610.28	1,293,937.35
Net Cash Provided (Used) by Operating Activities	<u>(149,386,405.87)</u>	<u>(146,515,462.60)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	167,590,127.30	180,436,287.40
Proceeds from Operating Gifts	14,208,427.55	13,218,491.69
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	7,018,236.63	2,576,363.45
Payments / Receipts for Transfers to / from System or Other Agencies	2,995,819.30	363,751.79
Payments for Other Uses	(81,596.41)	-
Proceeds from Nonexchange Sponsored Programs	1,090,460.00	6,982,777.77
Net Cash Provided by Noncapital Financing Activities	<u>192,821,474.37</u>	<u>203,577,672.10</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	14,185,468.27	37,989,230.58
Proceeds from Capital Appropriations, Grants, and Gifts	4,847,191.29	(1,493,291.40)
Proceeds from Sale of Capital Assets	60,000.00	-
Payments for Additions to Capital Assets	(45,883,626.84)	(65,653,288.40)
Payments of Principal on Capital Related Debt	(1,169,314.99)	(1,144,643.51)
Mandatory Transfers to System for Capital Related Debt	(20,783,359.46)	(19,359,542.66)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(48,743,641.73)</u>	<u>(49,661,535.39)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	931,798.24	1,635,344.74
Proceeds from Interest and Investment Income Invested by System	25,617,300.79	29,736,889.61
Payments to Acquire Investments Invested by System	(18,481,723.81)	(30,795,988.23)
Net Cash Provided (Used) by Investing Activities	<u>8,067,375.22</u>	<u>576,246.12</u>
Net Increase (Decrease) in Cash	2,758,801.99	7,976,920.23
Cash and Cash Equivalents (Beginning of the Year)	88,860,380.40	80,883,460.17
Cash and Cash Equivalents (End of the Year)	<u>\$ 91,619,182.39</u>	<u>\$ 88,860,380.40</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(209,246,919.78)	(192,985,784.05)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	48,425,811.92	41,909,245.84
Bad Debt Expense	216,919.86	(198,850.86)
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	3,314,545.59	(7,090,280.69)
Inventories	176,703.34	(136,817.82)
Loans and Contracts	430,630.62	579,687.69
Other Current and Noncurrent Assets	2,111,408.61	2,475,306.37
Accounts Payable	(678,602.48)	1,943,145.10
Due to System	182,536.03	504,912.81
Unearned Revenue	823,834.08	6,218,740.66
Assets Held for Others	2,968.24	(40,768.88)
Employees' Compensable Leave	3,744,699.60	2,174,913.18
Other Current and Noncurrent Liabilities	1,109,058.50	(1,868,911.95)
Total Adjustments	<u>59,860,513.91</u>	<u>46,470,321.45</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (149,386,405.87)</u>	<u>\$ (146,515,462.60)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(8,433,391.19)	52,461,382.72
Donated Capital Assets	969,604.00	1,630,778.00
Capital Assets Acquired Under Capital Lease Purchases	-	96,444.60
Miscellaneous Noncash Transactions	(788,668.53)	(525,766.10)

The University of Texas M. D. Anderson Cancer Center  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 472,021,749.40	301,113,287.03
Restricted Cash & Cash Equivalents	54,520,848.41	57,516,284.13
Balance in State Appropriations	8,776,065.38	158,446.67
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	110,218,957.66	129,682,702.76
Patient & Healthcare(allow. \$586,662,747.48 in 2012 & \$501,027,222.60 in 2011)	459,437,702.57	402,973,509.80
Interest and Dividend Receivables	2,707,663.66	2,457,633.54
Contributions (allow. \$1,163,071.83 in 2012 & \$2,030,302.22 in 2011)	18,982,848.42	22,562,261.74
Other (allow. \$2,238,333.61 in 2012 & \$2,090,401.24 in 2011)	34,548,890.21	31,734,556.62
Due From System Administration	3,162,697.67	8,919,875.32
Due From Other Institutions	1,084.31	
Due From Other Agencies	346,382.12	75,615.03
Inventories	40,138,942.12	36,199,932.54
Other Current Assets	68,520,307.86	61,681,024.48
<b>Total Current Assets and Deferred Outflows</b>	<b>1,273,384,139.79</b>	<b>1,055,075,129.66</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	640,358,372.89	621,904,790.43
Funds Held by System Administration (Restricted)	523,868,718.65	516,597,963.95
Contributions Rec. (allow. \$2,559,672.89 in 2012 & \$3,334,688.25 in 2011)	41,850,574.63	47,243,070.49
Unrestricted Investments	1,382,616,227.81	1,262,351,941.74
Other Noncurrent Assets	2,041,542.41	1,206,700.82
Gross Capital/Intangible Assets	4,576,258,106.72	4,307,275,559.42
Accumulated Depreciation/Amortization	(1,917,520,947.11)	(1,656,513,402.30)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>5,249,472,596.00</b>	<b>5,100,066,624.55</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 6,522,856,735.79</b>	<b>6,155,141,754.21</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	141,575,528.26	178,140,858.76
Salaries Payable	142,217,080.43	133,577,724.59
Federal Payables	16,776,786.75	32,553,969.75
Other Intergovernmental Payables		44,161.49
Due To System Administration	16,851,231.43	15,294,467.22
Due To Other State Agencies	183,011.08	24,187.62
Unearned Revenue	112,584,369.52	109,087,854.31
Employees' Compensable Leave - Current Portion	128,068,517.15	122,406,176.44
Payable From Restricted Assets	7,551,514.29	4,941,577.02
Assets Held for Others	3,281,800.71	
Other Current Liabilities	44,644,551.68	35,624,462.53
<b>Total Current Liabilities and Deferred Inflows</b>	<b>613,734,391.30</b>	<b>631,695,439.73</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	30,378,921.67	28,630,314.71
Assets Held for Others	360,295,198.85	343,084,855.17
Liability to Beneficiaries	1,329,491.52	1,367,431.27
Other Noncurrent Liabilities	362,027.93	469,448.99
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>392,365,639.97</b>	<b>373,552,050.14</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>1,006,100,031.27</b>	<b>1,005,247,489.87</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	2,658,737,159.61	2,650,762,157.12
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	379,739,864.21	364,981,609.01
Expendable		
Capital Projects	107,248,585.58	38,110,388.22
Funds Functioning as Endowment (Restricted)	48,174,665.61	26,692,542.27
Other Expendable	409,613,104.28	408,935,378.05
Unrestricted Net Assets	1,913,243,325.23	1,660,412,189.67
<b>Total Net Assets</b>	<b>5,516,756,704.52</b>	<b>5,149,894,264.34</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 6,522,856,735.79</b>	<b>6,155,141,754.21</b>

The University of Texas M. D. Anderson Cancer Center  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Student Tuition and Fees	\$ 1,294,518.65	1,097,747.13
Discounts and Allowances	(11,890.21)	(4,258.50)
Federal Sponsored Programs	196,718,394.78	225,167,345.97
Federal Sponsored Programs Pass-Through from State Agencies	4,478,210.10	7,465,189.25
State Sponsored Programs Pass-Through from State Agencies	11,614,487.82	8,575,257.21
Private Sponsored Programs	129,204,958.29	107,989,345.42
Sales and Services of Educational Activities	2,108,047.73	1,692,861.75
Sales and Services of Hospitals	4,965,061,866.55	4,441,594,857.68
Discounts and Allowances Sales and Services of Hospitals	(2,363,689,501.41)	(2,049,649,139.67)
Professional Fees (Patient Charges)	1,179,070,769.07	1,102,414,532.10
Discounts and Allowances Professional Fees (Patient Charges)	(821,656,840.39)	(764,181,502.92)
Auxiliary Enterprises	36,957,473.49	33,232,457.44
Other Operating Revenues	52,760,454.52	50,168,380.54
<b>Total Operating Revenues</b>	<b>3,393,910,948.99</b>	<b>3,165,563,073.40</b>
<b>Operating Expenses:</b>		
Instruction	63,254,922.91	59,377,800.35
Research	546,836,560.11	520,582,209.08
Public Service	6,317,682.86	7,872,472.38
Hospitals / Clinics	1,880,230,560.01	1,704,851,239.02
Academic Support	93,228,237.74	85,048,733.29
Institutional Support	257,690,942.28	228,400,285.98
Operations and Maintenance of Plant	191,142,663.21	184,797,176.27
Scholarships and Fellowships	1,779,288.77	1,110,585.07
Auxiliary Enterprises	23,153,180.54	20,201,361.61
Depreciation and Amortization	269,302,664.34	242,664,065.41
<b>Total Operating Expenses</b>	<b>3,332,936,702.77</b>	<b>3,054,905,928.46</b>
<b>Operating Income (Loss)</b>	<b>60,974,246.22</b>	<b>110,657,144.94</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	170,383,018.62	168,730,376.42
Federal Nonexchange Sponsored Programs	597,317.24	395,116.59
Gift Contributions for Operations	83,842,211.17	87,046,018.05
Investment Income	96,574,877.16	62,964,272.37
Net Increase (Decrease) in Fair Value of Investments	(11,299,367.07)	187,326,635.23
Gain (Loss) on Sale of Capital Assets	1,660,288.59	(9,174,396.00)
Other Nonoperating Revenues	444,275.06	
Other Nonoperating (Expenses)	(281,783.52)	(1,633,428.35)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>341,920,837.25</b>	<b>495,654,594.31</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>402,895,083.47</b>	<b>606,311,739.25</b>
Gifts and Sponsored Programs for Capital Acquisitions	65,277,408.02	17,070,486.05
Additions to Permanent Endowments / Annuities	12,539,742.18	15,454,518.41
Reclass from/(to) Other Institutions	46,070.88	(4,938,128.09)
Transfers Between Institutions & System, Debt Service - Mandatory	(132,275,349.32)	(91,108,383.75)
Transfers Between Institutions & System Admin. - Non mandatory	13,228,800.56	39,414,244.94
Transfers From Other State Agencies	92,800,535.90	58,161,887.25
Transfers to Other State Agencies	(87,649,851.51)	(60,980,358.59)
<b>Change in Net Assets</b>	<b>366,862,440.18</b>	<b>579,386,005.47</b>
<b>Beginning Net Assets</b>	<b>5,149,894,264.34</b>	<b>4,570,508,258.87</b>
<b>Ending Net Assets</b>	<b>\$ 5,516,756,704.52</b>	<b>5,149,894,264.34</b>

The University of Texas M. D. Anderson Cancer Center  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Tuition and Fees	1,282,628.44	1,093,488.63
Proceeds from Patients and Customers	2,901,608,290.62	2,713,668,362.33
Proceeds from Sponsored Programs	360,309,304.38	274,200,909.08
Proceeds from Auxiliaries	36,939,363.11	33,141,515.90
Proceeds from Other Revenues	65,098,290.24	51,566,857.19
Payments to Suppliers	(1,183,393,792.02)	(1,044,293,557.09)
Payments to Employees	(1,914,034,093.27)	(1,796,174,003.86)
Net Cash Provided (Used) by Operating Activities	<u>267,809,991.50</u>	<u>233,203,572.18</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	161,765,399.91	168,778,042.05
Proceeds from Operating Gifts	93,113,751.19	107,467,614.00
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	12,539,742.18	15,454,518.41
Proceeds from Other Nonoperating Revenues	444,275.06	-
Payments / Receipts for Transfers to / from System or Other Agencies	8,193,699.27	4,973,079.52
Payments for Other Uses	(305,971.14)	(1,609,240.73)
Proceeds from Nonexchange Sponsored Programs	597,317.24	395,116.59
Net Cash Provided by Noncapital Financing Activities	<u>276,348,213.71</u>	<u>295,459,129.84</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	11,212,457.81	48,369,007.70
Proceeds from Capital Appropriations, Grants, and Gifts	65,277,408.02	17,070,486.05
Proceeds from Sale of Capital Assets	217,693.79	219,839.20
Payments for Additions to Capital Assets	(279,794,342.25)	(340,747,564.68)
Mandatory Transfers to System for Capital Related Debt	(132,275,349.32)	(91,108,383.75)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(335,362,131.95)</u>	<u>(366,196,615.48)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments	-	129,989,721.87
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	52,456,714.51	78,070,059.28
Proceeds from Interest and Investment Income Invested by System	53,752,309.24	50,521,162.40
Payments to Acquire Investments	(12,589,325.82)	(121,764,185.82)
Payments to Acquire Investments Invested by System	(134,502,744.54)	(68,329,207.97)
Net Cash Provided (Used) by Investing Activities	<u>(40,883,046.61)</u>	<u>68,487,549.76</u>
Net Increase (Decrease) in Cash	167,913,026.65	230,953,636.30
Cash and Cash Equivalents (Beginning of the Year)	358,629,571.16	127,675,934.86
Cash and Cash Equivalents (End of the Year)	<u>\$ 526,542,597.81</u>	<u>\$ 358,629,571.16</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	60,974,246.22	110,657,144.94
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	269,302,664.34	242,664,065.41
Changes in Assets and Liabilities:		
Accounts Receivable	(40,086,632.66)	(102,087,745.47)
Inventories	(3,939,009.58)	(5,635,104.42)
Other Current and Noncurrent Assets	(7,674,124.97)	(4,082,938.97)
Accounts Payable	(31,844,416.19)	(28,976,383.29)
Due to System	1,556,764.21	1,792,721.30
Unearned Revenue	3,196,884.37	6,792,563.16
Employees' Compensable Leave	7,410,947.67	10,123,293.62
Other Current and Noncurrent Liabilities	8,912,668.09	1,955,955.90
Total Adjustments	<u>206,835,745.28</u>	<u>122,546,427.24</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 267,809,991.50</u>	<u>\$ 233,203,572.18</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(11,299,367.07)	187,326,635.23
Miscellaneous Noncash Transactions	6,810,972.98	(11,992,867.34)



The University of Texas Health Science Center at Tyler  
 Exhibit A Balance Sheet  
 As of August 31, 2012

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>Current Assets and Deferred Outflows:</b>		
Cash & Cash Equivalents	\$ 14,050,887.12	9,840,079.85
Restricted Cash & Cash Equivalents	9,397,827.52	8,756,878.74
Balance in State Appropriations	4,127.67	
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2012 & \$0.00 in 2011)	4,120,502.74	2,140,759.57
Patient & Healthcare(allow. \$20,299,702.00 in 2012 & \$23,343,410.00 in 2011)	7,964,159.91	8,014,548.28
Contributions (allow. \$0.00 in 2012 & \$0.00 in 2011)	136,965.65	194,493.07
Other (allow. \$0.00 in 2012 & \$0.00 in 2011)	417,534.84	512,680.70
Due From Other Funds	208,751.90	155,640.80
Due From System Administration	429,387.92	3,063,440.71
Due From Other Agencies	508,225.69	447,810.13
Inventories	1,835,138.19	1,915,200.87
Other Current Assets	381,235.07	49,307.64
<b>Total Current Assets and Deferred Outflows</b>	<b>39,454,744.22</b>	<b>35,090,840.36</b>
<b>Noncurrent Assets and Deferred Outflows:</b>		
Restricted Investments	292,872.24	292,872.24
Funds Held by System Administration (Restricted)	40,568,656.94	41,299,817.46
Contributions Rec. (allow. \$0.00 in 2012 & \$0.00 in 2011)	196,636.63	134,176.59
Unrestricted Investments	22,703,466.35	22,747,643.68
Other Noncurrent Assets	349,652.85	106,484.49
Gross Capital/Intangible Assets	222,666,295.66	215,758,967.07
Accumulated Depreciation/Amortization	(111,169,516.08)	(104,372,982.52)
<b>Total Noncurrent Assets and Deferred Outflows</b>	<b>175,608,064.59</b>	<b>175,966,979.01</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 215,062,808.81</b>	<b>211,057,819.37</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
<b>Current Liabilities and Deferred Inflows:</b>		
Accounts Payable and Accrued Liabilities	6,086,096.08	9,228,982.43
Salaries Payable	2,645,110.92	2,321,316.61
Due To Other Funds	208,751.90	155,640.80
Due To System Administration	1,030,110.55	989,067.69
Due To Other State Agencies	994.16	
Unearned Revenue	1,411,974.04	1,591,146.53
Employees' Compensable Leave - Current Portion	1,929,136.14	2,130,707.48
Payable From Restricted Assets	425,287.08	373,454.49
<b>Total Current Liabilities and Deferred Inflows</b>	<b>13,737,460.87</b>	<b>16,790,316.03</b>
<b>Noncurrent Liabilities and Deferred Inflows:</b>		
Employees' Compensable Leave	1,511,927.45	899,275.43
Liability to Beneficiaries	66,792.57	66,461.66
Other Noncurrent Liabilities	252,983.61	106,484.49
<b>Total Noncurrent Liabilities and Deferred Inflows</b>	<b>1,831,703.63</b>	<b>1,072,221.58</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>15,569,164.50</b>	<b>17,862,537.61</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	111,496,779.58	111,385,984.55
Restricted for:		
Nonexpendable		
Permanent Health, True Endowments, and Annuities	32,478,817.32	32,454,977.30
Expendable		
Capital Projects	(1,103,400.65)	(1,878,964.51)
Funds Functioning as Endowment (Restricted)	730,786.03	745,241.62
Other Expendable	16,411,187.61	16,765,333.14
Unrestricted Net Assets	39,479,474.42	33,722,709.66
<b>Total Net Assets</b>	<b>199,493,644.31</b>	<b>193,195,281.76</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>\$ 215,062,808.81</b>	<b>211,057,819.37</b>

The University of Texas Health Science Center at Tyler  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended August 31, 2012

	Current Year Totals	Prior Year Totals
<b>Operating Revenues:</b>		
Federal Sponsored Programs	5,327,411.01	6,554,337.71
Federal Sponsored Programs Pass-Through from State Agencies	3,135,681.24	3,235,687.73
State Sponsored Programs Pass-Through from State Agencies	816,651.72	1,267,799.49
Private Sponsored Programs	3,882,574.76	3,464,898.45
Sales and Services of Educational Activities	1,665,671.35	1,325,998.28
Sales and Services of Hospitals	158,737,686.22	184,171,740.40
Discounts and Allowances Sales and Services of Hospitals	(113,340,900.05)	(135,013,687.98)
Professional Fees (Patient Charges)	32,586,091.15	32,488,457.20
Discounts and Allowances Professional Fees (Patient Charges)	(20,995,336.36)	(21,046,562.13)
Auxiliary Enterprises	148,228.44	225,360.10
Other Operating Revenues	1,087,933.05	589,412.88
<b>Total Operating Revenues</b>	<b>73,051,692.53</b>	<b>77,263,442.13</b>
<b>Operating Expenses:</b>		
Instruction	8,400,776.86	7,637,082.22
Research	10,325,037.68	10,982,462.64
Public Service	3,844.00	2,689.31
Hospitals / Clinics	72,956,993.32	70,968,556.51
Academic Support	1,125,580.80	901,873.67
Institutional Support	8,276,101.60	7,987,621.86
Operations and Maintenance of Plant	9,627,430.74	9,957,790.60
Scholarships and Fellowships	33,503.07	32,869.00
Auxiliary Enterprises	137,193.26	131,617.75
Depreciation and Amortization	8,848,101.39	7,094,530.34
<b>Total Operating Expenses</b>	<b>119,734,562.72</b>	<b>115,697,093.90</b>
<b>Operating Income (Loss)</b>	<b>(46,682,870.19)</b>	<b>(38,433,651.77)</b>
<b>Nonoperating Revenues (Expenses):</b>		
State Appropriations	45,837,246.86	36,947,634.66
Gift Contributions for Operations	880,291.57	483,410.06
Investment Income	3,986,372.44	4,100,411.22
Net Increase (Decrease) in Fair Value of Investments	(786,497.11)	5,321,455.76
Gain (Loss) on Sale of Capital Assets	(324,525.83)	(93,291.79)
Other Nonoperating Revenues	85,792.90	2,605.88
Other Nonoperating (Expenses)	(6,440.85)	(121,612.65)
<b>Net Nonoperating Revenues (Expenses)</b>	<b>49,672,239.98</b>	<b>46,640,613.14</b>
<b>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</b>	<b>2,989,369.79</b>	<b>8,206,961.37</b>
Gifts and Sponsored Programs for Capital Acquisitions	101,299.80	106,646.24
Additions to Permanent Endowments / Annuities		10,000.00
Reclass from/(to) Other Institutions	(19,019,369.37)	(677,478.64)
Transfers Between Institutions & System, Debt Service - Mandatory	(4,323,288.60)	(3,176,201.89)
Transfers Between Institutions & System Admin. - Non mandatory	26,550,350.93	9,920,175.85
Transfers From Other State Agencies	13,180,886.04	8,161,007.19
Transfers to Other State Agencies	(13,180,886.04)	(8,265,430.38)
<b>Change in Net Assets</b>	<b>6,298,362.55</b>	<b>14,285,679.74</b>
<b>Beginning Net Assets</b>	<b>193,195,281.76</b>	<b>178,909,602.02</b>
<b>Ending Net Assets</b>	<b>\$ 199,493,644.31</b>	<b>193,195,281.76</b>

The University of Texas Health Science Center at Tyler  
EXHIBIT C - STATEMENT OF CASH FLOWS  
For the Year Ended August 31, 2012

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
<b>Cash Flows from Operating Activities:</b>		
Proceeds from Patients and Customers	57,073,307.71	61,303,273.76
Proceeds from Sponsored Programs	11,007,661.15	13,672,260.45
Proceeds from Auxiliaries	148,316.44	225,272.10
Proceeds from Other Revenues	2,656,935.16	1,915,411.16
Payments to Suppliers	(36,818,285.79)	(38,596,458.90)
Payments to Employees	(72,793,845.78)	(70,225,920.29)
Net Cash Provided (Used) by Operating Activities	<u>(38,725,911.11)</u>	<u>(31,706,161.72)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Proceeds from State Appropriations	45,833,119.19	38,019,446.80
Proceeds from Operating Gifts	790,329.32	594,954.95
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	-	10,000.00
Proceeds from Other Nonoperating Revenues	85,792.90	2,605.88
Payments / Receipts for Transfers to / from System or Other Agencies	215,550.83	108,615.74
Payments for Other Uses	(6,440.85)	(121,612.65)
Net Cash Provided by Noncapital Financing Activities	<u>46,918,351.39</u>	<u>38,614,010.72</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Proceeds from Capital Debt Transferred from System (Nonmandatory)	9,953,411.68	25,765,116.42
Proceeds from Capital Appropriations, Grants, and Gifts	186,326.43	224,725.44
Proceeds from Sale of Capital Assets	105,950.00	16,919.76
Payments for Additions to Capital Assets	(13,234,699.67)	(27,304,288.38)
Mandatory Transfers to System for Capital Related Debt	(4,323,288.60)	(3,176,201.89)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(7,312,300.16)</u>	<u>(4,473,728.65)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	9,710.58	6,093.55
Proceeds from Interest and Investment Income Invested by System	3,973,064.61	4,092,811.43
Payments to Acquire Investments Invested by System	(11,159.26)	(28,505.32)
Net Cash Provided (Used) by Investing Activities	<u>3,971,615.93</u>	<u>4,070,399.66</u>
Net Increase (Decrease) in Cash	4,851,756.05	6,504,520.01
Cash and Cash Equivalents (Beginning of the Year)	18,596,958.59	12,092,438.58
Cash and Cash Equivalents (End of the Year)	<u>\$ 23,448,714.64</u>	<u>\$ 18,596,958.59</u>
<b>Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	(46,682,870.19)	(38,433,651.77)
<b>Adjustments to Reconcile Operating Results to Net Cash:</b>		
Depreciation and Amortization Expense	8,848,101.39	7,094,530.34
<b>Changes in Assets and Liabilities:</b>		
Accounts Receivable	(1,894,624.50)	395,190.71
Inventories	80,062.68	(89,840.57)
Other Current and Noncurrent Assets	(575,095.79)	9,538.18
Accounts Payable	1,079,065.13	(182,909.40)
Due to System	41,042.86	82,856.66
Unearned Revenue	(179,172.49)	(533,880.74)
Employees' Compensable Leave	411,080.68	(108,821.87)
Other Current and Noncurrent Liabilities	146,499.12	60,826.74
Total Adjustments	<u>7,956,959.08</u>	<u>6,727,490.05</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (38,725,911.11)</u>	<u>\$ (31,706,161.72)</u>
<b>Non Cash Transactions:</b>		
Net Increase (Decrease) in Fair Value of Investments	(786,497.11)	5,321,455.76
Donated Capital Assets	3.00	-
Miscellaneous Noncash Transactions	(324,525.83)	(197,714.98)

The University of Texas System  
 Schedule 2 -- Bonds Payable (Consolidated)  
 For the Year Ended August 31, 2012

2A: MISCELLANEOUS BOND INFORMATION

Description of Issue	Bonds Issued to Date	Range of Interest Rates	Scheduled Maturities		First Call Date
			First Year	Last Year	
<b>Revenue Bonds:</b>					
<b>Self Supporting:</b>					
PUF Refunding Bonds, 2004A	60,665,000.00	3.000-5.000%	2004	2016	07/01/14
PUF Bonds, 2004B	396,520,000.00	4.500-5.000%	2023	2033	07/01/14
PUF Refunding Bonds, 2005A	100,345,000.00	5.000-5.250%	2011	2019	07/01/15
PUF Bonds, 2005B	124,625,000.00	4.250-5.000%	2018	2035	07/01/15
PUF Refunding Bonds, 2006B	284,065,000.00	5.000-5.250%	2020	2035	N/A
PUF Bonds, 2006C	97,755,000.00	4.000-5.000%	2011	2035	07/01/17
PUF Bonds, 2008A	400,905,000.00	VAR	2011	2038	Optional
PUF Taxable Bonds, 2009A	250,000,000.00	5.262%	2011	2039	Make-Whole
RFS Refunding Bonds, 2001A	81,665,000.00	VAR	2013	2013	Optional
RFS Refunding Bonds, 2002A	54,430,000.00	2.000-5.250%	2003	2020	N/A
RFS Refunding Bonds, 2002B	108,855,000.00	2.000-5.250%	2003	2020	N/A
RFS Bonds, 2003A	112,040,000.00	3.000-5.375%	2004	2023	08/15/13
RFS Bonds, 2003B	481,060,000.00	2.000-5.375%	2004	2033	08/15/13
RFS Refunding Bonds, 2004A	137,915,000.00	2.000-5.250%	2004	2018	N/A
RFS Refunding Bonds, 2004B	300,330,000.00	4.500-5.250%	2007	2019	N/A
RFS Bonds, 2004C	218,610,000.00	4.000-5.250%	2005	2023	08/15/14
RFS Bonds, 2004D	352,170,000.00	3.000-5.250%	2006	2034	08/15/14
RFS Bonds, 2006A	20,315,000.00	4.000-4.500%	2007	2015	N/A
RFS Bonds, 2006B	540,570,000.00	4.000-5.000%	2007	2037	08/15/16
RFS Refunding Bonds, 2006C	175,115,000.00	3.500-5.000%	2008	2023	N/A
RFS Refunding Bonds, 2006D	346,840,000.00	4.000-5.000%	2007	2026	02/15/17
RFS Bonds, 2006E	55,985,000.00	3.500-5.000%	2008	2023	02/15/17
RFS Bonds, 2006F	318,525,000.00	4.000-5.000%	2008	2038	02/15/17
RFS Refunding Bonds, 2007B	345,460,000.00	VAR	2008	2034	Optional
RFS Bonds, 2008B	685,485,000.00	VAR	2009	2039	Optional
RFS Bonds, 2008A	256,735,000.00	3.250-5.250%	2010	2024	08/15/18
RFS Taxable Bonds, 2009B	330,545,000.00	6.276%	2026	2041	08/15/19
RFS Bonds, 2009D	260,005,000.00	2.000-5.000%	2010	2026	08/15/19
RFS Bonds, 2010A	331,415,000.00	3.000-5.000%	2012	2024	08/15/20
RFS Refunding Bonds, 2010B	385,380,000.00	1.500-5.375%	2010	2024	08/15/20
RFS Taxable Bonds, 2010C	604,310,000.00	3.225-4.794%	2018	2046	Make-Whole
RFS Taxable Bonds, 2010D	516,245,000.00	0.630-5.134%	2011	2042	Make-Whole
RFS Bonds, 2010E	39,785,000.00	2.000-5.000%	2012	2018	N/A
RFS Refunding Bonds, 2012A	195,850,000.00	2.000-5.000%	2013	2027	02/15/22
RFS Bonds, 2012B	238,135,000.00	2.000-5.000%	2013	2043	08/15/22
<b>TOTAL BONDS ISSUED</b>	<b>\$ 9,208,655,000.00</b>				

2B: CHANGES IN BONDED INDEBTEDNESS

Description of Issue	Bonds Outstanding 9/1/2011	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/2012	Principal Due Within One Year
<b>Revenue Bonds:</b>						
<b>Self Supporting:</b>						
PUF Refunding Bonds, 2004A	40,140,000.00	-	7,265,000.00	-	32,875,000.00	7,630,000.00
PUF Bonds, 2004B	223,535,000.00	-	-	-	223,535,000.00	-
PUF Refunding Bonds, 2005A	91,325,000.00	-	9,485,000.00	-	81,840,000.00	10,000,000.00
PUF Bonds, 2005B	72,720,000.00	-	-	-	72,720,000.00	-
PUF Refunding Bonds, 2006B	284,065,000.00	-	-	-	284,065,000.00	-
PUF Bonds, 2006C	96,220,000.00	-	1,605,000.00	-	94,615,000.00	1,625,000.00
PUF Bonds, 2008A	396,225,000.00	-	4,845,000.00	-	391,380,000.00	391,380,000.00
PUF Taxable Bonds, 2009A	250,000,000.00	-	-	-	250,000,000.00	-
RFS Refunding Bonds, 2001A	7,065,000.00	-	-	3,400,000.00	3,665,000.00	3,665,000.00
RFS Refunding Bonds, 2002A	41,465,000.00	-	5,600,000.00	-	35,865,000.00	5,895,000.00
RFS Refunding Bonds, 2002B	85,250,000.00	-	10,010,000.00	-	75,240,000.00	10,535,000.00
RFS Bonds, 2003A	15,610,000.00	-	4,940,000.00	5,470,000.00	5,200,000.00	5,200,000.00
RFS Bonds, 2003B	28,385,000.00	-	13,825,000.00	-	14,560,000.00	14,560,000.00
RFS Refunding Bonds, 2004A	104,795,000.00	-	13,170,000.00	-	91,625,000.00	13,860,000.00
RFS Refunding Bonds, 2004B	208,230,000.00	-	26,570,000.00	-	181,660,000.00	27,805,000.00
RFS Bonds, 2004C	76,675,000.00	-	8,930,000.00	48,520,000.00	19,225,000.00	9,370,000.00
RFS Bonds, 2004D	37,575,000.00	-	11,925,000.00	-	25,650,000.00	12,500,000.00
RFS Bonds, 2006A	8,580,000.00	-	2,530,000.00	-	6,050,000.00	2,630,000.00
RFS Bonds, 2006B	287,665,000.00	-	15,845,000.00	-	271,820,000.00	16,640,000.00
RFS Refunding Bonds, 2006C	173,525,000.00	-	430,000.00	-	173,095,000.00	450,000.00
RFS Refunding Bonds, 2006D	160,875,000.00	-	305,000.00	-	160,570,000.00	315,000.00
RFS Bonds, 2006E	47,225,000.00	-	2,440,000.00	-	44,785,000.00	2,870,000.00
RFS Bonds, 2006F	272,655,000.00	-	6,915,000.00	-	265,740,000.00	7,280,000.00
RFS Refunding Bonds, 2007B	334,775,000.00	-	1,075,000.00	-	333,700,000.00	333,700,000.00
RFS Bonds, 2008B	639,965,000.00	-	24,395,000.00	-	615,570,000.00	615,570,000.00
RFS Bonds, 2008A	228,055,000.00	-	15,215,000.00	-	212,840,000.00	15,845,000.00
RFS Taxable Bonds, 2009B	330,545,000.00	-	-	-	330,545,000.00	-
RFS Bonds, 2009D	246,610,000.00	-	11,955,000.00	-	234,655,000.00	12,430,000.00
RFS Bonds, 2010A	331,415,000.00	-	11,665,000.00	-	319,750,000.00	12,120,000.00
RFS Refunding Bonds, 2010B	382,470,000.00	-	335,000.00	-	382,135,000.00	340,000.00
RFS Taxable Bonds, 2010C	604,310,000.00	-	-	-	604,310,000.00	-
RFS Taxable Bonds, 2010D	514,175,000.00	-	3,875,000.00	-	510,300,000.00	12,640,000.00
RFS Bonds, 2010E	39,785,000.00	-	565,000.00	-	39,220,000.00	3,610,000.00
RFS Refunding Bonds, 2012A	-	195,850,000.00	-	-	195,850,000.00	2,585,000.00
RFS Bonds, 2012B	-	238,135,000.00	-	-	238,135,000.00	3,065,000.00
<b>TOTAL CHANGES IN BONDS</b>	<b>\$ 6,661,910,000.00</b>	<b>433,985,000.00</b>	<b>215,715,000.00</b>	<b>57,390,000.00</b>	<b>6,822,790,000.00</b>	<b>1,555,915,000.00</b>
				Amortization of Net Premiums		30,146,372.77
				Amortization of Net Losses		(10,011,690.07)
				<b>Total Due Within One Year</b>		<b>1,576,049,682.70</b>

The University of Texas System  
 Schedule 2 - Bonds Payable (Consolidated)  
 For the Year Ended August 31, 2012

2C: PROJECTED CASH PAYMENT DEBT SERVICE REQUIREMENTS (1)

Description of Issue	YEAR ENDING AUGUST 31,											Total Debt Service Requirements																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	2043-2047																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
Revenue Bonds:																	Self-Supporting:																	PUF Refunding Bonds, 2004A	7,830,000.00	8,005,000.00	8,410,000.00	8,830,000.00	8,830,000.00											32,875,000.00	Principal	1,543,750.00	1,262,250.00	862,000.00	441,500.00												4,209,500.00	Interest																	PUF Bonds, 2004B																	Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50
Self-Supporting:																	PUF Refunding Bonds, 2004A	7,830,000.00	8,005,000.00	8,410,000.00	8,830,000.00	8,830,000.00											32,875,000.00	Principal	1,543,750.00	1,262,250.00	862,000.00	441,500.00												4,209,500.00	Interest																	PUF Bonds, 2004B																	Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																	
PUF Refunding Bonds, 2004A	7,830,000.00	8,005,000.00	8,410,000.00	8,830,000.00	8,830,000.00											32,875,000.00	Principal	1,543,750.00	1,262,250.00	862,000.00	441,500.00												4,209,500.00	Interest																	PUF Bonds, 2004B																	Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																		
Principal	1,543,750.00	1,262,250.00	862,000.00	441,500.00												4,209,500.00	Interest																	PUF Bonds, 2004B																	Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																			
Interest																	PUF Bonds, 2004B																	Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																				
PUF Bonds, 2004B																	Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																					
Principal	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	10,144,262.50	50,721,312.50	64,846,000.00	83,880,000.00	44,800,000.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																						
Interest																	PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																							
PUF Refunding Bonds, 2005A	10,000,000.00	10,465,000.00	10,865,000.00	11,535,000.00	21,380,000.00	17,475,000.00	21,380,000.00	21,380,000.00	27,109,350.00	46,560,000.00						223,535,000.00	Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																								
Principal	4,092,000.00	3,592,000.00	3,068,750.00	2,518,500.00	1,942,750.00	1,025,000.00										174,462,812.50	Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																									
Interest																	PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																										
PUF Bonds, 2005B																	Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																											
Principal	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	3,422,325.00	28,480,000.00	11,057,500.00	11,057,500.00	11,057,500.00	44,230,000.00						72,720,000.00	Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																												
Interest																	PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																													
PUF Refunding Bonds, 2006B																	Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																														
Principal	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	14,851,562.50	13,139,150.00	56,405,000.00	104,045,000.00	46,560,000.00	5,555,750.00						57,921,525.00	Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																															
Interest																	PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																
PUF Bonds, 2006C	1,825,000.00	1,745,000.00	1,835,000.00	1,825,000.00	1,825,000.00	70,419,862.50	47,127,412.50	23,332,837.50	6,142,237.50	6,142,237.50						284,065,000.00	Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																	
Principal	4,459,686.26	4,378,436.26	4,281,186.26	4,199,436.26	4,103,686.26	11,080,000.00	21,565,000.00	30,875,000.00	22,180,000.00	2,136,825.00						84,615,000.00	Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																		
Interest																	PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																			
PUF Bonds, 2008A (1)																	Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																				
Principal	391,380,000.00					18,959,591.30	15,418,428.78	9,223,125.00	2,136,825.00							67,171,901.38	Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																					
Interest	10,100.00																PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																						
PUF Taxable Bonds, 2009A																	Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																							
Principal	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	65,775,000.00	65,775,000.00	111,376,000.00	138,822,000.00						280,000,000.00	Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																								
Interest																	RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																									
RFS Refunding Bonds, 2001A (1)																	Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																										
Principal	3,665,000.00															3,665,000.00	Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Interest	105.00															105.00	RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
RFS Refunding Bonds, 2002A																	Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
Principal	5,895,000.00	6,205,000.00	6,530,000.00	6,875,000.00	350,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00	10,010,000.00						35,895,000.00	Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
Interest	1,862,912.50	1,573,425.00	1,247,662.50	904,837.50	543,900.00	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50	1,116,412.50						7,269,150.00	RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
RFS Refunding Bonds, 2002B																	Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
Principal	10,535,000.00	11,090,000.00	11,070,000.00	12,280,000.00	12,925,000.00	16,740,000.00	12,925,000.00	16,740,000.00	16,740,000.00	16,740,000.00						75,240,000.00	Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
Interest	3,950,100.00	3,397,012.50	2,814,787.50	2,202,112.50	1,557,412.50	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00	1,809,150.00						15,730,575.00	RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
RFS Bonds, 2003A																	Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
Principal	5,200,000.00															5,200,000.00	Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
Interest	273,000.00															273,000.00	RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
RFS Bonds, 2003B																	Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
Principal	14,560,000.00															14,560,000.00	Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
Interest	764,400.00															764,400.00	RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
RFS Refunding Bonds, 2004A																	Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Principal	13,860,000.00	14,160,000.00	15,355,000.00	16,170,000.00	20,485,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00	11,565,000.00						81,625,000.00	Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
Interest	4,810,312.50	4,082,662.50	3,339,262.50	2,533,125.00	1,684,200.00	608,212.50	608,212.50	608,212.50	608,212.50	608,212.50						17,057,775.00	RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
RFS Refunding Bonds, 2004B																	Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Principal	27,805,000.00	27,815,000.00	29,865,000.00	30,590,000.00	17,035,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00	49,550,000.00						181,680,000.00	Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
Interest	8,537,150.00	6,077,387.50	6,827,600.00	5,101,887.50	3,485,712.50	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00	3,562,880.00						36,431,387.50	RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
RFS Bonds, 2004C																	Principal	9,370,000.00	9,855,000.00														9,370,000.00	Interest	1,008,312.50	517,387.50														1,526,700.00	RFS Bonds, 2004D																	Principal	12,500,000.00	13,150,000.00														12,500,000.00	Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
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Interest	1,324,925.00	678,300.00														2,003,225.00	RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
RFS Bonds, 2006A																	Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
Principal	2,830,000.00	2,320,000.00	900,000.00													2,830,000.00	Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
Interest	250,625.00	139,050.00	38,250.00													428,925.00	RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
RFS Bonds, 2006B																	Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
Principal	18,640,000.00	17,450,000.00	18,365,000.00	19,200,000.00	19,200,000.00	48,998,625.00	60,900,000.00	60,900,000.00	60,900,000.00	60,900,000.00						271,850,000.00	Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Interest	13,478,850.00	12,874,850.00	11,818,850.00	10,928,912.50	9,899,325.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00	48,998,625.00						187,078,462.50	RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
RFS Refunding Bonds, 2006C																	Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Principal	450,000.00	480,000.00	18,105,000.00	18,900,000.00	24,155,000.00	110,165,000.00	4,810,000.00	4,810,000.00	4,810,000.00	4,810,000.00						173,095,000.00	Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Interest	8,641,962.50	8,825,850.00	8,608,250.00	7,803,000.00	6,958,000.00	17,948,500.00	240,500.00	240,500.00	240,500.00	240,500.00						58,865,862.50	RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
RFS Refunding Bonds, 2006D																	Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
Principal	315,000.00	12,295,000.00	28,850,000.00	27,420,000.00	2,790,000.00	32,045,000.00	59,065,000.00	59,065,000.00	59,065,000.00	59,065,000.00						180,570,000.00	Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
Interest	7,420,387.50	7,407,787.50	8,857,487.50	5,558,987.50	4,251,387.50	17,778,187.50	6,720,712.50	6,720,712.50	6,720,712.50	6,720,712.50						54,963,137.50																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																



The University of Texas System  
 Schedule 2 – Bonds Payable (Consolidated)  
 For the Year Ended August 31, 2012  
 2D: ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE

## Revenue Bonds

Description of Issue	Pledged Revenues			Total Pledged Sources for Debt Service <sup>(4)</sup>
	Operating Revenues	Investment Interest Earned	Other Pledged Revenues	
<b>Self Supporting:</b>				
<b>Permanent University Fund</b>				
Pledged Revenues <sup>(1)</sup>	\$	4,615,494.99	402,841,318.20	407,456,813.19
PUF Refunding Bonds, 2004A				
PUF Bonds, 2004B				
PUF Refunding Bonds, 2005A				
PUF Bonds, 2005B				
PUF Refunding Bonds, 2006B				
PUF Bonds, 2006C				
PUF Bonds, 2008A				
PUF Taxable Bonds, 2009A				
<b>Revenue Financing System</b>				
Pledged Revenues <sup>(2)</sup>	7,037,451,305.00	310,171,820.43	49,046,508.95	7,396,669,634.38
RFS Refunding Bonds, 2001A				
RFS Refunding Bonds, 2002A				
RFS Refunding Bonds, 2002B				
RFS Bonds, 2003A				
RFS Bonds, 2003B				
RFS Refunding Bonds, 2004A				
RFS Refunding Bonds, 2004B				
RFS Bonds, 2004C				
RFS Bonds, 2004D				
RFS Bonds, 2006A				
RFS Bonds, 2006B				
RFS Refunding Bonds, 2006C				
RFS Refunding Bonds, 2006D				
RFS Bonds, 2006E				
RFS Bonds, 2006F				
RFS Refunding Bonds, 2007B				
RFS Bonds, 2008B				
RFS Bonds, 2008A				
RFS Taxable Bonds, 2009B				
RFS Bonds, 2009D				
RFS Bonds, 2010A				
RFS Refunding Bonds, 2010B				
RFS Taxable Bonds, 2010C				
RFS Taxable Bonds, 2010D				
RFS Bonds, 2010E				
RFS Refunding Bonds, 2012A				
RFS Bonds, 2012B				
<b>Total Revenue Bonds</b>	<b>\$</b>	<b>7,037,451,305.00</b>	<b>451,887,827.15</b>	<b>7,804,126,447.57</b>

<sup>(1)</sup> Revenues also pledged to Permanent University Fund Flexible Rate Notes, Series A on a subordinate lien basis.

<sup>(2)</sup> Revenues also pledged to Revenue Financing System Commercial Paper Notes, Series A and Revenue Financing System Taxable Commercial Paper Notes, Series B on an equal and ratable basis.

<sup>(3)</sup> As required by the Texas State Comptroller's Financial Reporting Requirements, interest expense for Fiscal Year 2012 is presented on a cash basis and therefore the data does not agree with information presented in the Statement of Revenues, Expenses and Change in Net Assets, nor the Notes of the financials, which are prepared on the accrual basis of accounting. The effect of this difference is a \$1,321,859.30 net increase in the interest expense reported above.

<sup>(4)</sup> The related operating expenditures against these gross pledged revenues were \$7,597,656,867.87.

Debt Service		Refunded or Extinguished	Interest & Sinking Fund		Bond Reserve Fund	
Principal	Interest <sup>(3)</sup>		Minimum	Actual	Minimum	Actual
7,265,000.00	2,007,000.00	-	N/A		N/A	N/A
-	10,144,262.50	-	N/A		N/A	N/A
9,485,000.00	4,566,250.00	-	N/A		N/A	N/A
-	3,422,325.00	-	N/A		N/A	N/A
-	14,719,959.94	-	N/A		N/A	N/A
1,605,000.00	4,523,886.26	-	N/A		N/A	N/A
4,845,000.00	13,923,797.75	-	N/A		N/A	N/A
-	13,155,000.00	-	N/A		N/A	N/A
-	317,536.68	3,400,000.00	N/A		N/A	N/A
5,600,000.00	2,176,912.50	-	N/A		N/A	N/A
10,010,000.00	4,475,625.00	-	N/A		N/A	N/A
4,940,000.00	679,356.25	5,470,000.00	N/A		N/A	N/A
13,825,000.00	1,490,212.50	-	N/A		N/A	N/A
13,170,000.00	5,501,737.50	-	N/A		N/A	N/A
26,570,000.00	10,932,075.00	-	N/A		N/A	N/A
8,930,000.00	2,668,812.50	48,520,000.00	N/A		N/A	N/A
11,925,000.00	1,910,000.00	-	N/A		N/A	N/A
2,530,000.00	352,025.00	-	N/A		N/A	N/A
15,845,000.00	14,269,100.00	-	N/A		N/A	N/A
430,000.00	8,657,012.50	-	N/A		N/A	N/A
305,000.00	7,432,587.50	-	N/A		N/A	N/A
2,440,000.00	2,197,190.00	-	N/A		N/A	N/A
6,915,000.00	12,869,200.00	-	N/A		N/A	N/A
1,075,000.00	12,516,178.82	-	N/A		N/A	N/A
24,395,000.00	22,607,091.26	-	N/A		N/A	N/A
15,215,000.00	11,281,418.76	-	N/A		N/A	N/A
-	20,745,004.20	-	N/A		N/A	N/A
11,955,000.00	11,188,093.76	-	N/A		N/A	N/A
11,665,000.00	15,735,100.00	-	N/A		N/A	N/A
335,000.00	18,282,200.00	-	N/A		N/A	N/A
-	27,379,517.70	-	N/A		N/A	N/A
3,875,000.00	23,684,391.45	-	N/A		N/A	N/A
565,000.00	1,538,700.00	-	N/A		N/A	N/A
-	4,183,571.67	-	N/A		N/A	N/A
-	4,708,660.00	-	N/A		N/A	N/A
<u>215,715,000.00</u>	<u>316,241,792.00</u>	<u>57,390,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



THE UNIVERSITY OF TEXAS SYSTEM  
 Schedule 2 -- Bonds Payable (Consolidated)  
 For the Year Ended August 31, 2012

**2E: DEFEASED BONDS OUTSTANDING**

The Balance Sheet at August 31, 2012 does not include \$1,496,163,000 of bonds payable which were fully defeased during fiscal years 1991, 2000, 2004, 2007, 2008, 2010, and 2012. Direct obligations of the United States of America and noncallable obligations of an agency or instrumentality of the United States of America, including obligations unconditionally guaranteed by the United States of America, rated not less than AAA or its equivalent, in amounts, maturities, and bearing interest at rates sufficient to provide funds to pay in full the principal of, redemption premium, if any, and interest on the defeased bonds are being held by various escrow agents. Shown below is a listing of the defeased bonds outstanding at August 31, 2012.

<u>Description of Issue</u>	<u>Year Refunded/ Defeased</u>	<u>Par Value Outstanding</u>
<b>Permanent University Fund Bonds</b>		
Refunding Series 1992A	2000	\$ 20,960,000
Series 1997	2004	19,525,000
Series 2004B	2007	172,985,000
Series 2005B	2007	51,905,000
		<u>265,375,000</u>
<b>General Revenue Bonds</b>		
Pan American, Aux. Enterprise Rev. Bonds, Series 1968-C	1991	553,000
		<u>553,000</u>
<b>Revenue Financing System Bonds</b>		
Series 1998A	2007	3,605,000
Series 2003A	2007	64,295,000
Series 2003B	2007	193,490,000
Series 2004C	2007	94,770,000
Series 2004D	2007	107,520,000
Series 2003B	2008	169,015,000
Series 2004D	2008	149,860,000
Series 2006B	2010	192,185,000
Series 2006D	2010	178,375,000
Series 2006F	2010	23,130,000
Series 2003A	2012	5,470,000
Series 2004C	2012	48,520,000
		<u>1,230,235,000</u>
<b>Total Defeased Bonds Outstanding</b>		<b>\$ <u>1,496,163,000</u></b>

The University of Texas System  
 Schedule 2 -- Bonds Payable (Consolidated)  
 For the Year Ended August 31, 2012

2F: EARLY EXTINGUISHMENT AND REFUNDING

Description of Debt Extinguished/Refunded	Description of Newly Issued Debt	Category	Amount Extinguished or Refunded	For Refunding Only		
				Refunding Issue Par Value	Cash Flow Increase (Decrease)	Economic Gain (Loss)
RFS Bonds, Series 2003A	RFS Refunding Bonds, Series 2012A	Advance Refunding	5,470,000.00	5,400,000.00	277,904.68	230,103.20
RFS Bonds, Series 2004C	RFS Refunding Bonds, Series 2012A	Advance Refunding	48,520,000.00	42,065,000.00	11,752,459.44	9,314,665.92
RFS Refunding Bonds, Series 2001A	N/A	Early Extinguishment	3,400,000.00	N/A	N/A	N/A
TOTAL BONDS			57,390,000.00	47,465,000.00	12,030,364.12	9,544,769.12
RFS Commercial Paper Notes, Series A	RFS Refunding Bonds, Series 2012A	Current Refunding	186,296,000.00	148,385,000.00	N/A	N/A
RFS Commercial Paper Notes, Series A	RFS Bonds, Series 2012B	Current Refunding	96,542,000.00	81,910,000.00	N/A	N/A
TOTAL OTHER			282,838,000.00	230,295,000.00	0.00	0.00
TOTAL			\$ 340,228,000.00	277,760,000.00	12,030,364.12	9,544,769.12



The test and the use of man's  
education is that he finds  
pleasure in the exercise of his  
mind.

-- Jacques Martin Barzun

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